

Reference: 20240579

19 August 2024

Dear [REDACTED]

Thank you for your Official Information Act (OIA) request, received on 26 July 2024. You requested the following documents:

Treasury Report T2024/1358: Climate Implications of Policy Assessment for Budget 2024 package

Treasury Report T2024/1385: Climate Implications of Policy Assessment for the Budget 2024 package

Treasury Report T2024/1172: Final Decisions on the National Resilience Plan

Treasury Report T2024/986: Cabinet Paper: Restoring Conventional Funding Approaches for Resilience and Climate Investment

Information being released

Please find enclosed the following documents:

Item	Date	Document Description	Decision
1.	22 May 2024	Treasury Report T2024/1385: Climate Implications of Policy Assessment for the Budget 2024 package	Release in full
2.	23 May 2024	Treasury Report T2024/1172: Final Decisions on the National Resilience Plan	Release in full
3.	11 April 2024	Treasury Report T2024/986: Cabinet Paper: Restoring Conventional Funding Approaches for Resilience and Climate Investment	Release in full

I have decided to release the relevant parts of the documents listed above, subject to information being withheld under one or more of the following sections of the OIA, as applicable:

- contact details of officials, under section 9(2)(g)(ii) – to maintain the effective conduct of public affairs through protecting Ministers, members of government organisations, officers and employees from improper pressure or harassment, and

- direct dial phone numbers of officials, under section 9(2)(k) – to prevent the disclosure of information for improper gain or improper advantage.

Direct dial phone numbers of officials have been redacted under section 9(2)(k) in order to reduce the possibility of staff being exposed to phishing, social engineering and other scams. This is because information released under the OIA may end up in the public domain, for example, on websites including Treasury’s website.

Information publicly available

The following document will soon be publicly available on the Budget 2024 website:

Item	Date	Document Description	Website Address
4.	17 May 2024	Treasury Report T2024/1358: Climate Implications of Policy Assessment for Budget 2024 package	https://www.budget.govt.nz/

Accordingly, I have refused your request for the document listed in the above table under section 18(d) of the OIA:

- the information requested is or will soon be publicly available.

Some relevant information may be removed from document listed in the above table and should continue to be withheld under the OIA, on the grounds described in the document.

In making my decision, I have considered the public interest considerations in section 9(1) of the OIA.

Please note that this letter (with your personal details removed) and enclosed documents may be published on the Treasury website.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

Alastair Gilby
Acting Manager, Ministerial Advisory Service

OIA 20240579

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Treasury Report: Draft Cabinet paper providing the Climate Implications of Policy Assessment for the Budget 2024 package

Date:	21 May 2024	Report No:	T2024/1385
		File Number:	SH-10-8-6-1-M105555

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Nicola Willis)	<p>Provide feedback on or approve the attached draft Cabinet paper.</p> <p>Refer a copy of the paper to the Minister of Climate Change.</p>	22 May 2024

Contact for Telephone Discussion (if required)

Name	Position	Telephone	Mobile	1st Contact
Anastasia Kosteckyj	Analyst	s9(2)(k)	s9(2)(g)(ii)	
Alex Hamilton	Team Leader, Climate Change			✓

Actions for the Minister's Office Staff (if required)

Return the signed report to Treasury.
Refer a copy of the paper to the Minister of Climate Change.

Note any feedback on the quality of the report

Enclosure: Yes (attached)

Treasury Report: Draft Cabinet paper providing the Climate Implications of Policy Assessment for the Budget 2024 package

- The Treasury has prepared the attached draft Cabinet paper to provide Ministers with the Climate Implications of Policy Assessment (CIPA) for the Budget 2024 package.

2. You and the Minister of Climate Change agreed that the CIPA for the Budget 2024 package be provided to Cabinet at the earliest convenience and before Budget Day [T2024/1358 refers].
3. We are seeking your feedback on the attached draft Cabinet paper so that it can be incorporated ahead of lodgement on Thursday for the Cabinet meeting on 27 May. Alternatively, if you are satisfied with the paper, we are seeking your approval for the paper to be lodged on Thursday in its current form.

Recommended Action

We recommend that you:

- a **provide feedback** on the attached draft Cabinet paper

OR
approve and sign the attached draft Cabinet paper
- b **refer** a copy of the paper to the Minister of Climate Change.

Referred / Not referred.

Alex Hamilton
Team Leader

Hon Nicola Willis
Minister of Finance

_____/_____/_____



TE TAI ŌHANGA
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Treasury Report: Final Decisions on the National Resilience Plan

Date:	23 May 2024	Report No:	T2024/1172
		File Number:	SH-17-10

Action sought

	Action sought	Deadline
Hon Nicola Willis Minister of Finance	<p>Direct Treasury to prepare letters informing National Resilience Plan funding applicants of the outcomes of their applications.</p> <p>Agree to discontinue National Resilience Plan reporting.</p>	27 May 2024, such that we can prepare letters to update applicants on the morning of Budget Day (30 May 2024).

Contact for telephone discussion (if required)

Name	Position	Telephone	1st Contact
Katie Collier	Senior Analyst, National Infrastructure Agency establishment team	s9(2)(k)	N/A (mob) ✓
James Shannon	Acting Manager, National Infrastructure Agency establishment team		N/A (mob)

Minister's Office actions (if required)

Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: No

Treasury Report: Final Decisions on the National Resilience Plan

Purpose of Report

1. Cabinet recently agreed to discontinue the National Resilience Plan (NRP) [CAB-24-MIN-0136 refers]. This report seeks your agreement to:
 - a communicate the outcome of outstanding funding applications to NRP applicants, and
 - b discontinue fund reporting.

Background

2. Through Budget 2023, the previous government established the National Resilience Plan (NRP) and set aside \$6 billion from the Multi-Year Capital Allowance (MYCA) to provide funding for medium- and long-term infrastructure resilience projects. NRP funding was delivered in phases, with \$2.697 billion allocated through Phases One and Two of the NRP.
3. Cabinet agreed to discontinue the NRP as part of the paper 'Restoring Conventional Funding Approaches for Resilience and Climate Investment' [CAB-24-MIN-0136 refers]. The balance of \$3.254 billion (comprising \$1.494 billion in operating expenditure, and \$1.760 billion in capital expenditure) was returned to the Budget 2024 operating and Multi-Year Capital allowances. This decision will be announced as part of Budget 2024.
4. There are two sets of stakeholders to communicate updates to on the NRP:
 - a Applicants from outside of central government who sought NRP funding but who have not yet had a decision on their application communicated to them.
 - b Agencies which received funding from the NRP and who report monthly on their funding.
5. We propose that you should direct us to communicate with these stakeholders about the NRP either before or shortly after Budget 2024 communications.

Communications to Funding Applicants

6. Applications for NRP funding have come from both central and local government.
7. Where initiatives originated from central government, Treasury has provided updates to lead agencies about the status of their applications. However, while the discontinuation of the NRP was under consideration, we have not provided updates to local government about funding requests. This means there are initiatives where applicants have not had an update on their funding proposal:

Table 1: Proposals with Outstanding Communications Updates

Proposal	Description
South Dunedin Future Programme	A joint programme between Dunedin City Council and Otago Regional Council to find ways to respond to climate change and flooding problems in South Dunedin including a proposal for the Crown to participate in the voluntary acquisition of private property.
Marlborough Sounds Future Access Study	A study to support the case for funding safe and resilient long-term access solutions for the Marlborough Sounds. Marlborough District Council will consult on levels of service and rating options via the Long-Term Plan process in 2024 with final levels of service and funding decisions being made in June 2024.
Hawke's Bay Councils roading projects	<p>On 30 April 2024 you received a letter from five Hawke's Bay councils seeking reassurance about NRP funding for four roading investments included in the National Party manifesto document 'Delivering faster and fairer disaster recovery' (outlined below). We provided a draft letter to your office that identified that further information would be forthcoming in Budget 2024 [T2024/1243 refers].</p> <ul style="list-style-type: none"> • Upgrading the Hawke's Bay expressway from two lanes to four, • a new bypass for the Brynderwyn Hills between Whangārei and Warkworth, • upgrading State Highway 5 from Napier to Taupō and restoring, and • upgrading State Highway 2 between Napier and Gisborne.

8. We now seek your agreement to provide updates to these applicants by:
- a Writing to the Dunedin City Council, Otago Regional Council and Marlborough District Council, outlining that their NRP applications have not been successful.
 - b Writing to the Hawke's Bay councils to inform them that the roads included in 'Delivering faster and fairer disaster recovery' will be considered through the National Land Transport Programme (NLTP). Projects will be prioritised in accordance with the Government Policy Statement which specifically identifies projects that improve resilience and support the cyclone and flood recovery for the East Coast and Central North Island.
9. We can prepare these letters for you to send or alternatively the Treasury can communicate with the applicants directly.

We recommend informing applicants on Budget Day

10. Budget announcements will be made on 30 May 2024, at which stage it will become public that the NRP has been closed. To appropriately inform applicants, we propose:
- a Notifying applicants on the morning of Budget Day – i.e. before the Budget communications embargo is lifted (**recommended**).
 - b Alternatively, applicants could be notified shortly after the communications embargo lifts on Budget Day.
11. Notifying applicants on the morning of Budget Day has the advantage of limiting the relationship implications of communicating *after* Budget announcements while also mitigating the risk of speculation around the closure of the NRP.
12. We considered, but discounted, communications options for communicating before and after Budget Day:
- a If you communicate decisions *before Budget 2024*, there is a risk these decisions could be shared further, pre-empting formal announcements.

- b There are relationship implications for you to consider if you wish to communicate individual decisions *after Budget 2024*. If the discontinuation of the NRP is announced before decisions on initiatives are communicated, applicants are likely to assume that their funding initiatives have not been successful. However, they may have an expectation that this should be communicated to them directly by the government, and not via the media.

NRP Reporting

- 13. Given the extreme weather response context, the NRP created a decision making and reporting regime which allowed decisions to be made quickly, with or without a full business case.
- 14. Where a business case was provided, agencies were required to complete quarterly Investment Management System Reporting. Where a business case was not provided, agencies were required to provide monthly reporting. This ensured that funding could be made available quickly for the affected regions, without waiting for a business case, while ensuring monthly oversight of the funding was available.
- 15. With the closure of the NRP, we are now seeking your agreement to discontinue the monthly NRP reporting. While this reporting was intended to provide oversight to the Treasury and to be available to Ministers, in practice NRP reporting has been of limited practical benefit:
 - a There is substantial overlap between NRP reporting and the North Island Weather Events (NIWE) monitoring and reporting.¹ The scale of the NIWE initiatives is significant (\$3.6 billion over 2023/24 and 2024/25 before Budget 2024 decisions) so we intend to report back to you in June with advice on NIWE monitoring and reporting.
 - b The information provided does not provide significant additional value beyond typical appropriation-level monitoring and reporting.
 - c The cadence of monthly reporting does not provide material updates from agencies, while adding to their administrative workload.
- 16. Based on your preference, we will update agencies on any changes to NRP reporting after Budget 2024 announcements have been made.

Next Steps

- 17. We are seeking your agreement to your preferred communication approach by 27 May 2024. This will allow us to prepare letters to send on Budget Day.
- 18. We will notify NRP reporting agencies of your decisions on reporting after Budget 2024.

Recommended Action

We recommend that you:

¹ NIWE monitoring and reporting occurs on a quarterly basis, providing forecast and actual updates both on initiative spending and performance for initiatives greater than \$10 million over the forecast period.
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- a **note** that on 22 April 2024, Cabinet agreed to discontinue the National Resilience Plan (NRP) [CAB-24-MIN-0136 refers];
- b **note** that some live NRP applications have not yet been notified of the decision to close the fund;
- c **direct** the Treasury to either:
- i. prepare letters for you to send to the Dunedin City Council, Otago Regional Council, Marlborough City Council and Hawke's Bay councils updating them on their NRP applications; or
Directed / not directed.
 - ii. write to the Dunedin City Council, Otago Regional Council, Marlborough City Council and Hawke's Bay councils updating them on their NRP applications;
Directed / not directed.
- d **agree** that Treasury should either:
- i. communicate these decisions on the morning of 30 May, before Budget 2024 decisions are announced (**recommended**), or;
Agree / disagree.
 - ii. communicate these decisions immediately after Budget 2024 (on 30 May);
Agree / disagree.
- e **agree** to discontinue monthly reporting on the NRP; and
- f **note** that we will provide you with further advice in June on monitoring and reporting priorities including North Island Weather Events initiatives reporting.

James Shannon
Acting Manager, National Infrastructure Agency establishment team

Hon Nicola Willis
Minister of Finance

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TE TAI ŌHANGA
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Treasury Report: Cabinet Paper on Restoring Conventional Funding Approaches for Resilience and Climate Investment

Date:	11 April 2024	Report No:	T2024/986
		File Number:	SH-11-5-20-1

Action sought

	Action sought	Deadline
Hon Nicola Willis Minister of Finance	Lodge the attached Cabinet paper on restoring conventional funding approaches for resilience and climate investment for CBC on 22 April.	18 April 2024

Contact for telephone discussion (if required)

Name	Position	Telephone	1st Contact
Katie Collier	Senior Analyst, National Infrastructure Agency Project Team	s9(2)(k)	N/A (mob) ✓
James Shannon	Acting Manager, National Infrastructure Agency Project Team		N/A (mob)

Minister's Office actions (if required)

Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: Yes (attached)

Treasury Report: Cabinet Paper on Restoring Conventional Funding Approaches for Resilience and Climate Investment

1. The Treasury has prepared the attached Cabinet paper on restoring conventional funding approaches for resilience and climate investment. The paper seeks to close the National Resilience Plan and Climate Emergency Response Fund mechanisms.
2. Following Ministerial consultation on the most recent draft, you requested a number of changes to the paper. We have made these changes, and have also made minor adjustments requested by:
 - a The Office for Māori Crown Relations – Te Arawhiti (adjusting the Office’s name, and their Minister’s portfolio title) and
 - b The Cyclone Response Unit (removing a reference to Northland in the population implications section, as no Council in Northland has decided to adopt the Future of Severely Affected Locations approach).
3. The changes in the paper need to be considered before the Budget 2024 Cabinet paper in order to be incorporated in the Budget package and avoid the Budget moratorium (during which papers with financial implications cannot be considered).
4. We recommend that you lodge this Cabinet paper for consideration at the Cabinet Business Committee meeting on 22 April 2024.

Recommended Action

We recommend that you:

- a **lodge** the attached Cabinet paper on restoring conventional funding approaches for resilience and climate investment.

Lodged / not lodged.

James Shannon
Acting Manager, National Infrastructure Agency establishment team

Hon Nicola Willis
Minister of Finance

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