



Proactive Release

The following document has been proactively released by the Department of the Prime Minister and Cabinet on behalf of Hon Mark Mitchell, Minister for Emergency Management and Recovery:

Transfer of residual North Island Weather Event recovery activities from 1 July 2025

The following documents have been included in this release:

Title of paper: Transfer of residual North Island Weather Event recovery activities from 1 July 2025 (ECO-25-SUB-0274 refers)

Title of minute: Transfer of Residual North Island Weather Event Recovery Activities from 1 July 2025 (ECO-24-MIN-0274 refers)

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

Key to redaction code:

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



Cabinet Economic Policy 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.

Transfer of Residual North Island Weather Event Recovery Activities from 1 July 2025

Portfolio **Emergency Management and Recovery**

On 20 November 2024, the Cabinet Economic Policy Committee:

- 1 **noted** that in February 2023, the previous government established centralised mechanisms to support and coordinate the North Island Weather Event recovery, including the establishment of a Chief Executive for Cyclone Recovery, hosted by the Department of the Prime Minister and Cabinet (DPMC) and supported by a Cyclone Recovery Unit, for the duration of the recovery [CAB-23-MIN-0056];
- 2 **agreed** that responsibility for North Island Weather Event recovery-related activities that will extend beyond 30 June 2025 be transferred effective 1 July 2025 to the following departments:
 - 2.1 to the Department of Internal Affairs (DIA) - implementation of the Future of Severely Affected Locations (including whenua Māori and marae) contracts and funding agreements;
 - 2.2 to DPMC:
 - 2.2.1 administration of the Severe Weather Emergency Recovery Legislation Act 2023, including reporting on the legislation and supporting the Severe Weather Events Recovery Review Panel;
 - 2.2.2 ownership of the recovery policy settings and decision-making tools;
 - 2.2.3 residual close out activities associated with accounting for and reporting on time-limited appropriations;
- 3 **noted** that the final amount to transfer for the North Island Severe Weather Events (Multi-Year Appropriation) Non-Departmental Other Expenses appropriation will depend on the actual spend during the 2024/25 financial year;

- 4 **agreed** that all unspent funding as at 30 June 2025 in the Vote Prime Minister and Cabinet non-departmental other expenses appropriations North Island Severe Weather Events (Multi-Year Appropriation) and North Island Severe Weather Events - Administrative Services (Multi-Year Appropriation) be transferred to Vote Internal Affairs;
- 5 **noted** that transfer of a conservative amount of the anticipated unspent funding described in paragraph 4 above will be actioned through the 2025 March Baseline Update, with the balance of transfer to be actioned through the 2025 October Baseline Update following finalisation of DPMC's 2024/25 financial statements;
- 6 **noted** that DPMC is forecasting a saving of \$2.750 million in the 2024/25 financial year in the Extreme Weather Events (EWE) departmental appropriation;
- 7 **agreed** to transfer \$1.500 million of the forecast EWE underspend described in paragraph 6 above from Vote Prime Minister and Cabinet to Vote Internal Affairs to enable the DIA to administer Future of Severely Affected Locations contracts and funding agreements across 2025/26 and 2026/27;
- 8 **approved** the following changes to appropriations to give effect to the policy decisions in paragraph 7 above, with no impact on the operating balance and/or net core Crown debt across the forecast period:

	\$m – increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Vote Prime Minister and Cabinet					
Minister for Emergency Management and Recovery					
Departmental Output Expenses:					
Extreme Weather Events All of Government Response	(1.500)	-	-	-	-
(funded by revenue Crown)					
Vote Internal Affairs					
Minister of Local Government					
Departmental Output Expenses:					
Local Government Policy and Related Services	-	1.000	0.500	-	-
(funded by revenue Crown)					
Total Operating	(1.500)	1.000	0.500	-	-

- 9 **agreed** to transfer \$1.250 million of the forecast EWE underspend described in paragraph 6 above within Vote Prime Minister and Cabinet to provide for support of Orders in Council and administration of the Severe Weather Emergency Recovery Legislation Act 2024, support and advice for recovery policy settings and decision-making tools, and residual close out activities in 2025/26;

- 10 **approved** the following changes to appropriations to give effect to the policy decisions in paragraph 9 above, with no impact on the operating balance and/or net core Crown debt across the forecast period:

	\$m – increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Vote Prime Minister and Cabinet					
Minister for Emergency Management and Recovery					
Departmental Output Expenses:					
Extreme Weather Events All of Government Response	(1.250)	-	-	-	-
(funded by revenue Crown)					
Vote Prime Minister and Cabinet					
Prime Minister					
Multi-Category Expenses and Capital Expenditure:					
Advice and Support Service MCA					
Departmental Output Expenses:					
Advice and Support to Government and the Governor General	-	1.250	-	-	-
(funded by revenue Crown)					
Total Operating	(1.250)	1.250	-	-	-

- 11 **agreed in principle** that any underspend for the initiatives described in paragraphs 7 to 10 above as at 30 June 2026 be carried forward to 2026/27 to ensure funding remains available towards the on-going costs of the initiative, subject to confirmation in the 2026 October baseline update following completion of DIA's and DPMC's 2025/26 audited financial statements;
- 12 **agreed** that responsibility for administration of the Crown balance sheet provision for Future of Severely Affected Locations Category 2 and 3 settlements be transferred from DPMC to DIA, with effect from 1 July 2025;
- 13 **agreed** that the changes to appropriations for 2024/25 above be included in the 2024/25 Supplementary Estimates;
- 14 **noted** that the Future of Severely Affected Locations contracts and funding agreements extend for a longer period than the North Island Severe Weather Events (Multi-Year Appropriation) Non-Departmental Other Expenses appropriation currently does (2023/24 to 2027/28), and that DIA will seek the necessary future approvals to extend this funding;

- 15 **noted** that the functional Chief Executive Cyclone Recovery role is not intended to extend beyond 30 June 2025, and that any residual functions, and associated appropriations, of that role will be transferred to DIA and DPMC on that date;
- 16 **agreed** to formally disestablish the role of Chief Executive, Cyclone Recovery on 1 July 2025;
- 17 **invited** the Minister for the Public Service to issue drafting instructions to the Parliamentary Counsel Office for an Order in Council to disestablish the role of Chief Executive, Cyclone Recovery, and remove DPMC as the host department for the role, by removing the relevant item from Schedule 5 of the Public Service Act 2020;
- 18 **agreed** to delegate the following, effective 1 July 2025:
- 18.1 decisions on whenua Māori and marae funding packages under \$5 million from the Minister of Finance and Ministers for Emergency Management and Recovery, Māori Crown Relations: Te Arawhiti, and Māori Development to the Secretary for Internal Affairs;
 - 18.2 remaining decisions regarding Future of Severely Affected Locations contracts and funding agreements from the Minister for Emergency Management and Recovery and the Minister of Finance to the Secretary for Internal Affairs;
- 19 **noted** that remaining decisions on Ministerial responsibilities from 1 July 2025 will be made in early 2025.

Rachel Clarke
Committee Secretary

Present:

Rt Hon Winston Peters
Hon David Seymour
Hon Brooke van Velden
Hon Chris Bishop (Chair)
Hon Paul Goldsmith
Hon Louise Upston
Hon Mark Mitchell
Hon Penny Simmonds
Hon Chris Penk
Hon Nicola Grigg
Hon Mark Patterson

Officials present from:

Office of the Prime Minister
Officials Committee for ECO

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Office of the Minister for Emergency Management and Recovery

Cabinet Economic Policy Committee

Transfer of residual North Island Weather Event recovery activities from 1 July 2025

Proposal

- 1 This paper seeks agreement to allocate a discrete number of residual North Island Weather Events (NIWE) recovery activities from the Chief Executive Cyclone Recovery (CE-CR) to other Crown agencies effective from 1 July 2025. It also asks Cabinet to invite the Minister for the Public Service to take the steps necessary to disestablish the position of CE-CR and remove the Department of the Prime Minister and Cabinet (DPMC) as the host department, by Order in Council, from this date.

Relation to government priorities

- 2 This paper relates to the ongoing recovery from the 2023 NIWE.

Executive Summary

- 3 The Functional CE-CR was established through Order in Council after the NIWE to lead and co-ordinate the government's recovery work programme. The CE-CR is hosted by DPMC with support provided through the Cyclone Recovery Unit (CRU).
- 4 It is intended that the CE-CR role will not extend beyond 30 June 2025. Disestablishing the role of CE-CR requires an Order in Council. I ask Cabinet to invite the Minister for the Public Service to instruct the Parliamentary Counsel Office to prepare this Order in Council, to come into effect on 1 July 2025.
- 5 While critical parts of the NIWE recovery work programme will be completed before the CE-CR disestablishment, remaining activities will require oversight, such as administration of the Crown Funding Agreements and of the Severe Weather Emergency Recovery Legislation Act 2023.
- 6 Approval is sought to transfer those remaining activities to the Department of Internal Affairs (DIA) and DPMC with associated proposed transfers of funding, appropriations, and Chief Executive delegations.

Background

- 7 Following the NIWE the Government established centralised mechanisms to support and coordinate the recovery, including establishing the CE-CR and standing up the CRU within DPMC to support the CE-CR to deliver its functions.

- 8 The CE-CR is responsible for leadership and coordination of the government's NIWE recovery work programme and providing strategic policy and legal advice, including implementation of the Future of Severely Affected Locations (FOSAL) approach and the Crown's responsibilities for Category 3 whenua Māori and marae and the associated funding.

Residual North Island Weather Event recovery activities after 30 June 2025

- 9 The CE-CR position was initially established by the previous Government for a limited, two-year, period [CAB-23-MIN-0056 refers]. The role was subsequently extended until 30 June 2025. While there will be some residual functions to deliver after 30 June 2025, these can be delivered by relevant agencies and a dedicated position of CE-CR will no longer be required.
- 10 There will be four categories of residual NIWE recovery activities post-30 June 2025. The CE-CR is managing the 2024/25 Budget to generate savings to transfer to agencies taking on these responsibilities. Any ongoing costs after the 2025/26 financial year for the functions proposed to be transferred to DPMC and from 2026/27 financial year for the DIA, will be met from within agency baselines.
- 11 **Appendix A** describes the activities proposed for transfer in more detail. **Appendix B** outlines the reasons why those agencies have been proposed. The streams of work are:

Item 1: Implementation of the FOSAL contracts and funding agreements

- 12 To implement the FOSAL approach, central Government entered into Crown Funding Agreements with the three most affected regions (Auckland, Tairāwhiti and Hawke's Bay) at a cost of \$1.6bn to the Crown. These agreements were to share the costs of Category 3 voluntary buyouts of residential properties on a 50/50 basis and give contributions to Category 2 risk mitigation projects¹. Funding Agreements are also being entered into for the relocation of marae and residential activities on Category 3 whenua Māori².
- 13 DPMC administers the Extreme Weather Events (EWE) non-departmental appropriation, and through the CRU administers the associated contracts with support from Crown Infrastructure Partners (CIP). CIP's contract as the Crown Administrator currently ends when the programme is delivered, no later than 6 October 2033, and requires a Crown agency to be responsible for the contract.
- 14 I propose to transfer \$1m to DIA for the 2025/26 financial year and \$0.5m for the 2026/27 financial year from the EWE departmental appropriation savings to support them providing oversight of the remaining Crown Funding Agreement projects and the contract with CIP, with approval to carry-forward any of this funding to outyears.

Item 2: Orders in Council and administration of the Severe Weather Emergency Recovery Legislation Act 2023 (the SWERL Act)

¹ Costs were shared at the following Crown/Council proportions: 62/38 for Auckland, 90/10 for Tairāwhiti, 75.15/25 for Hawke's Bay (with Wairoa 100% Crown funded), and 100% of priority local transport projects. Agreements with Auckland Council, Gisborne District Council and Hawke's Bay Councils end October 2033. Agreements with Tauranga, Masterton, and Nelson Council's end by June 2025.

² Agreements will also be in place in the 2024/25 financial year for the relocation of seven marae with completion of those relocations expected by mid-2027.

- 15 The SWERL Act enables the use of Orders in Council (Orders) to amend existing legislation to facilitate the recovery from NIWE, administered by DPMC. The CRU coordinates the Orders process and provides secretariat support for the statutory Review Panel. 19 Orders have been made.
- 16 There are no further Orders expected to be progressed post-June 2025, however, six monthly reporting on Orders and administration of the Review Panel is required until the revocation of the SWERL Act in 2028. It is proposed that the overall responsibility remain with DPMC, with \$0.25m transferred to DPMC from EWE departmental appropriation savings for the 2025/26 financial year to support this. Any further Orders will be coordinated by the agencies whose legislation is affected.

Item 3: Ownership of the recovery policy settings and decision-making tools

- 17 The CRU is developing a suite of tools to support immediate ministerial decision-making about recovery settings following a significant natural hazard event [CAB-24-MIN-0413 refers]. The tools are being designed for natural hazard events where the impacts are nationally significant, and the recovery is expected to be complex, lengthy, and costly. These are the situations that warrant Government consideration of options outside of business-as-usual emergency management arrangements.
- 18 There are no new functions or new responsibilities being created as part of this work. DPMC already provides (and will continue to provide) immediate strategic advice to the Prime Minister and Ministers following a nationally significant natural hazard emergency stemming from its role chairing both the Officials Committee for Domestic and External Security Coordination and the Natural Hazards Board. The decision-making tools will support DPMC in consultation with relevant agencies to undertake that function to ensure that trade-offs are known, and decisions are consistent and well-reasoned, and able to be made quickly.
- 19 These tools require an owner to maintain and update them regularly as related policy settings are developed, and changes supported by lead agencies and made by Cabinet across a range of portfolios. I propose to transfer \$0.25m to DPMC from EWE departmental appropriation savings for the 2025/26 financial year to support this work, with approval to carry-forward any of this funding to outyears.

Item 4: Residual close out activities associated with time-limited appropriations

- 20 There are residual reporting obligations associated with appropriations currently administered by DPMC, for completion in the first half of the 2025/26 financial year. The activities are proposed to remain with DPMC, supported by \$0.75m transferred to DPMC from EWE departmental appropriation savings for the 2025/26 financial year.
- 21 There will be no remaining policy activities associated with the NIWE recovery work programme after 30 June 2025. Responsibility for responding to queries regarding previous policy decisions will remain with the agencies initially responsible for them. The table attached in **Appendix C** provides detail on this.

Appropriations and Chief Executive delegations

Changes to appropriations to support the transfer of NIWE activities

- 22 To support the NIWE recovery work, the CE-CR has oversight of six appropriations totalling \$1.949bn, two of which will be ongoing after 30 June 2025, as detailed below in Table 1. The funding remaining in the appropriations to transfer as at 30 June 2025 will be confirmed ahead of the March Baseline Update in early 2025.

Table 1: NIWE Recovery appropriations and proposed transfers

Initiative	Appropriation	Post-transition Agency	Proposal
Establish CRU & the Cyclone Recovery Taskforce	Extreme Weather Events All of Government Response Departmental Output Expenses	DPMC	\$2.75m savings from this appropriation will be transferred to DIA and DPMC.
North Island Weather Events - Regional and Local support	Extreme Weather Events - Regional and Local Support Non-Departmental Other Expenses	Closed	Funding will be paid out before June 2025.
Local Government Flood Resilience Co-Investment Fund	Flood Resilience Projects (MYA) Non-Departmental Other Expenses	Closed	Funding will be paid out before June 2025.
Future of Severely Affected Locations (FOSAL)	North Island Severe Weather Events (MYA) ³ Non-Departmental Other Expenses	DIA	Estimated remaining funding of \$834m will be transferred to DIA, confirmed through the March Baseline Update.
North Island Weather Events Crown Infrastructure Partners	North Island Severe Weather Events - Administrative Services (MYA) Non-Departmental Output Expenses	DIA	Remaining funding of \$6m will be transferred to DIA, confirmed through the March Baseline Update.
Nelson Flood Recovery Package	Multi-Category Expenses and Capital Expenditure: Emergency Management Leadership and Support MCA Non-Departmental Other Expense	Remains in a National Emergency Management Agency appropriation	Funding will be paid out by June 2025.

Delegations to support the transfer of NIWE activities

- 23 I will work with Ministers and the Prime Minister in the next few months on ministerial responsibilities following the disestablishment Cyclone Recovery functions on 30 June 2025. This will include Ministerial responsibility for:
- 23.1 implementation decisions on Crown Funding Agreements with councils⁴ (including contract variations and changes to Project Development Plans), and
 - 23.2 implementation decisions on whenua Māori and marae funding packages⁵ (including contract variations and changes to Project Development Plans).
- 24 Authorisation to incur expenditure regarding whenua Māori and marae funding packages under \$5m is delegated to the CE of DPMC and sub-delegated to the CE-CR. I propose that from 1 July 2025 these decisions are delegated by the Minister of

³ Note that as Multi-Year Appropriations are for a period of five years at a time, DIA will need to seek Cabinet approval to extend this appropriation in the future.

⁴ Currently the Prime Minister, the Minister of Finance, the Minister for Transport, the Minister for Emergency Management and Recovery, and the relevant regional Ministerial lead are authorised to approve minor changes to the cost sharing offer to finalise agreements.

⁵ Currently jointly delegated to the Minister of Finance and Ministers for Emergency Management and Recovery, Māori Crown Relations, and Māori Development.

Finance and Ministers for Emergency Management and Recovery, Māori Crown Relations, and Māori Development to the Secretary for Internal Affairs, revoking the existing delegation to the CE of DPMC.

- 25 The CE-CR is currently authorised by the previous Minister for Cyclone Recovery and Associate Minister of Finance to take actions regarding FOSAL contracts and enter into funding agreements with CIP⁶. I propose from 1 July 2025 any remaining decisions regarding FOSAL contracts and funding agreements, are delegated by myself as Minister for Emergency Management and Recovery and the Minister of Finance to the Secretary for Internal Affairs.

Formally disestablishing the position of CE-CR on 1 July 2025

- 26 The effect of the decisions outlined in this paper is that there will be no remaining functions for the CE-CR to perform, relevant appropriations will have been transferred, and there will be no occupant in the role as of 1 July 2025. As a result, I recommend Cabinet agree to disestablish the role and invite the Minister for the Public Service to instruct the Parliamentary Counsel Office to draft an Order in Council to disestablish the role of CE-CR, and remove DPMC as the host department, to come into effect on 1 July 2025.

Implementation

- 27 The CE-CR and the CRU will work with the receiving agencies to deliver against a detailed implementation plan.

Financial Implications

- 28 There are no financial implications beyond those already recommended in this paper.

Use of external Resources

- 29 No external resources have been used in the preparation of this paper.

Consultation

- 30 The following agencies were consulted: the Departments of the Prime Minister and Cabinet and Internal Affairs; the Public Service Commission; the Treasury; Te Puni Kōkiri; the National Emergency Management Agency; Te Arawhiti; the Department of Conservation; Land Information New Zealand; the Ministries for the Environment and Primary Industries; and the Ministries of Business, Innovation and Employment, Social Development, Housing and Urban Development, and Transport. Their comments and feedback have been incorporated into this paper.

Communications

- 31 The CRU, DPMC and DIA will coordinate communications to CIP, councils, and iwi in due course.

⁶ Subject to a sub-delegation from the CE of DPMC to incur expenditure.

Proactive Release

- 32 I intend to proactively release this paper within 30 business days of decisions being confirmed by Cabinet, subject to the appropriate redactions.

Recommendations

The Minister for Emergency Management and Recovery recommends that the Committee:

- 1 **agree** that responsibility for North Island Weather Event recovery-related activities that will extend beyond 30 June 2025 be transferred effective 1 July 2025 to the following departments:
 - 1.1 to the Department of Internal Affairs, implementation of the Future of Severely Affected Locations (including whenua Māori and marae) contracts and funding agreements;
 - 1.2 to the Department of Prime Minister and Cabinet:
 - 1.2.1 administration of the Severe Weather Emergency Recovery Legislation Act 2023, including reporting on the legislation and supporting the Severe Weather Events Recovery Review Panel;
 - 1.2.2 ownership of the recovery policy settings and decision-making tools; and
 - 1.2.3 residual close out activities associated with accounting for and reporting on time-limited appropriations;
- 2 **note** the final amount to transfer for the North Island Severe Weather Events (Multi-Year Appropriation) Non-Departmental Other Expenses appropriation will depend on the actual spend during the 2024/25 financial year;
- 3 **agree** that all unspent funding as at 30 June 2025 in the Vote Prime Minister and Cabinet non-departmental other expenses appropriations North Island Severe Weather Events (Multi-Year Appropriation) and North Island Severe Weather Events - Administrative Services (Multi-Year Appropriation) be transferred to Vote Internal Affairs;
- 4 **note** that transfer of a conservative amount of the anticipated unspent funding described in recommendation 3 above will be actioned through the 2025 March Baseline Update, with the balance of transfer to be actioned through the 2025 October Baseline Update following finalisation of the Department of the Prime Minister and Cabinet's 2024/25 financial statements;
- 5 **note** that DPMC is forecasting a saving of \$2.750 million in the 2024/25 financial year in the Extreme Weather Events (EWE) departmental appropriation;
- 6 **agree** to transfer \$1.500 million of the forecast EWE underspend described in recommendation 5 above from Vote Prime Minister and Cabinet to Vote Internal Affairs to enable the Department of Internal Affairs to administer Future of Severely Affected Locations contracts and funding agreements across 2025/26 and 2026/27;

- 7 **approve** the following changes to appropriations to give effect to the policy decisions in recommendation 6 above, with no impact on the operating balance and/or net core Crown debt across the forecast period:

	\$m – increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Vote Prime Minister and Cabinet					
Minister for Emergency Management and Recovery					
Departmental Output Expenses:					
Extreme Weather Events All of Government Response	(1.500)	-	-	-	-
(funded by revenue Crown)					
Vote Internal Affairs					
Minister of Local Government					
Departmental Output Expenses:					
Local Government Policy and Related Services	-	1.000	0.500	-	-
(funded by revenue Crown)					
Total Operating	(1.500)	1.000	0.500	-	-

- 8 **agree** to transfer \$1.250 million of the forecast EWE underspend described in recommendation 5 above within Vote Prime Minister and Cabinet to provide for support of Orders in Council and administration of the Severe Weather Emergency Recovery Legislation Act 2024, support and advice for recovery policy settings and decision-making tools, and residual close out activities in 2025/26;

- 9 **approve** the following changes to appropriations to give effect to the policy decisions in recommendation 8 above, with no impact on the operating balance and/or net core Crown debt across the forecast period:

	\$m – increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Vote Prime Minister and Cabinet					

Minister for Emergency Management and Recovery					
Departmental Output Expenses:					
Extreme Weather Events All of Government Response	(1.250)	-	-	-	-
(funded by revenue Crown)					
Vote Prime Minister and Cabinet					
Prime Minister					
Multi-Category Expenses and Capital Expenditure:					
Advice and Support Service MCA					
Departmental Output Expenses:					
Advice and Support to Government and the Governor General	-	1.250	-	-	-
(funded by revenue Crown)					
Total Operating	(1.250)	1.250	-	-	-

- 10 **agree** in-principle that any underspend for the initiatives described in recommendations 6-9 above as at 30 June 2026 be carried forward to 2026/27 to ensure funding remains available towards the on-going costs of this initiative with this to be confirmed in the 2026 October baseline update following completion of the Department of Internal Affairs' and Department of Prime Minister and Cabinet's 2025/26 audited financial statements;
- 11 **agree** that responsibility for administration of the Crown balance sheet provision for Future of Severely Affected Locations Category 2 and 3 settlements be transferred from the Department of the Prime Minister and Cabinet to the Department of Internal Affairs, with effect from 1 June 2025; and
- 12 **agree** that the proposed changes to appropriations for 2024/25 above be included in the 2024/25 Supplementary Estimates;
- 13 **note** the Future of Severely Affected Locations contracts and funding agreements extend for a longer period than the North Island Severe Weather Events (Multi-Year Appropriation) Non-Departmental Other Expenses appropriation currently does (2023/24 to 2027/28), and that DIA will seek the necessary future approvals to extend this funding;
- 14 **note** that the functional Chief Executive Cyclone Recovery role is not intended to extend beyond 30 June 2025, and that any residual functions, and associated appropriations, of that role will be transferred to the Department of Internal Affairs and Department of the Prime Minister and Cabinet on that date;

- 15 **agree** to formally disestablish the role of Chief Executive, Cyclone Recovery on 1 July 2025;
- 16 **invite** the Minister for the Public Service to instruct Parliamentary Counsel Office to draft an Order in Council to disestablish the role of Chief Executive, Cyclone Recovery, and remove the Department of the Prime Minister and Cabinet as the host department for the role, by removing the relevant item from Schedule 5 of the Public Service Act 2020;
- 17 **agree** to delegate effective 1 July 2025 the following:
- 17.1 decisions on whenua Māori and marae funding packages under \$5 million from the Minister of Finance and Ministers for Emergency Management and Recovery, Māori Crown Relations, and Māori Development to the Secretary for Internal Affairs;
 - 17.2 remaining decisions regarding Future of Severely Affected Locations contracts and funding agreements from the Minister for Emergency Management and Recovery and the Minister of Finance to the Secretary for Internal Affairs; and
- 18 **note** remaining decisions on Ministerial responsibilities from 1 July 2025 will be made in early 2025.

Hon Mark Mitchell

Minister for Emergency Management and Recovery

Appendix A: Overview of residual NIWE recovery activities post 30/06/2025

Residual NIWE Recovery Activities Post 30/06/25 – Overview

(Assumes 30 June 2025 handover)

1) Implementation of FOSAL contracts and funding agreements**Crown Funding Agreements (CFA) with councils**

- Monitoring completion of Auckland Council FOSAL Category 3 voluntary buyouts through to December 2025.
- Reporting to Ministers on variances to CFAs etc.
- Monitoring 4 risk mitigation infrastructure and local transport projects up to 2033.
- Governance meetings quarterly, chaired by CIP

Contracts between the Crown and Crown Infrastructure Partners (CIP)

- Grant services and funding agreement with CIP to monitor and advise on projects and make payments until projects complete in 2033.

Marae relocation

- 7 Marae, and 3 associated urupā, with 7 to 10 estimated corresponding Relationship and Funding Agreements.
- Milestone payments to be drawn down between Q4 2024 and Q2 2026 according to Project Development Plan (PDP).
- Crown Appointee on marae governance appointed pre-Christmas 2024, funded via project budget and invoice to CIP.

Whenua Māori Residential relocation

- Crown to undertake demolition at 25 Cat 3 properties after they are vacated.

Proposed transfer to Department of Internal Affairs**Key selection considerations:**

- Must be capable of administering a Crown appropriation.
- Experience in managing Crown contracts and governance membership
- An existing relationship with local government is a must as they must be able to lead/manage contracts with local authorities.
- An existing connection to CIP would be beneficial.

Proposed funding to transfer*:

- \$1m in 2025/26 FY; \$0.5m in 2026/27 FY (based on an assumption of the following required FTEs: one Principal Advisor, one Analyst, and part of one Senior Manager for quarterly governance).
- Remaining work from 2027/28FY onwards absorbed within baselines.
- Plus Crown Appointee on Marae relocation Governance, funded by each Marae relocation project budget through CIP.

Ministerial relationship**2) Orders in Council (OICs) under Severe Weather legislation****SWERLA reporting:**

- The Minister for Emergency Management and Recovery must report every 6 months to the House on the use of OICs under the Severe Weather Emergency Recovery Legislation Act 2023.
- DPMC, as the agency responsible for administering the legislation, provides the Minister with that report.

New OICs in 2025 and beyond:

- No new OICs are scheduled for 2025, we don't anticipate any being progressed.
- Any new OICs would most likely focus on amending the Resource Management Act (RMA) MFE would lead those.
- The Review Panel should be maintained and convened for any new OICs.

Proposed to remain with Department of Prime Minister and Cabinet**SWERLA administration**

- Reporting remains with DPMC as the agency responsible for administering the Act.
- The Review Panel administration will transition to DPMC, the CRU will provide comprehensive documentation for this.

Proposed funding to transfer*:

- \$0.25m for 2025/26 FY (based on an assumption of one senior advisor-level FTE being required and any new Review Panel divisions costing approximately \$0.01m per OIC).

- Review Panel costs from 2026/27FY onwards subject to cost recovery from agencies progressing OICs.

New OICs:

- After 19 OICs, agencies who are likely to progress new OICs are well-versed in the process. For example, MFE have led 12 RMA-related OICs to date.
- Agencies who progress OICs will be provided with documentation to facilitate the OIC process themselves, with DPMC providing the Review Panel secretariat functions.

3) Recovering from significant natural hazard events: decision-making tools

- Cabinet will decide in May 2025 on a suite of decision-making tools to assist in making faster and more considered decisions for recovery following significant multi-region natural hazard events.
- Cabinet will also decide on an ongoing owner for those decision-making tools, which will be charged with maintaining and updating the tools and providing ongoing advice to Ministers on this work.
- There may be some residual policy work required to bed in the tools and integrate them into the new agency's work programme, as well as keeping them up to date as associated policy work progresses.

Proposed transfer to Department of Prime Minister and Cabinet**Key selection considerations:**

- Agency provides advice to Ministers and Cabinet at early stages of significant natural hazard emergencies, so needs to be core Crown.
- Agency will already have a stewardship/leadership role in the public sector.

Proposed funding to transfer*:

- \$0.25m for 2025/26 FY (based on an assumption of one senior advisor-level FTE being required).
- Remaining work from 2026/27FY onwards absorbed within baselines.

4) Residual close out activities associated with time-limited appropriations

- DPMC administers appropriations that are time limited to 30 June 2025. Close out reporting needs to take place after that, along with regular agency reporting.
 - Regular agency reporting sits with DPMC currently as the host agency for the Chief Executive Cyclone Recovery.
- Activities include:**
- Managing external audit process including liaising with DIA as required.
 - Close-out reports from funding ending 30/06/25.
 - Quarterly and Annual Reports and Review content 25/26FY
 - Ad hoc OIAs, PQs etc on policy decisions and activities from pre-30/06/25

Proposed transfer to Department of Prime Minister and Cabinet**Key selection considerations:**

- Financial reporting skills are required for close out reporting.
- Ministerial servicing skills are required, including in responding to OIAs.
- Corporate services skills are also required.

Proposed funding to transfer*:

- \$0.75m for 2025/26 FY* (based on an assumption of two senior advisor-level FTEs being required).
- Remaining work from 2026/27FY onwards absorbed within baselines.

*Proposed funding to be transferred from 2024/25 CRU savings comprising \$2.25m 2025/26 FY and \$0.5m 2026/27 for a total of \$2.75m

Appendix B: Proposed agencies to deliver residual NIWE activities post-30 June 2025

Activity	Proposed agency	Rationale	Proposed funding per year	Proposed funding total
Implementation of FOSAL contracts and funding agreements	Department of Internal Affairs (DIA)	Proposed to transfer to the DIA due to existing relationships with local authorities and Crown Infrastructure Partners and proximity of the marae relocation work to the Oranga Marae funding and associated relationships.	\$1m 2025/26 FY \$0.5m 2026/27 FY	\$1.5m
Orders in Council (Orders)	Agencies proposing Orders Department of the Prime Minister and Cabinet (DPMC)	Proposed any new Orders can be led by the agency proposing the Order. DPMC remains responsible for administering the Severe Weather Emergency Recovery Legislation Act (SWERL Act) including reporting to the House on its operation every 6 months. It is proposed that administration of the Review Panel is transferred to DPMC, funded for the 2025/26 FY and on a cost recovery basis from 2026/27 FY onwards.	\$0.25m 2025/26 FY	\$0.25m
Recovery policy settings and decision-making tools	DPMC	Proposed to transfer to DPMC due to overall public sector stewardship role, and role in providing strategic advice to Cabinet and the Prime Minister when emergency events take place.	\$0.25m 2025/26 FY	\$0.25m
Residual close-out activities associated with time-limited appropriations	DPMC	Proposed to remain with DPMC as record-holders for the Cyclone Recovery-related matters and the agency responsible overall for the time-limited appropriations.	\$0.75m 2025/26 FY	\$0.75m
TOTAL			\$2.25m 2025/26 FY \$0.5m 2026/27 FY	\$2.75m

Appendix C: NIWE policy activities post 30 June 2025

Related policy activities post 30/06/25

There is no residual policy work associated with the FOSAL or NIWE-related recovery activities. If any questions requiring a policy position arise, they will be answered by the agency initially responsible for that element of recovery policy, or the agency currently responsible for the relevant ongoing work programme, as follows.

Agency	FOSAL Implementation policy
Ministry for the Environment	Land use: Including adaptation as it relates to FOSAL and how to ensuring appropriate future land use of Category 3 land.
Ministry for the Environment/Treasury	FOSAL Policy: Any questions regarding the initial FOSAL policy decisions.
	Whenua Māori and Marae Policy: any questions regarding the initial Whenua Māori and Marae policy decisions as a sub-set of FOSAL policy.
Department of the Prime Minister and Cabinet	Retrospective questions regarding the CRU: Responding to retrospective requests about the CRU and its work programme as holders of the records and information created by the CRU.

Agency	System-level recovery-related work programme
Ministry for the Environment	Adaptation framework : Includes investment, cost-sharing and decision-making principles to guide proactive actions to reduce risk before a major event, and longer-term recovery decisions for residential properties, services and infrastructure following a major severe event.
NEMA/Department of the Prime Minister and Cabinet	Emergency Management Bill: Addressing issues and gaps across the 4 Rs of emergency management (reduction, readiness, response, and recovery) including those considered through reviews into emergency events.
	Emergency Management System Improvement Project: Responding to the <i>Inquiry into the Response to the North Island Severe Weather Events (NISWE)</i> that will strengthen national and regional emergency management.
9(2)(f)(iv)	
Department of the Prime Minister and Cabinet	Critical Infrastructure Resilience programme: Developing options for a set of regulatory features designed to enhance the resilience of New Zealand's critical infrastructure.
Department of Internal Affairs	Local government: Including Local Water Done Well, Regional Deals, and improvements to make the local government system more efficient and effective. Progressing regulations to support changes to improve natural hazard disclosure in land information memoranda (LIM).
Department of the Prime Minister and Cabinet	National Risk and Resilience Framework: Adopting a stronger and more proactive approach to national risk management and resilience building.
Ministry for the Environment	Resource management reform: Includes the fast-track approvals legislation, replacing the Resource Management Act (RMA) with new legislation, and developing or amending RMA national direction (including natural hazard policy and an integrated national direction package).

Agency	Other policy and operational recovery-related work programme
Ministry for Primary Industries	Primary Sector Recovery policy: Reviewing policy—the funding that was originally set aside for adverse events has not kept pace with the frequency or severity of events experienced.
NEMA/Ministry for the Environment	Enhancing national recovery arrangements: Developing indicators and assessment tools, clarification of agency recovery roles and responsibilities under the existing system, description of agency recovery funding arrangements, and guidance for councils and recovery managers; developing, maintaining and appropriately resourcing recovery function capability.
	Waste management: Developing a National Waste and Debris Management Plan.
Ministry of Business, Innovation and Employment	Temporary Accommodation Service (TAS): Developing a framework for divestment decisions for the disposal of assets once they are no longer needed by TAS.
Treasury	Infrastructure reform: Establishing a 30-year National Infrastructure Plan, developing a coherent pipeline of infrastructure projects, and establish the National Infrastructure Agency (NIA).
Ministry of Business, Innovation and Employment / Kānoa	Regional Infrastructure Fund (RIF): Creation of Government and regional assets through a mix of loan, equity and grant investments filling critical gaps in regional infrastructure development.
Ministry for Social Development	Temporary Accommodation Assistance (TAA): Developing options for an enduring solution to replace the interim TAA Programme.