

#### **Proactive Release**

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

Proactive Release: Establishing the government inquiry into the response to the North Island severe weather events

The following documents have been included in this release:

**Title of paper:** Briefing: Final terms of reference and panel members for the Government Inquiry into the response to the North Island severe weather events

**Title of paper:** Establishing a government inquiry into the response to the North Island severe weather events (CAB-23-SUB-0102)

**Title of minute:** Establishing a Government Inquiry into the Response to the North Island Severe Weather Events (DEV-23-MIN-0102)

**Title of minute:** Report of the Cabinet Economic Development Committee: Period Ended 2 June 2023 (CAB-23-MIN-0213)

**Title of paper:** Establishing the Government Inquiry into the Response to the North Island Severe Weather Events (CAB-23-SUB-0123)

**Title of minute:** Establishing the Government Inquiry into the Response to the North Island Severe Weather Events (DEV-23-MIN-0123)

**Title of minute:** Report of the Cabinet Economic Development Committee: Period Ended 23 June 2023 (CAB-23-MIN-0258)

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

#### **Key to redaction codes:**

- section 9(2)(a), to protect the privacy of individuals;
- section 9(2)(f)(iv), to maintain the confidentiality of advice tendered by or to Ministers and officials;
- section 9(2)(g)(ii), to prevent improper pressure or harassment;
- section 18(d), the information requested is or will soon be publicly available.



# **Briefing**

# Final terms of reference and panel members for the Government Inquiry into the response to the North Island severe weather events

| Date:   | 3/07/2023                                       | Priority le  | vel:                                 | High  | C         |
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| the North Island Se   | vere weather events                             |  |                                      |   |           |



# **Briefing**

Final terms of reference and panel members for the Government Inquiry into the response to the North Island severe weather events

To:

Hon Grant Robertson, Minister of Finance Hon David Parker, Attorney-General

3/07/2023

Hon Kieran McAnulty, Minister for Emergency Management

Hon Barbara Edmonds, Minister of Internal Affairs

Security classification

[IN-CONFIDENCE]

#### **Purpose**

Date

This paper seeks your agreement, as Ministers with Power to Act, to the final terms of reference of the Government Inquiry into the response to the North Island severe weather events (the Inquiry) and to the appointment of the Inquiry panel members, prior to notification in the New Zealand Gazette (the Gazette).

#### Recommendations

The National Emergency Management Agency (NEMA) recommends you:

- a. Note that the final terms of reference, attached as part of the draft Gazette notice in Annex One, now incorporates minor feedback received through the Ministerial Advisory Committee and cross-party consultation.
- Agree to the final terms of reference attached as part of the draft Gazette notice in Annex
   One.

Agree / Disagree / Discuss

- Note that the outstanding due diligence of proposed Inquiry panel members has now been completed and formal appointment process papers are attached as Annex Two.
- d. Agree to appoint John Ombler (CNZM QSO) as a panel member of the Government Inquiry into the response to the North Island severe weather events.

Agree / Disagree / Discuss

e. **Agree** to appoint Rangimarie Hunia (Ngāti Whātua) as a panel member of the Government Inquiry into the response to the North Island severe weather events.

Final terms of reference and panel members for Government Inquiry into the response to the North Island severe weather events

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f. **Agree** to appoint Julie Greene as a panel member of the Government Inquiry into the response to the North Island severe weather events.

Agree / Disagree / Discuss

g. Agree the draft Gazette notice (attached as Annex One), subject to your agreement to the final terms of reference and appointment of remaining panel members, be published by Thursday 6 July 2023.

Agree / Disagree / Discuss

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| Hon Kieran McAnulty<br>Minister for Emergency Management |
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| Hon Grant Robertson | 16  |
| Minister of Finance |     |
|                     |     |

Hon Barbara Edmonds
Minister of Internal Affairs

Hon David Parker

Attorney-General

Final terms of reference and panel members for Government Inquiry into the response to the North Island severe weather events

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#### **Background**

- 1. On 26 June 2023, Cabinet authorised the Minister of Finance, the Attorney-General, the Appointing Minister, and the Appropriate Minister to have Power to Act to:
  - a. take decisions on the appointment of the members of the Government Inquiry into the response to the North Island severe weather events (the Inquiry); and
  - b. make final minor amendments to the terms of reference and the funding of the Inquiry, if required, prior to notification in the *New Zealand Gazette*.

[CAB-23-MIN-0258 refers]

- This was authorised to allow for further time required to contact and undertake due diligence for the proposed Inquiry panel members and incorporate any remaining feedback on the terms of reference, where relevant.
- This paper provides you with the final terms of reference of the Inquiry (attached as part of the draft Gazette notice in Annex One) and an overview of the proposed remaining panel members (with the formal appointment process papers attached as Annex Two).

# No substantive changes have been made to the inquiry terms of reference

- Since Cabinet's consideration of the terms of reference on Monday 26 June 2023, further feedback has been provided by the Ministerial Advisory Committee on Emergency Management and through cross-party consultation.
- 5. Minor amendments to the terms of reference have been made to incorporate some of this feedback, including to:
  - a. strengthen the language to better highlight the role that Māori, marae and iwi played during the response;
  - align the language on shelter and accommodation with that outlined in the National Civil Defence Emergency Management Plan 2015; and
  - c. clarify that the timing and effectiveness of communication and information available during the response may also be considered in relation to impacted communities.
- 6. These amendments do not change the scope of the Inquiry as a whole and have no budget implications. The final terms of reference for the Inquiry are attached as part of the draft *Gazette* notice in **Annex One**.

Final terms of reference and panel members for Government Inquiry into the response to the North Island severe weather events

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# Due diligence of remaining Inquiry panel members has now been completed

- 7. On 6 June 2023, Cabinet agreed that, based on the Inquiry's indicative purpose and scope, the chair and members should collectively have the following expertise and attributes:
  - a. ability to collaborate as part of a group that leads and delivers a system level review;
  - b. an understanding of New Zealand's emergency management system;
  - c. ability to understand and engage with Maori interests; and
  - d. ability to understand and engage with other affected communities and persons disproportionately impacted by the severe weather events.
- The final due diligence on the below proposed panel members has now been completed.
   The formal appointment process papers of each of the candidates are attached as Annex Two.
  - a. John Ombler (CNZM QSO). John is a career public servant with extensive knowledge of machinery of government. He has held numerous senior leadership roles including former Deputy State Services Commissioner, Chief Executive of the Canterbury Earthquake Recovery Authority (CERA), and one of the Controllers of the all-ofgovernment response during the COVID-19 pandemic. John also has previous review experience, including leading the inquiry into financial irregularities at the Waikato District Health Board and the investigation into the actions and statements of former Treasury Chief Executive, Gabriel Makhlouf.
  - b. Rangimarie Hunia (Ngāti Whātua). Rangimarie is based in Auckland and brings significant governance experience through her current roles as Director of Aotearoa Fisheries Limited (trading as Moana New Zealand), Chair of Te Ohu Kaimoana Trust¹ and Chair of Ngā Pūkenga mo Te Tai Ohanga (Treasury)². She has also been Chief Executive of Ngāti Whātua Ōrakei Whai Māia³.
  - c. Julie Greene. Julie is based in the Hawke's Bay and brings over two decades of experience across the horticulture, production and rural sectors within New Zealand, including senior leadership roles at Heinz Watties. Through her experience, she has developed well-established relationships across the sector and the community.

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<sup>&</sup>lt;sup>1</sup> Te Ohu Kaimoana is a charitable trust working for the collective interests of 58 iwi organisations in fishing and fisheries-related activities.

<sup>&</sup>lt;sup>2</sup> Ngā Pūkenga works with the Secretary of the Treasury to embed He Ara Waiora, a te ao Māori wellbeing framework.

<sup>&</sup>lt;sup>3</sup> Ngāti Whātua Örākei Whai Māia Limited; is a charitable trust responsible for the social and cultural development of Ngāti Whātua people

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The make-up of the proposed panel members provides balanced representation. Each
proposed panel member brings skill and knowledge that, along with the Inquiry Chair (Sir
Jerry Mateparae), helps meet Cabinet's agreed expectations of members' collective
attributes and expertise.

## Notice by Gazette must be given to establish the Inquiry

- 10. Under the Inquiries Act 2013, to formally establish an inquiry, one or more Ministers may establish a government inquiry for the purpose of inquiring into, and reporting on, any matter of public importance by notice in the Gazette.
- 11. The establishment instrument, in this case a *Gazette* notice issued under Inquiries Act 2013 section 6(3), to establish an inquiry must:
  - a. specify the matter of public importance that is the subject of the inquiry; and
  - b. name the person or persons appointed to be members of the inquiry; and
  - c. if more than one person is appointed to the inquiry, name the person who is to be the chairperson of the inquiry; and
  - d. specify the date when the inquiry may begin considering evidence.
- 12. The terms of reference for an inquiry must also be notified by the Appointing Minister or Appropriate Minister, by notice in the *Gazette* as soon as is reasonably possible after establishment. An inquiry cannot begin considering evidence before the terms of reference are notified in the *Gazette*.

#### Next steps

13. NEMA officials will, subject to decisions by Ministers with Power to Act and on behalf of the Minister for Emergency Management, publish the draft Gazette notice (attached as Annex One) by Thursday 6 July 2023 ahead of the Inquiry commencement on Monday 10 July 2023. The draft Gazette notice includes the final terms of reference and the Inquiry panel membership.

| Annexes:   | A | Title  | Security classificati    | on                                      |
|------------|---|--|--------------------------|---|
| Annex One: |   | Draft Gazette notice, including final terms of reference           | <del>IN CONFIDENCE</del> | Withheld in full under<br>Section 18(d) |
| Annex Two: |   | Formal appointment process papers for remaining<br>Inquiry members | -IN-CONFIDENCE           | Withheld in full under Section 9(2)(a)  |

Final terms of reference and panel members for Government Inquiry into the response to the North Island severe weather events

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## Annex One: Draft Gazette notice, including final terms of reference

18(d)

This document is publicly available at: https://gazette.govt.nz/notice/id/2023-go3055

Final terms of reference and panel members for Government Inquiry into the response to the North Island severe weather events

NEMA-2022/23-27

#### In Confidence

Office of the Minister for Emergency Management

Cabinet Economic Development Committee

# Establishing a government inquiry into the response to the North Island severe weather events

#### **Proposal**

This paper seeks agreement in principle to establish a government inquiry under the Inquiries Act 2013 into the response to the 2023 North Island severe weather events.

#### Relation to government priorities

This paper concerns the Government's response to the North Island severe weather events during January and February 2023, which refer to three specific events: Cyclone Hale; heavy rainfall in the Northland, Auckland, Waikato, and Bay of Plenty regions; and Cyclone Gabrielle.

#### **Executive Summary**

- So far this year, New Zealand has experienced an unprecedented scale of severe weather across much of the North Island. The impacts were widespread causing significant damage to infrastructure and livelihoods and the loss of 15 lives. Cyclone Gabrielle led to the third declaration of a state of national emergency in New Zealand's history. The impacts of these events will continue to be felt for years to come.
- 4 Climate change is exacerbating the frequency and complexity of severe weather events across New Zealand and the world; New Zealand will face more events of this nature, more frequently.
- An inquiry is required to ensure that the design of New Zealand's emergency management system is appropriate to support preparedness for, and responses to, future emergency events by identifying lessons from the recent North Island severe weather events.
- I consider it a matter of public importance that the design of our emergency management system is as ready and able as it can be ahead of future emergency events, because people's lives and livelihoods are at stake.
- I have considered several types of inquiry, including those under the Inquiries Act 2013 and non-statutory ministerial inquiries. Given the matter of public importance, on balance, I consider that the most appropriate form for this inquiry is a government inquiry, established under the Inquiries Act 2013.

- 8 I propose the scope should focus on whether:
  - 8.1 the response phase of the North Island severe weather events operated as expected under current emergency management system design;
  - 8.2 the current design of the emergency management system created any challenges that adversely affected the response; and
  - 8.3 the system improvements already underway will be sufficient to address the identified challenges or whether additional improvements are required.
- 9 This inquiry would not look into:
  - 9.1 policies and actions relating to the recovery phase of the North Island severe weather events;
  - 9.2 policies and actions relating to risk reduction and resilience building; and
  - 9.3 cases of specific individuals affected by the North Island severe weather events.
- This inquiry would build on existing information to identify lessons, rather than start from scratch and duplicate other reviews. The inquiry would, to the extent practicable, use existing information, avoid or limit legalistic or adversarial approaches, and use efficient and less formal procedures to gather information
- I expect the inquiry to begin in July 2023 and propose that it provide its final report back in December 2023. This ensures that well-informed recommendations are provided as soon as practical.
- Subject to Cabinet agreement to establish the proposed inquiry into the response to the 2023 North Island severe weather events, I intend to seek decisions in late June 2023 on the inquiry's:
  - 12.1 terms of reference;
  - 12.2 membership; and
  - 12.3 budget.
- To ensure appropriate perceptions of independence from the emergency management sector, the Department of Internal Affairs (DIA), as the default department for the administration of inquiries, would be the appropriate department responsible for the administration of the inquiry and hosting the secretariat for the inquiry.
- Subject to Cabinet's agreement, the Minister of Internal Affairs, as the Minister of the administering agency, will be the "appropriate" Minister for the inquiry and will be responsible for the funding to support the inquiry.
- Subject to Cabinet's agreement, I will be the "appointing" Minister responsible for establishing the inquiry and receiving the inquiry's report.

# An inquiry into New Zealand's response to the North Island severe weather events is a matter of public importance

- The North Island severe weather events in January-February 2023 were of a scale and scope unprecedented in Aotearoa New Zealand. It is only the third time in New Zealand's history in which a state of national emergency<sup>1</sup> has been declared and the first for a severe weather event. The scale and severity of these events led to 15 deaths and widespread, significant damage across impacted areas (including property loss, road closures, and collapsed bridges), and impacted critical infrastructure like power. The impacts of these events continue to be felt across communities and will be felt for years to come as individuals and communities recover.
- Across a number of regions, affected communities, including Māori and Pacific communities, have raised concerns about communication and support during the response.
- Many organisations and individuals were involved in the recent emergency response, as anticipated in a highly decentralised emergency management system that comprises multiple players and decision-makers<sup>2</sup>. As per usual processes, most organisations are undertaking (or already have in the case of Auckland flood review<sup>3</sup>) or will undertake, post-event reviews to understand their individual performance during the response and identify how they can improve their performance in future responses.
- 19 However, these individual reviews will generally focus on how organisations performed within the current emergency management system policy settings rather than whether the policy settings enabled or hindered their organisation's performance.
- It is timely to invest in a process to draw on these individual reviews and consider whether the current emergency management system policy settings are appropriate for future emergency events.
- Severe weather events are not new, but climate change is exacerbating the frequency and complexity of severe weather events across New Zealand and the world. For the 6-year period 2017-22 there have been 44 severe weather events across New Zealand; up from 11 in the 6 years prior to 2017<sup>4</sup>.
- Some of the regions affected by the recent severe weather events have experienced multiple events over the past two years and will likely experience more events in future, for example Tairāwhiti region. New Zealand is ranked as the second riskiest country in the world when it comes to natural hazards, including earthquakes and tsunamis.<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> The states of national emergency were declared owing to the impacts of Cyclone Gabrielle.

<sup>&</sup>lt;sup>2</sup> As outlined in the Guide to the National Civil Defence Emergency Management Plan 2015, this includes local authorities, emergency services, all government departments, lifelines utilities, non-government organisations and volunteers.

<sup>&</sup>lt;sup>3</sup> auckland-flood-response-review january-27-29-2023.pdf (aucklandcouncil.govt nz)

<sup>&</sup>lt;sup>4</sup> Declared States of Emergency » National Emergency Management Agency (civildefence.govt nz)

<sup>&</sup>lt;sup>5</sup> 2018 Lloyds's of London study: A World at risk: Closing the insurance gap

Because people's lives and livelihoods are at stake it is a matter of public importance to ensure that the design of New Zealand's emergency management system is appropriate for responding to future emergency events.

#### **Purpose and Scope of Inquiry**

- I propose that the indicative purpose of the inquiry is to ensure that the design of New Zealand's emergency management system is appropriate to support preparedness for, and responses to, future emergency events by identifying lessons from the recent North Island severe weather events.
- The proposed inquiry concerns the Government's response to the North Island severe weather events, which refer to:
  - 25.1 Cyclone Hale, which crossed the North Island during the period commencing on 8 January 2023 and ending on 12 January 2023;
  - 25.2 heavy rainfall commencing on 26 January 2023 and ending on 3 February 2023 in the Northland, Auckland, Waikato, and Bay of Plenty regions;
  - 25.3 Cyclone Gabrielle, which crossed the North Island during the period commencing on 12 February 2023 and ending on 16 February 2023.
- The National Crisis Management Centre closed its response centre to these events on 22 March 2023. The inquiry should review the response up to this date.
- 27 The inquiry would focus on whether:
  - 27.1 the response phase of the North Island severe weather events operated as expected under current emergency management system design and if not, why not and what would enable future responses to operate as anticipated;
  - 27.2 the current design of the emergency management system (including the legislative and regulatory settings, response funding settings, roles and responsibilities, decision making rights, coordination mechanisms and information flows) created any challenges that impacted the performance of actors (at a local, regional, and central levels) within the system during the response phase; and
  - the system improvements already underway (e.g. through the Emergency Management Bill) will be sufficient to address the identified challenges or whether additional improvements are required and there is opportunity to consider these through the Emergency Management Bill, or other legislative change.
- Within this scope, I would anticipate the inquiry investigating how current emergency management system design helped or hindered various aspects of the response, including:
  - 28.1 how system design affected the preparedness activities undertaken by central government (including Crown entities and State-Owned Enterprises), relevant

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local authorities, and other organisations<sup>6</sup> engaged in response operations in all the local government areas impacted by severe weather events, including:

- 28.1.1 how well informed the public was of areas at high risk of severe weather events to enable preparedness to emergency events in their area;
- 28.1.2 how well informed the public was of what to do to prepare for an emergency event;
- 28.1.3 the preparation and planning by government, other entities and the community for severe weather events, including accuracy and timing of weather forecasts, emergency management plans, and practices;
- 28.2 how system design affected the responses to the severe weather events, particularly measures to protect life, property, and the environment, including:
  - 28.2.1 immediate management of the response, including the issuing of, and response to, public warnings;
  - 28.2.2 the timing and effectiveness of communication and information available for decision makers as well as people in affected regions;
  - 28.2.3 public safety and the safety of all emergency services personnel and community first responders;
  - 28.2.4 availability of equipment and other resources;
  - 28.2.5 restoration of road access and lifeline utilities, including electricity supply, water supply, and telecommunications;
  - 28.2.6 provision of temporary accommodation and other welfare support services.
- 28.3 how system design affected coordination and collaboration between all actors involved in the response, including across central government, and between central and local government; and
- 28.4 how system design affected coordination and provision of response services to:
  - 28.4.1 Māori, including the design and provision of response services in partnership with CDEM Groups;
  - 28.4.2 Pacific and ethnic communities, disabled people, and other community groups.

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<sup>&</sup>lt;sup>6</sup> This includes organisations outlined in the Guide to the National Civil Defence Emergency Management Plan 2015 that had a role during the response to the North Island severe weather events.

#### **Inquiry Matters Requiring Recommendation**

As proposed in the indicative purpose and scope, the inquiry would make recommendations on changes to emergency management system policy settings, where it considers these are needed, that can or should be taken to best prepare New Zealand to respond to future emergency events.

## **Exclusions from the Inquiry**

- There will be exclusions from the inquiry's scope. In general, the exclusions play an important role in further defining the purpose and scope of an inquiry. They seek to avoid duplication with other work and clarify any matters that are at odds with the purpose of the inquiry, or inappropriate for an inquiry to examine. Exclusions also support an inquiry to meet expectations associated with timeframes and costs.
- The inquiry would not investigate, determine, or report on, in an interim or final way, or otherwise prejudice, any of the following matters:
  - policies and actions relating to the recovery phase of the North Island severe weather events, including decisions about the future of severely affected locations, and funding and coordination of recovery activity (as the recovery phase will be underway for some time);
  - 31.2 policies and actions relating to risk reduction and resilience building (as separate work programmes are already underway e.g. Resource Management reforms, climate adaptation reforms, Future for Local Government);
  - investigation of land use causing woody debris, including forestry slash, and sediment-related damage (as this was covered by the Ministerial Inquiry into Land Use);
  - investigation of the causes of deaths due to the severe weather events (as this is covered by any Coroner's inquiry);
  - investigation into the treatment of individual cases of people or businesses affected by the severe weather events (such as insurance claims made by property owners);
  - 31.6 anything that is not required to produce the recommendations;
  - 31.7 any questions of civil, criminal, or disciplinary liability.

#### **Inquiry Procedure**

- The inquiry would, to the extent practicable, use existing information, avoid or limit legalistic or adversarial approaches, and use efficient and less formal procedures to gather information.
- In particular, the inquiry would take account of:

- 33.1 the outcomes of other investigations and reports into related matters (e.g. CDEM Group or agency reviews into their individual performance during the response) and other material that is already in the public domain;
- previous reviews into the emergency management system and the Government response to these; and
- 33.3 previous reviews of responses to emergency events (in particular, natural hazard events).

## **Engagement opportunities**

- I anticipate the inquiry focusing its engagement with organisations and groups of individuals:
  - 34.1 affected by the North Island severe weather events;
  - 34.2 involved in preparing for and responding to North Island severe weather events; and
  - 34.3 responsible for developing emergency management policy settings.
- The public would have the opportunity to participate in the inquiry. Consideration of the method, extent, and timing of public engagement and participation will occur during the development of the draft terms of reference.

#### Timing for the Inquiry and Subsequent Government Response

- Based on commencement in July 2023, I propose that this inquiry reports by December 2023. This report date would minimise the potential for duplication of other reviews, allow for reasonable degree of public engagement, and enable the review to consider matters in sufficient depth to develop robust recommendations.
- 37 9(2)(f)(iv)

#### Arrangements for the Inquiry

## Type of inquiry

- I have considered several types of inquiry, including those under the Inquiries Act 2013 and non-statutory ministerial inquiries. On balance, I consider that the most appropriate form for this inquiry is a government inquiry, established under the Inquiries Act 2013.
- Given the matter of public importance I have outlined, independence will be a critical component of any inquiry undertaken. A government inquiry under the Inquiries Act 2013 must act independently, impartially, and fairly. It also has statutory powers to require the production of evidence, to compel witnesses and, most importantly, provides protection to witnesses giving them the same immunities and protections

they would have before the courts. Although there is unlikely to be reluctance from witnesses to provide information to the inquiry, the powers of the Inquiries Act 2013 to compel witnesses to provide information may help ensure that essential information is provided within the tight inquiry timeframe.

#### Appointing Minister

- The "appointing" minister of a government inquiry, as defined in the Inquiries Act 2013, is the minister responsible for establishing the inquiry and receiving the inquiry's report.
- I have consulted with the Prime Minister, as required when establishing a government inquiry. We are in agreement that I am the most suitable appointing minister.

#### Administering agency

- Under the Inquiries Act 2013, the Department of Internal Affairs (DIA) is the default department for the administration of inquiries. I seek Cabinet's agreement for the Department of Internal Affairs to be responsible for the administration of the inquiry and hosting the secretariat for the inquiry. This would foster appropriate perceptions of independence from the emergency management sector's interests.
- Subject to Cabinet's agreement, the Minister of Internal Affairs, as the Minister of the administering agency, will be the "appropriate" Minister for the inquiry and will be responsible for the funding to support the inquiry, which will be sought through the second Cabinet paper in June 2023.

#### Proposed membership of the inquiry

- Given the indicative purpose and scope, and the expected workload, it is likely that the inquiry will require either two or three members, including a chair. This will allow for a greater depth and breadth of skills, experience and attributes to be represented on the panel, as well as the ability to cover any personal absences.
- The chair and members of this inquiry must be viewed as credible by the public and within the emergency management sector without the perception of being captured by the sector.
- Based on the inquiry's indicative purpose and scope, the chair and members should collectively have the following expertise and attributes:
  - the ability to collaborate as part of a group that leads and delivers a systemlevel review;
  - an understanding of New Zealand's emergency management system;
  - 46.3 the ability to understand and engage with Māori interests; and
  - 46.4 the ability to understand and engage with other communities affected by the severe weather events (including Pacific peoples and rural communities).

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- In addition, the following are key attributes for the chair of this inquiry:
  - 47.1 experience in a public-facing role;
  - 47.2 governance experience;
  - 47.3 familiarity with government decision-making processes; and
  - 47.4 ability to act independently and impartially.
- I have been discussing potential inquiry chairs with the Prime Minister's Office and intend to bring an oral appointment recommendation to Cabinet on 6 June so that the chair, in designate capacity, can be involved in developing the terms of reference and consideration of potential inquiry members.
- The remaining membership of the inquiry panel will be proposed in the second paper in June 2023. Appropriate enquiries concerning probity and actual or perceived conflicts of interest for the members of the inquiry will be undertaken by officials. These enquiries will include the completion of formal declarations on any actual or perceived conflicts. Officials will also undertake background checks, including online background checks.

#### **Next Steps**

- Subject to agreement to establish an inquiry into the response to the 2023 North Island severe weather events, I intend to seek decisions in late June 2023 on the inquiry's:
  - 50.1 terms of reference;
  - 50.2 membership; and
  - 50.3 budget.
- This enables time to develop, and consult on, the draft terms of reference, and for due diligence and consideration of the appointment process for the members.
- I will consult with the Minister for the Public Service to seek agreement to the fee level for the members.
- Once formally established, the inquiry needs a period of time to undertake initial planning and communication before it is subject to public expectations of formally engaging stakeholders and receiving information.

#### **Financial Implications**

Officials have advised that, based on the indicative purpose and scope, the estimated cost of the inquiry is \$4.0-\$5.5 million. This estimated cost relates only to the cost of carrying out the inquiry, which includes those costs related to inquiry members and a secretariat, as well as operating, legal, and administrative support. It does not include any costs that agencies might incur during their engagement with, or response to, the inquiry.

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- The estimated cost is based on DIA's experience of administering recent inquiries, and their specific purpose, subject breadth, legal complexity, expectations for public participation or engagement, and timeframe. Recent inquiries excluding Royal Commissions, have ranged in cost between \$6.5 million and \$12 million. From past inquiry experience, costs can be difficult to forecast accurately until the inquiry panel has developed its work programme. Historically, almost all inquiries have sought further funding to complete the work of the inquiry.
- While this inquiry will not assist with cost of recovery, I anticipate that the value that will come from the inquiry will outweigh this cost in the long run. This inquiry provides an opportunity to reduce the extent of consequences that New Zealand often faces following emergency events, which far outweigh the immediate costs of the inquiry. It will help us identify where improvement is needed so that we can act fast and strong to improve the emergency management system before the next disaster.
- As noted above, a subsequent Cabinet paper in June 2023 will seek to agree to the Budget for this inquiry, alongside terms of reference and inquiry membership.
- DIA does not have standing baseline funding to support statutory inquiries. There are no reprioritisation opportunities within DIA's baselines to fund the proposed estimated cost of the inquiry, as a number of financial pressures already exist across DIA in 2023/24. Reprioritisation from DIA's appropriations would compound existing financial pressures and create additional risk to other workstreams.
- Similarly, the National Emergency Management Agency does not have baseline funding to support inquiries and cannot absorb inquiry-related costs without compromising its core functions.
- Cabinet has previously agreed that statutory inquiries were an all of government responsibility and should be adequately funded [CAB-18-MIN-0352 refers]. Cabinet has also previously agreed that statutory inquiries should not compromise other functions [CAB-18-MIN-0352 refers].
- The inquiry's recommendations may have financial implications, which will be considered by the government in formulating their response to the inquiry's recommendations.

#### Legislative Implications

This paper has no legislative implications. It is possible that the inquiry may propose legislative changes for the Government's consideration.

#### **Impact Analysis**

The impact analysis requirements do not apply for this paper as it does not propose anything that involves the potential introduction of new legislation or changes to or the repeal of existing legislation.

## **Population Implications**

As noted above, the proposed indicative scope for the inquiry includes consideration of coordination and provision of response services to:

- 64.1 Māori, including the design and provision of response services in partnership with CDEM Groups; and
- 64.2 Pacific and ethnic communities, disabled people and other community groups.

## **Human Rights**

The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

#### Consultation

- The following departments were consulted: Ministry of Business, Innovation and Employment; Ministry of Defence; Department of Corrections; New Zealand Defence Force; Ministry of Education; Ministry for the Environment; Ministry of Foreign Affairs and Trade; Ministry of Justice; Department of Internal Affairs; Ministry of Health; Ministry of Housing and Urban Development; Office for Māori Crown Relations: Te Arawhiti; Ministry for Pacific Peoples; New Zealand Customs Service; New Zealand Police; Ministry for Primary Industries; Department of the Prime Minister and Cabinet; Public Service Commission; Ministry of Social Development; Ministry of Transport; Te Puni Kōkiri; and the Treasury. Crown Law Office was also consulted.
- Subject to Cabinet's agreement to establish the inquiry, a draft terms of reference will be tested with targeted stakeholders ahead of the second Cabinet paper in late June.

#### **Communications**

Subject to decisions, I intend to make a public announcement about the establishment of an inquiry into the response to the 2023 North Island severe weather events in conjunction with announcing the introduction of the Emergency Management Bill.

#### **Proactive Release**

I propose this Cabinet paper is released as soon as practicable after appointment announcements, subject to redactions under the Official Information Act 1982, such as to protect the privacy of natural persons.

#### Recommendations

The Minister for Emergency Management recommends that the Committee:

- agree that it is now timely to invest in a process to learn from our response to the recent North Island severe weather events and to use those lessons to strengthen our preparedness for future emergency events;
- agree that it is a matter of public importance that New Zealand's emergency management system is appropriate for responding to future emergency events, because people's lives and livelihoods are at stake;
- agree to establish an inquiry into the response to the 2023 North Island severe weather events, under the Inquiries Act 2013;



4 **agree** that the inquiry is established as a government inquiry;

Purpose and scope of the inquiry

- **note** that the indicative purpose of the inquiry is to ensure that the design of New Zealand's emergency management system is appropriate to support preparedness for, and responses to, future emergency events by identifying lessons from the recent North Island severe weather events;
- 6 **note** that the indicative scope of the inquiry includes investigating whether:
  - 6.1 the response phase of the North Island severe weather events operated as expected under current emergency management system design and, if not, what would enable future responses to operate as anticipated;
  - 6.2 the current design of the emergency management system created any challenges that impacted the response; and
  - 6.3 the system improvements already underway will be sufficient to address the identified challenges or whether additional improvements are required;

#### Exclusions from the inquiry

- 7 **note** that, based on the indicative scope and purpose, the indicative exclusions from the inquiry include:
  - 7.1 policies and actions relating to the recovery phase of the North Island severe weather events including decisions about the future of severely affected locations, and funding and coordination of recovery;
  - 7.2 policies and actions relating to risk reduction and resilience building;
  - 7.3 investigation of land use causing woody debris, including forestry slash, and sediment-related damage;
  - 7.4 investigation of the causes of deaths due to the severe weather events;
  - 7.5 investigation into the treatment of individual cases of people or businesses affected by the severe weather events;
  - 7.6 anything that is not required to produce the recommendations; and
  - 7.7 any questions of civil, criminal, or disciplinary liability;

#### IN CONFIDENCE

#### *Indicative timeframe of the inquiry*

8 **note** that the inquiry is expected to commence in July 2023 and conclude in December 2023;

Appointing Minister, appropriate Minister, and administering department

- agree that the Minister for Emergency Management is the appointing minister for the inquiry (responsible for establishing the inquiry and receiving the inquiry's report);
- agree that the Minister of Internal Affairs is the appropriate Minister for the inquiry (responsible for the funding to support the inquiry);
- agree that the Department of Internal Affairs is the administering department for the inquiry;

Attributes of chair and members

- agree that, based on the inquiry's indicative purpose and scope, the chair and members should collectively have the following expertise and attributes:
  - the ability to collaborate as part of a group that leads and delivers a systemlevel review;
  - 12.2 an understanding of New Zealand's emergency management system;
  - 12.3 the ability to understand and engage with Māori interests; and
  - the ability to understand and engage with other communities affected by the severe weather events (including Pacific peoples and rural communities);
- agree that, in addition, the following are key attributes for the chair of this inquiry:
  - 13.1 experience in a public-facing role;
  - 13.2 governance experience;
  - 13.3 familiarity with government decision-making processes; and
  - 13.4 ability to act independently and impartially;
- invite the Minister for Emergency Management to bring an oral recommendation to Cabinet on 6 June regarding appointment of the inquiry chair;

Next steps

invite the Minister for Emergency Management and Minister of Internal Affairs to seek Cabinet agreement to the inquiry's terms of reference, membership, and budget in June 2023;

#### Communications

**note** that the Minister for Emergency Management intends to announce the decision to establish the inquiry at an appropriate time.

Authorised for lodgement

Hon Kieran McAnulty

Minister for Emergency Management



# **Cabinet Economic Development 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.

# Establishing a Government Inquiry into the Response to the North Island Severe Weather Events

Portfolio Emergency Management

On 31 May 2023, the Cabinet Economic Development Committee:

- agreed that it is now timely to invest in a process to learn from the response to the recent North Island severe weather events, and to use those lessons to strengthen the emergency management system's preparedness for future emergency events;
- agreed that it is a matter of public importance that New Zealand's emergency management system is appropriate for responding to future emergency events, because people's lives and livelihoods are at stake;
- agreed to establish an inquiry into the response to the 2023 North Island severe weather events, under the Inquiries Act 2013;
- 4 **agreed** that the inquiry be established as a government inquiry;

## Purpose and scope of the inquiry

- noted that the indicative purpose of the inquiry is to ensure that the design of New Zealand's emergency management system is appropriate to support preparedness for, and responses to, future emergency events by identifying lessons from the recent North Island severe weather events;
- 6 **noted** that the indicative scope of the inquiry includes investigating whether:
  - 6.1 the response phase of the North Island severe weather events operated as expected under current emergency management system design and, if not, what would enable future responses to operate as anticipated;
  - the current design of the emergency management system created any challenges that impacted the response;
  - 6.3 the system improvements already underway will be sufficient to address the identified challenges or whether additional improvements are required;
- 7 **noted** that the inquiry will provide feedback on whether provisions in the Emergency Management Bill, as currently drafted, will address concerns raised by Māori;

#### **Exclusions from the inquiry**

- 8 **noted** that, based on the indicative scope and purpose, the indicative exclusions from the inquiry include:
  - 8.1 policies and actions relating to the recovery phase of the North Island severe weather events including decisions about the future of severely affected locations, and funding and coordination of recovery;
  - 8.2 policies and actions relating to risk reduction and resilience building;
  - 8.3 investigation of land use causing woody debris, including forestry slash, and sediment-related damage;
  - 8.4 investigation of the causes of deaths due to the severe weather events;
  - 8.5 investigation into the treatment of individual cases of people or businesses affected by the severe weather events;
  - 8.6 anything that is not required to produce the recommendations;
  - 8.7 any questions of civil, criminal, or disciplinary liability;

#### Indicative timeframe of the inquiry

9 **noted** that the inquiry is expected to commence in July 2023 and conclude in March 2024;

## Appointing Minister, appropriate Minister, and administering department

- agreed that the Minister for Emergency Management be the appointing Minister for the inquiry (responsible for establishing the inquiry and receiving the inquiry's report);
- agreed that the Minister of Internal Affairs be the appropriate Minister for the inquiry (responsible for the funding to support the inquiry);
- agreed that the Department of Internal Affairs be the administering department for the inquiry;

#### Attributes of chair and members

- agreed that, based on the inquiry's indicative purpose and scope, the chair and members should collectively have the following expertise and attributes:
  - the ability to collaborate as part of a group that leads and delivers a system-level review;
  - 13.2 an understanding of New Zealand's emergency management system;
  - 13.3 the ability to understand and engage with Māori interests;
  - the ability to understand and engage with other communities affected by the severe weather events (including Pacific peoples and rural communities);

- agreed that, in addition, the following will be key attributes for the chair of the inquiry:
  - 14.1 experience in a public-facing role;
  - 14.2 governance experience;
  - 14.3 familiarity with government decision-making processes;
  - 14.4 ability to act independently and impartially;
- invited the Minister for Emergency Management to bring an oral recommendation to Cabinet on 12 June 2023 regarding the appointment of the inquiry chair;

#### **Next steps**

- invited the Minister for Emergency Management and the Minister of Internal Affairs to seek Cabinet agreement to the inquiry's terms of reference, membership, and budget by July 2023;
- noted that the report-back referred to in paragraph 16 will include further advice on how the terms of reference direct the inquiry to consider the interests of Māori in the context of preparing for and responding to emergency events, consistent with the Treaty of Waitangi/Te Tiriti o Waitangi relationship;
- **noted** that the Minister for Emergency Management intends to announce the decision to establish the inquiry at an appropriate time.

Sam Moffett Committee Secretary

#### Present:

Hon Grant Robertson (Chair)

Hon Dr Megan Woods

Hon Michael Wood

Hon Dr Ayesha Verrall

Hon Willie Jackson

Hon Kiri Allan

Hon Damien O'Connor

Hon David Parker

Hon Priyanca Radhakrishnan

Hon Kieran McAnulty

Hon Barbara Edmonds

Hon Dr Duncan Webb Hon Rino Tirikatene

Hon Dr Deborah Russell

Hon Rachel Brooking

Hon Jo Luxton

#### Officials present from:

Office of the Prime Minister Officials Committee for DEV



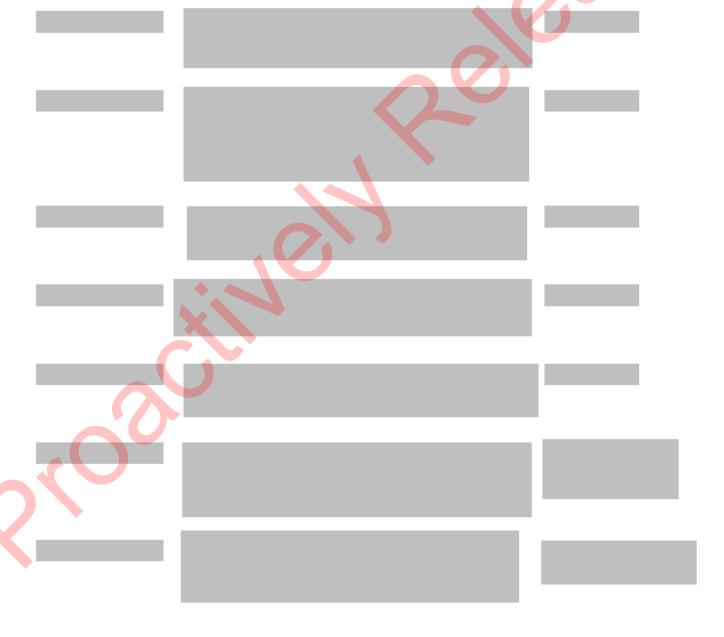
# **Cabinet**

## 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 Economic Development Committee: Period Ended 2 June 2023

On 6 June 2023, Cabinet made the following decisions on the work of the Cabinet Economic Development Committee for the period ended 2 June 2023:



DEV-23-MIN-0102

Establishing a Government Inquiry into the Response to the North Island Severe Weather

**Events** 

Portfolio: Emergency Management

**CONFIRMED** 

Rachel Hayward Secretary of the Cabinet

#### In Confidence

Office of the Minister for Emergency Management

Office of the Minister of Internal Affairs

Cabinet Economic Development Committee

# Establishing the government inquiry into the response to the North Island severe weather events

## **Proposal**

- This paper seeks agreement to the terms of reference, and funding for the government inquiry into the North Island severe weather events (the Inquiry).
- This paper seeks agreement to authorise the Minister of Finance, the Attorney-General, the Inquiry Appointing Minister, and the Inquiry Appropriate Minister to have Power to Act to:
  - 2.1 take decisions on the appointment of the members of the Inquiry; and
  - 2.2 make final minor amendments to the terms of reference and the funding for the Inquiry, if required, prior to notification in the *New Zealand Gazette*.

#### Relation to government priorities

- This paper relates to the Government's response to the North Island severe weather events during January and February 2023, which refer to three specific events: Cyclone Hale; heavy rainfall in the Northland, Auckland, Waikato, and Bay of Plenty regions; and Cyclone Gabrielle. It also contributes to the broader priority of learning to better prepare for, and respond to, future severe weather events.
- On 6 June 2023, Cabinet agreed to establish a government inquiry into the response to the 2023 North Island severe weather events, under the Inquiries Act 2013 (the Act), and that it would be established as a government inquiry [DEV-23-MIN-0102 refers].
- Cabinet also agreed to appoint the Minister for Emergency Management as the Appointing Minister for the Inquiry, for the Minister of Internal Affairs to be the Appropriate Minister for the Inquiry, and that the Department of Internal Affairs provide administrative support to the Inquiry.
- Cabinet invited the Minister for Emergency Management and the Minister of Internal Affairs to seek Cabinet agreement to the Inquiry's terms of reference, membership, and budget by July 2023.

#### **Executive Summary**

- We seek Cabinet's agreement to the terms of reference as drafted (see Appendix A).
- The terms of reference state that the purpose of the Inquiry is to ensure that the design of New Zealand's emergency management system is appropriate to support readiness for, and responses to, future emergency events (such as landslides, tsunami, earthquake, volcanic activity, floods, and storms) by identifying lessons from the 2023 North Island severe weather events.
- 9 The Appointing Minister proposes to appoint Sir Jerry Mateparae as the chair of the Inquiry. The due diligence process has been completed and the formal appointment process papers are attached as Appendix B.
- The Appointing Minister is still undertaking conversations with other proposed panel members. Further time is required to complete due diligence processes.
- We propose that the Inquiry commences 10 July 2023, following notification in the *New Zealand Gazette*, and begins considering evidence from 31 July 2023.
- We propose that, as outlined in the terms of reference, the Inquiry is required to deliver:
  - 12.1 A report with interim recommendations no later than 7 December 2023; and
  - 12.2 A final report including final recommendations no later than 26 March 2024.
- The Appointing Minister has received approval from the Minister for the Public Service on the fees to be paid to the chair and to the members of the Inquiry.
- The Inquiry budget is estimated at \$6.794 million based on the proposed terms of reference, membership, and expected operating requirements.
- The Department of Internal Affairs does not have standing baseline funding to support new statutory inquiries. There are no reprioritisation opportunities within the Vote Internal Affairs baselines to fund the estimated cost of the Inquiry, as a number of financial pressures already exist across the Department in 2023/24 and outyears. A total of a \$6.794 million increase to the Vote Internal Affairs appropriations for 2023/24 is therefore sought to cover the costs of the Inquiry.

#### Terms of reference for the government inquiry

- The Inquiry will be set up in accordance with the Inquiries Act 2013. It must act independently, impartially, and fairly.
- 17 This paper seeks Cabinet agreement to the terms of reference for the Inquiry (see Appendix A).
- The proposed terms of reference outline the Inquiry's purpose as: ensuring that the design of New Zealand's emergency management system is appropriate to support readiness for, and responses to, future emergency events (such as landslides, tsunami,

- earthquake, volcanic activity, floods, and storms) by identifying lessons from the 2023 North Island severe weather events.
- Officials have engaged with the proposed Chair on the terms of reference, as per Cabinet Manual guidance (4.107).
- This paper seeks agreement to authorise the Minister of Finance, the Attorney-General, the Inquiry Appointing Minister, and the Inquiry Appropriate Minister to have Power to Act to make final minor amendments to the terms of reference and the funding for the Government Inquiry, if required, prior to notification in the *New Zealand Gazette*.

#### Timing of the Inquiry

- We propose that the Inquiry commences on 10 July 2023 and begins considering evidence from 31 July 2023.
- The three weeks between these dates allows the Inquiry a period of time to undertake initial planning and communication before it is subject to public expectations of formally engaging with stakeholders and considering evidence. This avoids the risk of unplanned and reactive work by the Inquiry or future rework if initial engagements were not well planned.
- We propose that the Inquiry deliver a report with interim recommendations no later than 7 December 2023 and deliver a final report with final recommendations no later than 26 March 2024. This approach has been used with other inquiries and would provide:
  - 23.1 9(2)(f)(iv)
  - 23.2 an early indication of the scope of the Inquiry's recommendations; and
  - 23.3 confidence that the Inquiry is on track to deliver the final report.

#### Inquiry membership

- Based on the expected workload, we propose that three to four members, including the chair, are appointed to the Inquiry. Based on the Department of Internal Affairs' experience, a multi-member panel allows for a greater depth and breadth of skills, experience, and attributes to be represented on the panel, as well as the ability to cover personnel absences.
- The chair and members of this Inquiry must be viewed as credible by the public and within the emergency management sector.
- On 6 June 2023, Cabinet noted the Inquiry's indicative scope and purpose, and that the chair and members should collectively have the following expertise and attributes:
  - ability to collaborate as part of a group that leads and delivers a system level review;

#### IN CONFIDENCE

- 26.2 an understanding of New Zealand's emergency management system;
- 26.3 ability to understand and engage with Māori interests; and
- ability to understand and engage with other affected communities and persons disproportionately impacted by the severe weather events.
- The Appointing Minister proposes to appoint Sir Jerry Mateparae as the chair of the Inquiry. The due diligence process has been completed and the formal appointment process papers are attached as Appendix B.
- Sir Jerry Mateparae brings 50 years of public service experience including 39 years as an officer in the New Zealand Defence Force, and 15 years in senior leadership roles, culminating as Chief of Defence Force (2006-2011). More recently Sir Jerry has also been:
  - 28.1 the Director of the Government Communications Security Bureau (2011)
  - 28.2 the 20<sup>th</sup> Governor-General of New Zealand (2011-2016)
  - 28.3 the 27<sup>th</sup> New Zealand High Commissioner to the United Kingdom (2017-2020).
- The Appointing Minister is still undertaking conversations with other proposed panel members and further time is required to complete due diligence processes.
- Therefore, we seek Cabinet's agreement to authorise the Minister of Finance, the Attorney-General, the Inquiry Appointing Minister, and the Inquiry Appropriate Minister to have Power to Act to take decisions on the appointment of the members of the Inquiry.
- Subject to those decisions, the proposed appointments of Sir Jerry Mateparae as the Inquiry chair, and the other members will be included in the terms of reference for the Inquiry and notified in the *New Zealand Gazette*.

#### Term of appointments

We propose that the Inquiry members are appointed for a period commencing on 10 July 2023, which will be notified in the *Gazette*, and expiring when the final report is provided to the Appointing Minister, being no later than 26 March 2024.

#### Remuneration

- Fees for the chair and members of the Inquiry are covered by the Cabinet Fees Framework [CO (22) 2] (the Fees Framework). The Fees Framework does not outline fee ranges for government inquiries. Instead, fees for inquiries are referred to the Minister for the Public Service for consideration as an exception.
- The Appointing Minister has received agreement from the Minister for the Public Service for fees for the chair and members of this Inquiry.
- 35 Consistent with the Fees Framework the Appointing Minister proposes that:

- 35.1 the fee for the intended Inquiry chair is set at a daily rate of \$1,650.00; and
- 35.2 the fee for the intended Inquiry panel members is set at a daily rate of \$1,100.00 each.
- The arrangements for any Inquiry members who are public servants will be in accordance with the Fees Framework guidelines. Public servants must not receive both fees as a member and remuneration from their employer for the same period. Employers must be informed and agree to the arrangements put in place to handle these matters.

#### Conflicts of interest and probity

- Appropriate enquiries concerning probity and actual or perceived conflicts of interest for the proposed chair and members of the Inquiry have been or will be undertaken by officials. These enquiries include the completion of formal declarations on any actual or perceived conflicts. As part of due diligence requirements, officials will also carry out appropriate background checks of the proposed panel members (including online checks as appropriate).
- No issues or concerns were identified for the chair.

#### Financial implications

- Funding is required to enable the Department of Internal Affairs to support the Inquiry and to establish a secretariat, which will provide administrative and logistical support for the chair and members. While the secretariat's support for the chair and members will include seeking input from agencies, its role will not extend to coordinating individual agencies' responses or making connections between agencies with related questions.
- The estimated operating funding required for the Inquiry is \$6.794 million. A breakdown of the budget is provided in Table 1. The proposed budget relates only to the costs of carrying out the Inquiry, which include those costs related to members' fees and a secretariat, as well as operating, legal, and administrative support. It does not include any costs that agencies might incur during their engagement with, or response to, the Inquiry.

Table 1: The Government Inquiry's forecast cost summary

| Cost category         | Forecast cost<br>(\$ million) |
|-----------------------|-------------------------------|
| Secretariat Personnel | 3.285                         |
| Operating & Support   | 2.181                         |
| Legal Counsel         | 0.392                         |
| Member Fees           | 0.936                         |
| TOTAL                 | 6.794                         |

- The proposed budget assumes that the Inquiry will:
  - 41.1 primarily focus on seeking lessons that should be learned and which are applicable for the future, and not deal with events involving significant failure or fault-finding, and so will only incur moderate legal costs;
  - 41.2 utilise existing material as an input to its work, and not duplicate or repeat that work;
  - 41.3 consider how best to hear from, or engage with, individuals, groups and communities in order to examine the matters within its scope;
  - 41.4 need capacity to examine material and information, both material already in the public domain and material supplied to it by individuals, groups, communities, and by central and local government agencies; and
  - 41.5 be able to rely on existing government agency networks to establish connections with key people or groups within the specific subject matter areas and communities within its scope, and then will be supported by agencies to connect with those people and groups, so will not require resources to establish and maintain those relationships entirely of its own accord, beyond what it may naturally have by virtue of the experience of its members and secretariat.
- The Department of Internal Affairs does not have standing baseline funding to support new statutory inquiries. There are no reprioritisation opportunities within the Vote Internal Affairs baselines to fund the estimated cost of the Inquiry, as a number of financial pressures already exist across the Department in 2023/24 and outyears.
- Cabinet has previously agreed that statutory inquiries were an all of government responsibility and should be adequately funded [CAB-18-MIN-0352 refers]. Cabinet has also previously agreed that statutory inquiries should not compromise other functions [CAB-18-MIN-0352 refers].
- As the Inquiry will commence immediately, the request for funding cannot be deferred until Budget 2024. Funding for the Inquiry is therefore sought from the Between-Budget Contingency, established as part of Budget 2023.
- Accordingly, the Appropriate Minister, seeks approval for a total of \$6.794 million increase to the Vote Internal Affairs appropriations in 2023/24 to cover the costs of the Inquiry.
- If the Inquiry's expenditure is lower than budgeted after its close down, then it is proposed that any underspend associated with the Inquiry be returned to the Centre.
- The funding sought is an informed estimate of what will be required and reasonable for the Inquiry to complete its work. Once the Inquiry commences and plans its work in detail, there may be some variation in the budget that requires it to be rephased. There have been previous statutory inquiries that have required more funding and time than originally allocated.

#### The Inquiry's financial transparency and accountability

- While it is essential that statutory inquiries have investigative independence, they must also be fiscally accountable for, and transparent in, the way they use public funds to deliver on their mandate. The Department of Internal Affairs is responsible for establishing the process for monitoring the Inquiry's budget and the reporting timeframe.
- As per the terms of reference, the Inquiry will support the Department of Internal Affairs to comply with its administrative and financial planning (relevant to the Inquiry) by providing regular information and reporting on administrative and financial matters.

#### Legislative implications

There are no legislative implications from this paper. A *Gazette* notice will notify the establishment of the Inquiry, the terms of reference, the name of the Inquiry members, and will set the Inquiry reporting date.

#### Te Tiriti o Waitangi

- The scope outlined in the terms of reference includes consideration of the interests of Māori in the context of an emergency event, consistent with the Treaty of Waitangi/Te Tiriti o Waitangi relationship.
- Māori and iwi play a major role in meeting and supporting immediate needs during responses to emergency events.
- To that effect, the Inquiry will consider the coordination and provision of response services to, and the impact on, persons and communities disproportionately impacted by the events, including Māori. This includes how Māori are and were encouraged to actively participate and partner with the Crown during the response to the 2023 North Island severe weather events.

#### Population implications

- Emergency events can disproportionately impact some population groups and community groups can play a significant role in supporting responses to emergency events, as noted above.
- 55 As per the terms of reference, the Inquiry's scope includes consideration of:
  - the interests of Māori in the context of severe weather events, consistent with the Treaty of Waitangi/Te Tiriti relationship; and
  - the impact on, and differential support for, populations and communities that may be disproportionately impacted by severe weather events, including Pacific, ethnic, rural communities, and disabled persons.

#### **Human Rights**

The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

#### Consultation

- The following departments were consulted: Ministry of Business, Innovation and Employment; Ministry of Defence; Department of Corrections; New Zealand Defence Force; Ministry of Education; Ministry for the Environment; Ministry of Foreign Affairs and Trade; Ministry of Justice; Department of Internal Affairs; Ministry of Health; Ministry of Housing and Urban Development; Office for Māori Crown Relations: Te Arawhiti; Ministry for Pacific Peoples; New Zealand Customs Service, New Zealand Police; Ministry for Primary Industries; Department of the Prime Minister and Cabinet; Public Service Commission; Ministry of Social Development; Ministry of Transport; Te Puni Kōkiri; and the Treasury. Crown Law Office was also consulted.
- No substantive changes to the draft terms of reference were made following departmental consultation. Minor wording and clarifications have been incorporated.
- A small group of stakeholders from the emergency management sector have also supported the development of the terms of reference.

#### **Communications**

- Subject to Cabinet agreement, the Prime Minister and the Appointing Minister intend to announce the establishment of the Inquiry on a date to be determined as soon as practicable on or after 26 June 2023.
- Under the Act, a government inquiry is established by the publication of a *New Zealand Gazette* notice by the Appointing Minister. The terms of reference for an inquiry must be included in the *Gazette* notice establishing the inquiry or published in the *Gazette* as soon as reasonably possible afterwards. An inquiry must not begin considering evidence until the terms of reference have been published in the *Gazette*.
- We intend to publish a *Gazette* notice establishing the Inquiry as soon as practicable after Cabinet consideration. The *Gazette* notice will notify the establishment of the Inquiry, the terms of reference, the name of the Inquiry members, and set the Inquiry reporting date.

#### **Proactive Release**

We intend to proactively release this paper and the earlier Cabinet paper *Establishing* an *Inquiry into the Government's response into the North Island severe weather* events within 30 business days, subject to redaction as appropriate under the Official Information Act 1982.

#### Recommendations

The Appointing Minister and the Appropriate Minister recommend that Cabinet:

- 1 **note** that, on 6 June 2023, Cabinet agreed:
  - to establish an inquiry into the Government's response into the North Island Severe Weather events (the Inquiry), under the Inquiries Act 2013;
  - 1.2 that the Inquiry be established as a Government Inquiry;
  - 1.3 that the Minister for Emergency Management be the Appointing Minister for the Inquiry;
  - 1.4 that the Minister of Internal Affairs be the Appropriate Minister for the Inquiry;
  - that the Department of Internal Affairs be the administering department for the Inquiry;
  - 1.6 to invite the Minister for Emergency Management and the Minister of Internal Affairs to seek Cabinet agreement to the inquiry's terms of reference, membership, and budget by July 2023;

#### Terms of reference

- agree that the purpose of the inquiry is to ensure that the design of New Zealand's emergency management system is appropriate to support readiness for, and responses to, future emergency events (landslides, tsunami, earthquake, volcanic activity, floods, and storms) by identifying lessons from the 2023 North Island severe weather events;
- agree to the terms of reference for the inquiry, as contained in the establishment instrument attached at Appendix A;
- 4 **agree** that the inquiry will commence on 10 July 2023 and may begin considering evidence from 31 July 2023;
- agree that the inquiry is required to deliver a report with interim recommendations by 7 December 2023 and a final report with recommendations by 26 March 2024;
- note that the chair has received a copy of the draft terms of reference. Officials have engaged with the proposed Chair on the terms of reference, as per Cabinet Manual guidance (4.107);

#### **Appointments**

- agree to the Appointing Minister appointing Sir Jerry Mateparae as the chair of the inquiry;
- 8 **note** the Appointing Minister is still undertaking conversations with other proposed panel members. Further time is required to complete due diligence processes;

9 **note** that, consistent with the Cabinet Fees Framework [CO (22) 2 refers], the fees for the inquiry chair will be \$1,650 per day and members' fees will be \$1,100 per day;

#### **Power to Act**

- authorise the Minister of Finance, the Attorney-General, the Appointing Minister, and the Appropriate Minister to have Power to Act to:
  - 10.1 take decisions on the appointment of the members of the inquiry;
  - 10.2 make final minor amendments to the terms of reference and the funding for the Government Inquiry, if required, prior to notification in the *New Zealand Gazette*;

#### Communication

- note that, the Prime Minister and the Appointing Minister intend to announce the establishment of the inquiry on a date to be determined as soon as practicable on or after 26 June 2023;
- note that the Appointing Minister intends to establish the inquiry by a notice in the *New Zealand Gazette* as soon as practicable after Cabinet approval. That notice contains the terms of reference for the inquiry, the name of the inquiry members, and sets the inquiry reporting date;

#### **Financial implications**

- agree to increase funding in Vote Internal Affairs by \$6.794 million to meet the costs of the inquiry;
- note that the request for funding is urgent, it cannot be met from Vote Internal Affairs baselines, and cannot be deferred until Budget 2024;
- approve the following changes to appropriations to meet the costs of this Government Inquiry, with a corresponding impact on the operating balance and net debt:

|                       | \$million – increase/(decrease) |         |         |         |           |
|-----------------------|---------------------------------|---------|---------|---------|-----------|
| Vote Internal Affairs | 2022/23                         | 2023/24 | 2024/25 | 2025/26 | 2026/27 & |
| Minister of Internal  |                                 |         |         |         | Outyears  |
| Affairs               |                                 |         |         |         |           |
| Multi-Category        |                                 |         |         |         |           |
| Expenses and Capital  |                                 |         |         |         |           |
| Expenditure:          |                                 |         |         |         |           |
| Support for Statutory |                                 |         |         |         |           |
| and Other Bodies      |                                 |         |         |         |           |
| MCA                   |                                 |         |         |         |           |
| Departmental Output   |                                 |         |         |         |           |
| Expense:              | -                               | 5.858   | -       | -       | -         |

- IN CONFIDENCE

| Commissions of         |   |       |   |   |   |
|------------------------|---|-------|---|---|---|
| Inquiry and Similar    |   |       |   |   |   |
| Bodies                 |   |       |   |   |   |
| (funded by revenue     |   |       |   |   |   |
| Crown)                 |   |       |   |   |   |
| Non-Departmental       |   |       |   |   |   |
| Other Expense:         | - |       |   |   |   |
| Statutory Inquiries    |   | 0.936 | - | - | - |
| <b>Total Operating</b> | - | 6.794 | - | - | - |

- agree that the proposed changes to appropriations for 2023/24 above be included in the 2023/24 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- agree that the expenses incurred under the recommendation above be charged against the Between-Budget Contingency, established as part of Budget 2023;
- agree that any underspend associated with the inquiry be returned to the Centre after the inquiry's close down.

Authorised for lodgement

Hon Kieran McAnulty

Minister for Emergency Management

Hon Barbara Edmonds

Minister of Internal Affairs



# Cabinet Economic Development 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.

# Establishing the Government Inquiry into the Response to the North Island Severe Weather Events

Portfolios Emergency Management / Internal Affairs

On 21 June 2023, the Cabinet Economic Development Committee (DEV):

#### **Background**

- 1 **noted** that on 31 May 2023, DEV agreed:
  - to establish an inquiry into the government's response into the North Island Severe Weather events (the Inquiry), under the Inquiries Act 2013;
  - 1.2 that the Inquiry be established as a government inquiry;
  - that the Minister for Emergency Management be the Appointing Minister for the Inquiry;
  - 1.4 that the Minister of Internal Affairs be the Appropriate Minister for the Inquiry;
  - 1.5 that the Department of Internal Affairs be the administering department for the Inquiry;
  - 1.6 to invite the Minister for Emergency Management and the Minister of Internal Affairs to seek Cabinet agreement to the Inquiry's terms of reference, membership, and budget by July 2023;

[DEV-23-MIN-0102]

#### Terms of reference

- agreed that the purpose of the Inquiry be to ensure that the design of New Zealand's emergency management system is appropriate to support readiness for, and responses to, future emergency events (landslides, tsunami, earthquake, volcanic activity, floods, and storms) by identifying lessons from the 2023 North Island severe weather events;
- agreed to the terms of reference for the Inquiry, as contained in the establishment instrument attached as Appendix A to the paper under DEV-23-SUB-0123;
- 4 **agreed** that the Inquiry will commence on 10 July 2023, and may begin considering evidence from 31 July 2023;

- **agreed** that the Inquiry be required to deliver a report with interim recommendations by 7 December 2023 and a final report with recommendations by 26 March 2024;
- **noted** that officials have engaged with the proposed chair of the Inquiry on the terms of reference, as per paragraph 4.107 of the Cabinet Manual;

#### **Appointments**

- agreed to the Appointing Minister appointing Sir Jerry Mateparae as the chair of the Inquiry;
- 8 **noted** that the Appointing Minister is still undertaking conversations with other proposed panel members, and that further time is required to complete due diligence processes;
- 9 **noted** that, consistent with the Cabinet Fees Framework [CO (22) 2], the fees for the Inquiry chair will be \$1,650 per day and members' fees will be \$1,100 per day;

#### **Power to Act**

- authorised the Minister of Finance, the Attorney-General, the Appointing Minister, and the Appropriate Minister to have Power to Act to:
  - 10.1 take decisions on the appointment of the members of the Inquiry;
  - make final minor amendments to the terms of reference and the funding for the Inquiry, if required, prior to notification in the *New Zealand Gazette*;

#### Communication

- 11 **noted** that the Prime Minister and the Appointing Minister intend to announce the establishment of the Inquiry on a date to be determined, but as soon as practicable on or after 26 June 2023;
- noted that the Appointing Minister intends to establish the Inquiry by a notice in the New Zealand Gazette as soon as practicable (the notice will contain the terms of reference for the Inquiry, the name of the Inquiry members, and the Inquiry reporting date);

#### Financial implications

- agreed to increase funding in Vote Internal Affairs by \$6.794 million to meet the costs of the Inquiry;
- noted that the request for funding is urgent, it cannot be met from Vote Internal Affairs baselines, and cannot be deferred until Budget 2024;

**approved** the following changes to appropriations to meet the costs of the Inquiry, with a corresponding impact on the operating balance and net debt:

|  | \$million – increase/(decrease) |         |         |         |                       |
|--|---------------------------------|---------|---------|---------|-----------------------|
| Vote Internal Affairs<br>Minister of Internal<br>Affairs                     | 2022/23                         | 2023/24 | 2024/25 | 2025/26 | 2026/27 &<br>Outyears |
| Multi-Category Expenses and Capital Expenditure:                             |                                 |         |         |         |                       |
| Support for Statutory and Other Bodies MCA                                   |                                 |         |         |         |                       |
| Departmental Output<br>Expense:  |                                 |         |         |         | 5                     |
| Commissions of Inquiry<br>and Similar Bodies<br>(funded by revenue<br>Crown) | -                               | 5.858   | -       | 0       |                       |
| Non-Departmental Other<br>Expense:<br>Statutory Inquiries                    | -                               | 0.936   | -0      | -       | -                     |
| Total Operating  | -                               | 6.794   | -       | -       | -                     |

- agreed that the changes to appropriations for 2023/24 above be included in the 2023/24 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- agreed that the expenses incurred under paragraph 15 above be charged against the Between-Budget Contingency, established as part of Budget 2023;
- agreed that any underspend associated with the Inquiry be returned to the Centre after the Inquiry's conclusion.

Rebecca Davies
Committee Secretary

#### **Present:**

Hon Grant Robertson (Chair)

Hon Dr Megan Woods

Hon Dr Ayesha Verrall

Hon Damien O'Connor

Hon David Parker

Hon Kieran McAnulty

Hon Ginny Andersen

Hon Dr Duncan Webb

Hon Rino Tirikatene Hon Rachel Brooking

Hon Jo Luxton

#### Officials present from:

Office of the Prime Minister
Officials Committee for DEV



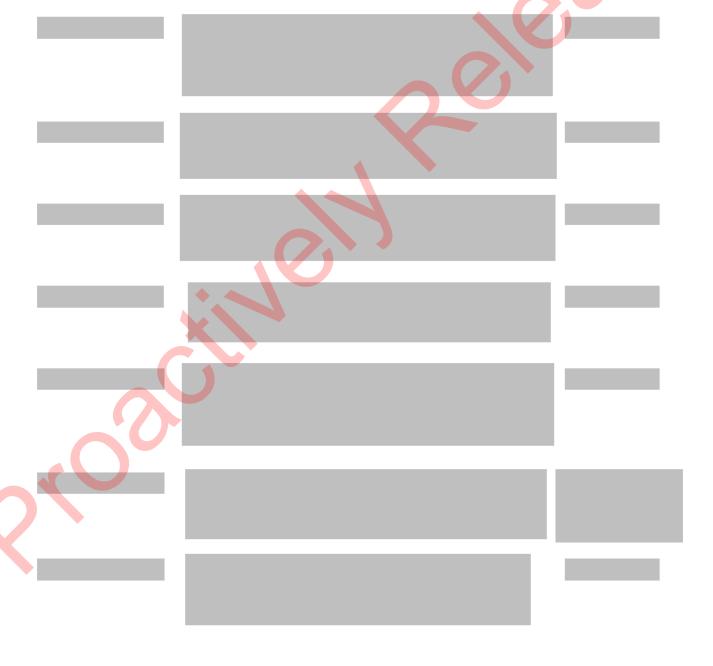
# **Cabinet**

## Minute of Decision

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# Report of the Cabinet Economic Development Committee: Period Ended 23 June 2023

On 26 June 2023, Cabinet made the following decisions on the work of the Cabinet Economic Development Committee for the period ended 23 June 2023:



DEV-23-MIN-0123

**Establishing the Government Inquiry into the Response to the North Island Severe Weather Events** 

Portfolios: Emergency Management / Internal Affairs

CONFIRMED

Diana Hawker Acting Secretary of the Cabinet