



Proactive Release

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

Cyclone Recovery: Proposed Triage, Direction, and Analysis Process for Funding Proposals

The following documents have been included in this release:

Title of paper: Cyclone Recovery: Proposed Triage, Direction, and Analysis Process for Funding Proposals (EWR-23-SUB-0049 refers)

Title of minute: Cyclone Recovery: Proposed Triage, Direction, and Analysis Process for Funding Proposals (EWR-23-MIN-0049 refers)

Title of minute: Report of the Cabinet Extreme Weather Recovery Committee: Period Ended 23 June 2023 (CAB-23-MIN-0256 refers)

Office of the Minister for Cyclone Recovery

Office of the Minister of Finance

Cabinet Extreme Weather Recovery Committee

Cyclone Recovery – Proposed triage, direction, and analysis process for funding proposals

Proposal

- 1 This paper:
 - 1.1 sets out a process for managing North Island Weather Event related external funding requests centred on Regional Recovery Plans but able to be applied to other funding proposals to ensure consistent, fair, and transparent funding decisions; and
 - 1.2 notes proposed next steps, focusing on:
 - 1.2.1 drafting the terms of reference to stand up the process and functions; and
 - 1.2.2 developing an advice, assurance, and reporting mechanism.

Relation to government priorities

- 2 This paper concerns the Government's ongoing recovery response to this year's North Island Weather Events.

Executive Summary

- 3 Following the severe North Island Weather Events (NIWE) the affected regions are preparing Regional Recovery Plans to outline the key components of their recovery. It is expected that most regions will also include funding needed to give effect to their plans. Additionally, we will be receiving (or have received) sectoral proposals (including horticulture, viticulture, pastoral), Iwi/Māori proposals, and proposals related to central government processes, such as the future of severely affected locations (FOSAL). Some of the components of these sources may also be included in the Regional Recovery Plans.

- 4 I am proposing a process is established immediately to assess and prioritise the requests for funding coming in through these Regional Recovery Plans, and other mechanisms. The process needs to ensure we are making consistent, fair, and transparent funding decisions. I want the process to operate at pace, particularly as it seems likely further information on prioritising, sequencing of actions, costs, and implementability within the timeframes being proposed, will be needed and may take some time to receive. Three Regional Recovery Plans have been received and I expect to receive the majority of the remainder by the end of June.

- 5 The Cyclone Recovery Unit (CRU) will run an inter-agency triage, analysis and direction process to provide advice on cyclone related funding proposals. The Triage Panel will:
 - 5.1 consider the information provided;
 - 5.2 request additional information;
 - 5.3 undertake a comprehensive analysis exercise against key considerations (such as prioritising and sequencing, implementation plans and issues, interdependencies, and delivery on Iwi/Māori needs and aspirations); and
 - 5.4 direct the proposals towards the appropriate funding decision-maker.
- 6 A sub-group of the Chief Executives Board will be established, comprising funding agency Chief Executives plus Te Arawhiti and the Treasury, to consider whether funding proposals not currently eligible for existing funding sources should be progressed, and if they are recommended to progress, allocate agency ownership and identify possible funding sources.
- 7 An inter-agency Working Group will be established by the CRU this month which will assist agencies to provide decision-makers with strategic advice on key enablers and dependencies and the totality of the government response to proposals. The CRU will also provide joined-up reporting on the overall recovery funding system to the Chief Executives Board and Ministers, including analysis of themes and projections of future use of the funds.

Background

- 8 Cyclone Gabrielle caused severe flooding in the northern and eastern parts of the North Island from 12-16 February 2023, compounding damage from the Auckland Anniversary floods on 27 January 2023 (in combination referred to as the “North Island Weather Events” or NIWE).
- 9 The Government has funded a broad array of activity and policies to support communities and businesses in both the immediate response phase, and as the recovery process commences.
- 10 Regional Recovery Plans are one of the key mechanisms of the locally led approach. I am proposing a process to assess and prioritise the requests for funding coming in through these Regional Recovery Plans, that is also able to be applied to all funding proposals received through other mechanisms.
- 11 You have previously received advice on a proposed policy framework and approach to providing central government funding support for property owners in severely affected locations within the context of a locally led recovery [EWR-23-MIN-0044 refers]. Cabinet agreed:
 - 11.1 that the Crown should support a locally led recovery with funding support as its primary lever; and

- 11.2 that central government's funding support be based on a twin, locally led pathway policy approach for Category 2 (area-level comprehensive assessment) and Category 3 (faster to enable relocation, and with a focus on residential properties), be adopted.
- 12 Cabinet also noted that there are existing mechanisms for local government to seek central government contributions to the cost of repairs and reducing natural hazard risk in response to the 2023 Auckland flood and Cyclone Gabrielle events.

Funding the recovery is a shared responsibility,

- 13 Recovery funding must balance a range of objectives, including responding to genuine community need, supporting a market-led recovery, and ensuring value for money from Crown spending. We also seek to incentivise agencies to meet costs from within baselines to reduce capacity constraints in the economy and pressure on Budget 2024 allowances.

Central government funding

- 14 The CRU has worked with agencies to identify all sources of relevant funding, the mechanisms by which that funding can be accessed, and the various constraints and purposes of that funding.
- 15 Broadly speaking, there are three types of funding that can be considered:
- 15.1 pre-existing funding sources – agency baselines and other existing funding (including permanent legislative authorities) that can be utilised for response activities
 - 15.2 new initiatives and funds established to support the response and recovery through Budget 2023 such as the National Resilience Plan (NRP) or the \$100 million Flood Resilience Fund; and
 - 15.3 centrally held funding - the Between Budget Contingency (BBC), the Multi-Year Capital Allowance (MYCA), and Budget 2024.
- 16 The proposed triage process and CRU/agency functions detailed below do not propose to amend established funding mechanisms that will have existing criteria and processes, including reporting mechanisms. Where possible the process proposed in this paper will identify and align these existing elements.
- 17 For funding proposals that are not eligible for these funding sources, the process described in this paper aims to provide a mechanism to identify high-quality proposals where there is rationale for central government consideration. These proposals will be directed to policy agencies to consider as part of BAU work and future budget processes.

The National Resilience Plan and FOSAL

- 18 At Budget 2023, the Government established the National Resilience Plan and set aside \$6 billion in a tagged contingency for future NRP investments.

As signalled in Budget 2023 the NRP is anticipated to fund infrastructure resilience investments relating to road, rail, local government, telecommunications, and transmission investment with a likely focus in the short term on the recovery from the Cyclone.

- 19 Officials from the Treasury are working directly with agencies to identify possible NRP candidate investments (including the CRU). Therefore, for infrastructure costs that fall within the scope outlined above, the NRP may be a viable funding source.
- 20 I will provide Cabinet with an update on the NRP including the scope, criteria and possible NRP investments before the end of August.
- 21 I have also agreed to establish a \$500 million appropriation to fund the Crown's costs in relation to FOSAL.

Relationship with other papers being considered by EWR on 21 June

- 22 Relevant papers also being considered by EWR on 21 June are:
 - 22.1 Options to support severely affected businesses; and
 - 22.2 Options to support the financial sector to support affected businesses.
- 23 The Social Sector Recovery Plan is also being considered by EWR on 28 June, which establishes a cross-agency Social Sector Recovery Funders' Forum to enable coordination on the funding of the social aspects of regional recovery plans.
- 24 Finally, the Transport Sector - Rebuild options, funding requirements, and proposed oversight arrangements to support decision making and monitor any Crown-funded projects paper is also being considered by EWR in late July.
- 25 The funding approaches or policy decisions contained in those papers will be incorporated into the process set out in this paper, as any funding available as a result of these initiatives will be accessed through the triage and direction process proposed in this paper. Note paragraph 32 below discusses in more detail how this may work.

Principles to guide funding decision-making processes

- 26 The following are key design principles for the development of the triage process and functions:
 - 26.1 Providing a 'no wrong door' approach to requests from affected parties. This means the CRU will lead the triage of requests that come to the centre and agencies will keep the CRU informed of requests they receive directly. Agencies will also ensure affected parties aren't asked by multiple agencies to provide further information to support their requests.

- 26.2 Ensuring decisions are as **consistent, equitable** and cognisant of the **living standard framework and approach to well-being** as possible across regions and time, and funding is relative to impact. In being equitable, decisions should consider whether they will further disadvantage those already experiencing disadvantage including Māori.
- 25.1 Ensuring **decisions are made in a responsive and joined up way, cognisant of implementability**, in an environment where there might be little certainty about what funding is available and the proposals that will be submitted for consideration.
- 25.2 Providing **transparency over what funding decisions have been made**, and the information those decisions were based on, while also providing transparent **forward planning information** to give those reliant upon those decisions greater certainty of planning.

Process for decision-making: initial triage, direction, and analysis

- 27 I am proposing the CRU takes a lead role in instigating and administering a triage approach to consider funding proposals in a transparent and joined up way, providing advice on the totality of those proposals, and directing proposals to the appropriate pathway. This will be an inter-agency effort, through the establishment of an inter-agency Triage Panel and Working Group¹.

Proposals will come in form a range of sources...

- 28 The CRU will receive funding proposals to arise from a variety of sources over the coming months. For example, we have already received, or can expect requests, from at least the following sources:
 - 28.1 Regional Recovery Plans from local government);
 - 28.2 sectoral proposals (including horticulture, viticulture, pastoral);
 - 28.3 Iwi/Māori proposals; and
 - 28.4 proposals related to central government processes, such as the future of severely affected locations (FOSAL).
- 29 I expect very few if any proposals to be outside these groups. I do not want to incentivise individuals submitting ad hoc funding proposals, nor do I propose we solicit new funding proposals beyond the Regional Recovery Plans already requested. It is also important that the focus of this process is purely on responding to the NIWE. Therefore, funding proposals that are out of scope of this process include:

¹ I anticipate membership of the Triage Panel will be sourced in the first instance from the agencies represented in the Cyclone Recovery Chief Executive Board including a member from Te Arawhiti to ensure Māori needs and aspirations are considered in all funding decisions. The membership of the Working Group will be more representational of the broader public sector, including population ministries with wider public sector perspectives. This will be finalised in the Terms of Reference, to be drafted.

- 29.1 those that do not address recovery from the NIWE² (I recognise that wider aspirations and resilience matters will also apply, but the nexus of all proposals has to be the NIWE); or
 - 29.2 those that do not pertain predominantly to a NIWE affected area³ (this includes other areas where land, infrastructure, other property, resources, or services are required to support the implementation or delivery of proposals within an affected area); or
 - 29.3 unsolicited proposals from non-representative bodies or individuals.
- 30 Following a determination by the Triage Panel that the proposal is out of scope, the Triage Panel will identify these to Ministers and agencies.

... but all that are in scope will be considered by the Triage Panel for direction to the appropriate decision pathway

- 31 The Triage Panel will conduct an initial triage assessment, and identify whether a proposal is in scope, and if it is, whether it is within scope of pre-existing or Budget 23 funding sources or not.
- 32 For those within the scope of existing funding sources, a lead agency will be identified. The CRU will work with the lead agency to coordinate feedback loops for more information from a requestor perspective. Decisions will then be taken at a funding source level based on current criteria and reported back to CRU to help build the overall picture of what is happening.
- 33 For proposals that are clearly within scope of a funding source, and have been received by the agency that manages that source, this exercise will be conducted on paper. I.e., the agency will inform the CRU of the proposal received, and the CRU will note that the proposal has been directed to that agency as lead. The intention is not to have horticultural firms directing their proposals to the CRU in the first instance instead of the Ministry for Primary Industries (for example), but goes further than the CRU merely receiving post-decision reporting on funding, in order to ensure the CRU maintains real-time awareness of all funding decisions contributing to the total government response to proposals.

² As defined by the Severe Weather Event Recovery Legislation Act 2023, the North Island Weather Events are:

- (a) Cyclone Hale, which crossed the North Island during the period commencing on 8 January 2023 and ending on 12 January 2023;
- (b) heavy rainfall commencing on 26 January 2023 and ending on 3 February 2023 in the Northland, Auckland, Waikato, and Bay of Plenty regions; and
- (c) Cyclone Gabrielle, which crossed the North Island during the period commencing on 12 February 2023 and ending on 16 February 2023.

³ As defined by the Severe Weather Event Recovery Legislation Act 2023, areas affected by the North Island Weather Events are:

- (a) the districts or regions of the local authorities affected (whether directly or indirectly) by 1 or more severe weather events;
- (b) the districts or regions of the local authorities where land, infrastructure, other property, resources, or services are required to support an area affected by 1 or more severe weather events; and
- (c) the parts of the coastal marine area (within the meaning of section 2(1) of the Resource Management Act 1991) that are part of, or adjacent to, those districts and regions.

- 34 For proposals that are not eligible for the existing and Budget 2023 funding mechanisms, the CRU will provide a sub-group of funding agency Chief Executives (discussed below in paragraphs 35 and 36), and Ministers as appropriate, with advice as to whether they may want to consider these proposals on their merits and to seek Cabinet decisions related to centrally held funding (BBC, MYCA, Budget 24).
- 35 This advice will be informed by analysis applying funding considerations (discussed below in paragraph 34). There will be a very high bar for these types of proposals. The Working Group will be used to test and develop this advice from a whole-of-government perspective, including ensuring alignment with the Social Sector Working Group work programme via shared membership of Groups and reporting.
- 36 It is proposed that the CRU convenes a sub-group of the Chief Executives Board (CEs Board) comprising Chief Executives of core funding agencies, plus Te Arawhiti (to ensure Māori needs and aspirations are considered in all funding decisions) and the Treasury (for overall financial oversight) to consider this advice and make decisions as to how to progress the proposals. Accordingly, the membership will comprise Te Arawhiti and the Treasury along with the:
- 36.1 Ministry of Social Development;
 - 36.2 Ministry for Primary Industries;
 - 36.3 Ministry of Business, Innovation and Employment;
 - 36.4 Ministry of Transport; and
 - 36.5 Department of Internal Affairs.
- 37 Additionally, the Chief Executives of the following agencies who may provide wider sector insights and linkages will be invited to attend meetings of this sub-group as observers:
- 37.1 the Ministry of Health;
 - 37.2 the Ministry for the Environment;
 - 37.3 the National Emergency Management Agency; and
 - 37.4 the Ministry of Housing and Urban Development.
- 38 The CEs Board will be asked to consider departmental reprioritisations as a potential funding source, while ensuring they are still equipped to undertake normal business activities.

The Triage Panel will also undertake an analysis of proposals and the Working Group will assist in providing advice on key enablers and dependencies

- 39 The Triage Panel will analyse all in-scope proposals in accordance with funding considerations which will consider a range of factors as relevant to the

proposal at hand. A high-level overview of these considerations is detailed in **Appendix One**.

40 The Working Group will take this analysis, add insights from the different agencies and sectors to provide a whole-of-system view, and support the CRU to provide advice to CE Board and Ministers on key enablers and dependencies and the totality of the government response to proposals.

41 Further detail on the roles and responsibilities of all involved in this process, including overall decision-makers, is provided in **Appendix Two**.

Ministerial Leads and Taskforce will provide important impartial advice to Ministers through a consultative function

42 Draft recommendations from the CE Board will be provided to the Taskforce and Ministerial Leads, who will also receive the Regional Recovery Plans from local authorities. The Ministerial leads will consider how funding decisions will support the Regional Recovery Plans, taking a similar approach to the CRU in advising on key enablers and dependencies and the totality of the government response to proposals.

43 The Taskforce will also provide advice on overall funding priorities, bringing a unique perspective across Iwi, sectoral, and business through their role in bridging between these groups and central and local government. The Taskforce terms of reference also invite them to provide a longer-term view in identifying opportunities to build more resilient infrastructure.

There will be a significant triaging, directing and analysis exercise in July

44 This new process needs to be established immediately, as three Regional Recovery Plans have been received and I expect to receive the majority of the remainder by the end of June. The Triage Panel will therefore need to consider these Renewal Recovery Plans in early July. This July triaging will require participation or engagement from all agencies represented in the Triage Panel and Working Group, and agencies not members of those groups will need to be engaged in providing information or analysis.

45 I understand that for Tairāwhiti the Gisborne District Council is developing a Regional Recovery Plan and Iwi are also preparing plans. All of those plans will contain funding proposals. These are also expected at the end of June and should be considered at the same time in July. As much as possible, I want plans to be considered at the same time, so 'whole of region' decisions can be made.

46 Additional proposals will be considered as needed after July. The exact timing of these additional tranches of proposals will be proposed by the CRU when further information about outstanding funding proposals is known in July.

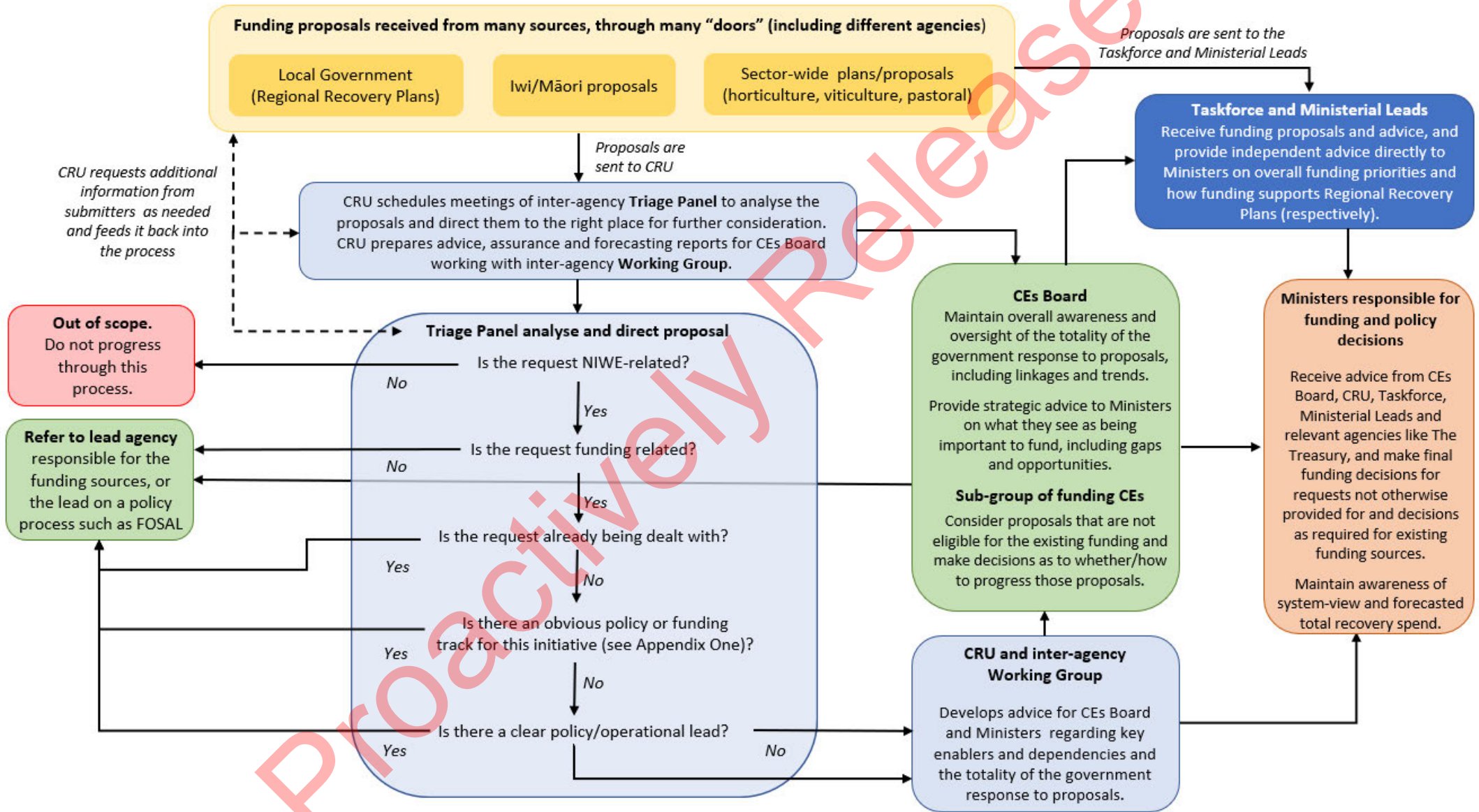
47 While it would be ideal to receive all funding proposals at the same time so they may be considered together, I am aware that some proposals may be received late. We need to make sure that funding sources are not exhausted

with valid requests still to be identified or proposed. This needs to be balanced, however, with the desire for certainty and clear answers within a short timeframe for those relying upon the funding decision. Funding may also need to be held in reserve for later applications, particularly for Māori-led proposals that may be coming in later.

- 48 The diagram on the following page provides an overview of the proposed triage, direction and analysis process and the roles and responsibilities of agencies and decision-makers within that process.

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NIWE funding proposal triage, direction and analysis process



Duration and review

- 49 It is certain that we will be receiving funding proposals for some time. For that reason, I propose to stand this new process and functions up immediately for 18 months (to the end of 2024) as a starting point to coincide with the establishment of the CRU, though the regularity with which groupings of proposals are reviewed may reduce as time goes on.
- 50 I am proposing that, after the first six months of delivering under this model, the CRU report back to myself with successes/challenges/opportunities, including consideration of any potential expansion in scope.

Next steps

- 51 Officials will continue to develop and implement the proposed approach, including:
- 50.1 drafting the terms of reference to stand up the process and functions; and
 - 50.2 developing an advice, assurance and reporting mechanism through which decision-makers can see a whole of system view of the allocation of funds and forecast future allocations.
- 52 Communications will be developed to support affected parties and stakeholders in understanding the proposed processes and how to enter them, and potential timeframes for the consideration of different types of funding proposals.

Financial and legislative implications

- 53 There are no direct financial or legislative implications arising from this paper.

Regulatory Impact Statement

- 54 This paper does not require a Regulatory Impact Statement.

Climate Implications of Policy Assessment

- 55 This paper does not require a Climate Implications of Policy Assessment.

Population Implications

- 56 The impacts of the severe weather events are likely to be more severe for population groups that are already vulnerable.
- 57 Some homes in higher flood risk areas are cheaper, due to the impact of potential flood damage on property value, so are more likely to be owned by those on lower incomes. Those on lower incomes are also more likely to be significantly negatively impacted due to their lower levels of financial resilience.

- 58 Māori make up a significant proportion of the community in affected areas. For example, in Te Tairāwhiti, Māori make up 52.5% of the population, with significant concentrations in specific areas which have been severely affected (such as Tokomaru Bay, where Māori make up 83.8% of the community; and Wairoa, where Māori form 71.9% of the population).
- 59 Many of these Māori communities have high levels of socio-economic disadvantage, including poor housing outcomes and employment relying on industries vulnerable to weather events, including agriculture, forestry, fishing, and construction. This will likely translate to financial hardship and a struggle to access stable housing after a disaster.
- 60 Pacific and other ethnic minority communities are also more likely not to have insurance due to their lower socio-economic positions and the financial pressures associated with this. Over 80% of New Zealand's Pacific population are in the regions that were severely impacted by the Auckland flooding and the cyclone events.

Human Rights

- 61 This paper does not have implications for human rights.

Consultation

- 62 The following agencies have been consulted about the contents of this paper: the Department of Internal Affairs; Te Puni Kōkiri; Te Arawhiti; the National Emergency Management Agency; the New Zealand Customs Service; Te Kawa Mataaho Public Service Commission; the Ministries for the Environment, Primary Industries, and Ethnic Communities; and the Ministries of Transport, Housing and Urban Development, Business, Innovation and Employment, Social Development, Health, and Conservation.

Communications

- 63 Communications will be developed to support affected parties and stakeholders in understanding the proposed processes and how to access them, and potential timeframes for the consideration of different types of funding proposals.

Proactive Release

- 64 I propose that this paper is proactively released within 30 working days, subject to redactions aligned with the Official Information Act, though information about the process established through this paper may be publicly communicated earlier.

Recommendations

The Minister for Cyclone Recovery recommends that the Committee:

- 1 **note** that central government has played and will continue to play a significant role in funding recovery, but that ultimately funding and recovery planning is led by local government;
- 2 **note** that the Government has requested Regional Recovery Plans from affected regions, and we anticipate receiving a number of additional requests from industry groups and others;
- 3 **note** the CRU has already received three Regional Recovery Plans and anticipate receiving the majority of the remaining Regional Recovery Plans by the end of June for consideration by the Triage Panel in July. This will require participation or engagement from all agencies represented in the Triage Panel and Working Group;
- 4 **note** this paper sets out a process for managing North Island Weather Event related external funding requests that is focussed on Regional Recovery Plans but able to be applied to other funding proposals to ensure consistent, fair and transparent funding decisions;
- 5 **direct** the Cyclone Recovery Unit to immediately establish a process, to provide advice on North Island Weather Event related funding proposals, that includes the following features:
 - 5.1 an inter-agency Triage Panel that considers proposals against funding considerations, directs them to the appropriate funding source decision-maker, and undertakes analysis of the proposals against key considerations;
 - 5.2 a sub-group of the Chief Executives Board comprising funding agency Chief executives plus Te Arawhiti and the Treasury, to consider whether funding proposals not currently eligible for existing funding sources should be progressed, and if they are recommended to progress, allocate agency ownership and identify possible funding sources; and
 - 5.3 an inter-agency Working Group to assist the CRU providing advice on key enablers and dependencies and the totality of the government response to proposals, through cyclone recovery governance structures to Ministers where required;
- 6 **note** when considering funding proposals not currently eligible for existing funding sources, as directed in recommendation 5.2, that the Chief executives of funding agencies will be asked to consider departmental reprioritisations as a potential funding source, while ensuring they are still equipped to undertake normal business activities
- 7 **note** the proposed next steps of:

- 7.1 drafting the terms of reference to stand up the process and functions;
and
- 7.2 developing an advice, assurance and reporting mechanism;

Authorised for lodgement

Hon Grant Robertson

Minister of Cyclone Recovery

Hon Grant Robertson

Minister of Finance

Proactively Released

Appendix One: Funding considerations for Triage Panel analysis

Key areas of consideration	Key questions to ask
Economic considerations	<ul style="list-style-type: none"> • Is the totality of the cost well understood, including consideration of whole off life cost (asset management) including maintenance and disposal (this should also be considered under implementation) • How does it contribute to the long-term economic viability of the region? • What are the flow-on positive and negative economic impacts?
Resilience building	<ul style="list-style-type: none"> • How does the proposal contribute to the long-term resilience of the region, particularly responding to future weather events or mitigating their impact?
Māori needs and aspirations	<ul style="list-style-type: none"> • Does the proposal clearly identify any Māori needs and interests impacted by the proposal, including under the Treaty of Waitangi and Treaty settlements? Does it show how those interests will be provided for? • If the proposal particularly affects Māori, does it enable Māori-led solutions? • Was this proposed by Māori? <ul style="list-style-type: none"> ○ If yes, have they been involved in the development of the proposal? ○ If no, what role in development of the proposal did Māori play (consultation, partnership, something else)? • Has appropriate engagement with Iwi/Māori been undertaken at the right stages, in accordance with tikanga?
Implementation-ready	<ul style="list-style-type: none"> • Is the timeframe for delivery realistic? • Is there sufficient capacity to implement this, including: <ul style="list-style-type: none"> ○ sufficient expertise and knowledge (noting support for this may be available through FOSAL) including support functions like project management, accommodation for workers, etc; ○ workforce availability and capacity to deliver, without compromising other activities (including by using external regional resources and support); and ○ whether the totality of workforce capacity across all proposals and activities has been considered. • Are there any barriers to implementation not considered by the proposal? • What consideration has been given to delivery by non-government groups, including iwi and Māori? • Has this proposal been considered from a perspective of the totality of work for iwi and Māori? Are we using their time effectively and in a joined-up way, to minimise fatigue and repetition?

Key areas of consideration	Key questions to ask
Equity	<ul style="list-style-type: none"> • Is there equity of resourcing between: <ul style="list-style-type: none"> ○ urban and rural investment? ○ different regions? ○ different sectors? • Have the people impacted by the proposal been clearly identified? • Are the higher impacts on Pacific Peoples, those on lower incomes in flood prone areas and the uninsured considered and provided for? • Does the proposal consider changes in impact over time?
Interdependencies	<ul style="list-style-type: none"> • Is the success of the proposal reliant or interdependent on other factors not provided for in the proposal such as: <ul style="list-style-type: none"> ○ funding from other sources; ○ law change; and ○ approval in long term plans?
Unintended or unforeseen but likely outcomes	<ul style="list-style-type: none"> • Would, or is it possible that, those consequences would impose a benefit on a person or group of persons that is not available to others (such as a financial benefit or legal interest)? Conversely, would or is it possible that those consequences would disadvantage a person or group of persons? • Could those consequences be mitigated or managed effectively through operational means? • Do you think consequences that cannot be minimised, managed or mitigated are acceptable nonetheless given the purpose and desired outcomes?
Consultation sufficiency	<ul style="list-style-type: none"> • Were the right people consulted to ensure a diverse range of perspectives were canvassed? • Where they consulted on the right things - i.e. were the right questions posed? • Was their feedback considered carefully and incorporated appropriately?

Appendix Two: Role and responsibilities in funding proposal process

Roles and responsibilities	
Cabinet	<ul style="list-style-type: none">• Funding and policy decisions for proposals that do not have an existing funding source (<i>existing role/responsibility</i>)• Assurance oversight (<i>existing role/responsibility</i>)• Non-funding policy decisions (<i>existing role/responsibility</i>)
Ministerial Leads	<ul style="list-style-type: none">• Provided regular reporting on decisions, themes and issues emerging by the CRU on behalf of the CEs Board (<i>new role/responsibility</i>)• Receive Regional Recovery Plans from local authorities (<i>existing role/responsibility</i>)• Provide advice and comment to Ministers on CRU/CEs Board analysis (<i>existing role/responsibility</i>) and how funding supports the Regional Recovery Plans, as well as key enablers and dependencies and the totality of the government response to proposals (<i>new role/responsibility</i>)
Taskforce	<ul style="list-style-type: none">• Provided regular reporting on decisions, themes and issues emerging by the CRU on behalf of the CEs Board (<i>new role/responsibility</i>)• Receive all Regional Recovery Plans from local authorities (<i>existing role/responsibility</i>)• Provide independent advice and comment to the Minister of Cyclone Recovery (<i>existing role/responsibility</i>) on overall funding priorities, including providing him with assurance, to the extent possible, as to how the Regional Recovery Plans deliver:<ul style="list-style-type: none">○ alignment across infrastructure and economic recovery aspects and needs of regional communities including iwi, hapū, and whanau;○ any overarching principles which are set;○ realistic outcomes for the region (including implementation considerations); and○ opportunities for more resilient infrastructure.
CEs Board	<ul style="list-style-type: none">• Awareness and oversight (reporting on themes and how things are progressing to Ministers) (<i>existing role/responsibility</i>)• Direct resources as required (<i>existing role/responsibility</i>)• Escalate concerns through their standard policy processes (<i>existing role/responsibility</i>)• Strategic advice on what they see as being important to fund – to discuss gaps, opportunities etc (<i>new role/responsibility</i>)
Sub-group of funding CEs	<p>(<i>New roles/responsibilities</i>)</p> <ul style="list-style-type: none">• Consider advice on proposals that are not eligible for the existing and Budget 2023 funding mechanisms• Allocation of unowned proposals – if there’s no clear owner agency of a funding proposal the CEs can agree by consensus as to who owns it• Make decisions on whether they will progress these proposals on their merits and (if proposals are to progress) either:<ul style="list-style-type: none">○ seek Cabinet decisions related to centrally held funding (BBC,

Roles and responsibilities	
	<p style="text-align: center;">MYCA, Budget 24)</p> <ul style="list-style-type: none">○ or agree to fund the proposals from within reprioritised agency baselines.• Direct resources within their agencies to give effect to the group's decisions.
Inter-Agency Triage Panel	<p><i>(All new roles/responsibilities)</i></p> <ul style="list-style-type: none">• Consideration of proposals and advice on:<ul style="list-style-type: none">○ Further information required○ Potential alignment with other work programmes or funding decisions• Agree where proposals should be directed• Consideration of overall themes and risks/concerns to be escalated to CEs or Ministers
Inter-Agency Working Group	<ul style="list-style-type: none">• Reviews the analysis of funding considerations undertaken by the Triage Panel, and provides additional system-wide insights and linkages to inform the advice provided <i>(new role/responsibility)</i>
Lead agencies	<ul style="list-style-type: none">• Funding decision-making as already provided for in existing funding mechanisms <i>(existing role/responsibility)</i>• Communication to their stakeholders <i>(existing role/responsibility)</i>• Panel membership <i>(new role/responsibility)</i>• Reporting to feed into overall CRU reporting (as agreed) <i>(new role/responsibility)</i>
CRU	<p><i>(All new roles/responsibilities)</i></p> <ul style="list-style-type: none">• Oversee the triage function/process• Request and collate info for decision-makers• Secretariat for the Triage Panel• Working Group oversight and coordination of advice on key enablers and dependencies and the totality of the government response to proposals• Reporting to CEs/Ministers on key enablers and dependencies and the totality of the government response to proposals• Coordination of regular communication updates• Providing regular reporting and assurance for CEs and Ministers (may consist of consolidating existing agency reporting with an additional 'lens' placed over)



Cabinet Extreme Weather Recovery Committee

Minute of Decision

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Cyclone Recovery: Proposed Triage, Direction, and Analysis Process for Funding Proposals

Portfolios **Finance / Cyclone Recovery**

On 21 June 2023, the Cabinet Extreme Weather Recovery Committee, exercising its Power to Act in accordance with its terms of reference:

- 1 **noted** that central government has played, and will continue to play, a significant role in funding recovery, but that ultimately funding and recovery planning is led by local government;
- 2 **noted** that the government has requested Regional Recovery Plans from affected regions, and that the Cyclone Recovery Unit anticipates receiving a number of additional requests from industry groups and others;
- 3 **noted** that:
 - 3.1 the Cyclone Recovery Unit has already received three Regional Recovery Plans, and anticipates receiving the majority of the remaining Regional Recovery Plans by the end of June 2023 for consideration by the Triage Panel in July 2023;
 - 3.2 this will require participation or engagement from all agencies represented in the Triage Panel and Working Group;
- 4 **noted** that the paper under EWR-23-SUB-0049 sets out a process for managing North Island Weather Event-related external funding requests that is focussed on Regional Recovery Plans but able to be applied to other funding proposals to ensure consistent, fair and transparent funding decisions;
- 5 **directed** the Cyclone Recovery Unit to immediately establish a process to provide advice on North Island Weather Event-related funding proposals, that includes the following features:
 - 5.1 an inter-agency Triage Panel that considers proposals against funding considerations, directs them to the appropriate funding source decision-maker, and undertakes analysis of the proposals against key considerations;
 - 5.2 a sub-group of the Chief Executives Board, comprising funding agency chief executives plus Te Arawhiti and the Treasury, to consider whether funding proposals not currently eligible for existing funding sources should be progressed and, if they are recommended to progress, to allocate agency ownership and identify possible funding sources;

- 5.3 an inter-agency Working Group to assist the Cyclone Recovery Unit, providing advice on key enablers and dependencies and the totality of the government response to proposals, through cyclone recovery governance structures to Ministers where required;
- 6 **noted** that when considering funding proposals not currently eligible for existing funding sources, as directed in paragraph 5.2 above, the chief executives of funding agencies will be asked to consider departmental reprioritisations as a potential funding source, while ensuring they are still equipped to undertake normal business activities;
- 7 **noted** that the next steps will be:
- 7.1 drafting the terms of reference to stand up the process and functions;
 - 7.2 developing an advice, assurance and reporting mechanism;
 - 7.3 drafting a letter to councils to explain the process.

Janine Harvey
Committee Secretary

Present:

Hon Carmel Sepuloni
Hon Kelvin Davis
Hon Grant Robertson (Chair)
Hon Willie Jackson
Hon Damien O'Connor
Hon David Parker
Hon Kieran McAnulty
Hon Barbara Edmonds

Officials present from:

Office of the Prime Minister
Officials Committee for EWR
Cyclone Recovery Unit, DPMC

Proactively Released

