

29 October 2004

Minister of State Services  
Minister of Civil Defence  
Minister of Finance

## **Review of Ministry of Civil Defence and Emergency Management – Final Report**

### **Executive Summary**

- 1 This is the Final Report on the Review of the Ministry of Civil Defence and Emergency Management. An interim report was completed in June 2004 but it was delayed pending the completion of the Review of the February Flood Event. The February Flood Event Review was delivered in August 2004, and then this report was finalised. As a consequence of this delay there is one recommendation in the interim report that was due to be completed prior to the date of the final report. This work has now been completed.
- 2 The Review Team found that:
  - generally, local response capabilities in the four regions visited for future emergencies will be good;
  - in some regions, the regional response process will work as expected under the Act;
  - good progress has been made by both regions and the Ministry in implementing the new civil defence emergency management environment.
- 3 The Review Team considers the Ministry:
  - should assess the feasibility of extending the scope of training to include civil defence management and extend the training to elected council representatives;
  - should be alert to such issues and adopt a planning and management strategy that enables planning, in relation to the hazard, to occur with the minimum of difficulties;
  - should play a greater and more effective role in relationships with emergency response and national lifeline organisations;
  - should consider an extension of the breadth of the standards and guidelines as this has been of considerable value to regions.
- 4 The Review Team considers, in light of the unanimity in the views expressed by stakeholders, that the Ministry needs to:
  - review the level of staff turnover;

- address stakeholders' concerns about the level of operations experience in the Ministry;
  - increase the ability to sustain effective relationships;
  - increase the communications capacity available to the Ministry; and
  - improve policy capability.
- 5 The Review Team concluded that section d of CAB (97)M17/3 which provides for the Ministry to operate with "maximum autonomy" has contributed to the isolation of the Ministry from the Department.
- 6 The Review Team is of the view that:
- the Commission should draft a Cabinet paper by 31 August 2004 in consultation with DIA, the Ministry and DPMC:
    - explaining the background to the reference to "maximum autonomy";
    - the need to rescind it as one means of strengthening the capability of the Ministry;
    - ensure that the Chief Executive of DIA can properly exercise his accountability; and
    - without limiting the statutory authority of the Director of Civil Defence".
  - the accountability arrangements would be updated for the Ministry to operate as a business unit of DIA while respecting the Director's statutory functions in the Civil Defence Emergency Management Act 2002;
  - there is a need to agree procedures to draw on additional Public Service resources during major events. This will require identification of the resources needed and the agreement of relevant Departmental Chief Executives and Ministers;
  - there is a need to confirm which agency has responsibility for coordinating the response of government agencies to civil emergencies; and
  - an analysis of the capability needed for a national event should be completed following the flood debrief exercises, recommendations should be made to Ministers, and the arrangements tested in future exercises. This analysis will be assisted by the Review of the Lower North Island flood event which will be completed in August 2004.
- 7 The Review Team recommends that the Chief Executive of DIA report to the Minister of Civil Defence and Minister of State Services on steps to strengthen the capability of the Ministry by 31 March 2005. The findings arising from this report may result in a budget bid for additional capability investment in the Ministry and procedures to draw on additional Public Service resources during major events.

## **Introduction**

- 8 Last September, in response to a request from you, we provided a draft proposal for a review of the Ministry of Civil Defence and Emergency Management (the Ministry). Subsequent to this, on 15 October, the parameters for review were noted by the Cabinet Policy Committee.
- 9 The review has two stages. In stage one the Ministry provided a self-assessment of its progress against Part 2, s8(2)(a)-(h) of the Civil Defence and Emergency Management Act. This assessment was then tested by SSC with assistance from DPMC, and Treasury against the views of stakeholders. This briefing is the interim report on the review.
- 10 Stage two of the review was to consist of a “table top” scenario test of the natural disaster to be conducted through the Officials Domestic and External Security Committee (ODESC) in May. This will be replaced by a debrief in August on the February 2004 floods in the lower North Island and an independent review chaired by Dr Piers Reid on lessons to be learnt, good practices to be reinforced and weaknesses to be addressed. This is an interim report as the findings of the independent review of the February floods will complement this review of the Ministry. The SSC is represented on the Steering Group of this review.

## **Context**

### *Accountability*

- 11 The Ministry was established in July 1999 following reviews of emergency services and disaster recovery in New Zealand. Its role is to address hazards and vulnerabilities in communities and to prepare for and manage the impacts of disasters.
- 12 The Chief Executive of the Department of Internal Affairs (DIA) is responsible for the administration of the Civil Defence Emergency Management Act 2002 (the Act) and is the employer of the Director of Civil Defence who heads the Ministry. Under the Act the Director is responsible for advising the Minister of Civil Defence on matters relating to civil defence emergency management.
- 13 The establishment of the Ministry was agreed by Cabinet in May 1997 [CAB (97)M17/3]. It was agreed that the Ministry be located within DIA with maximum autonomy and that the Director would be accountable to the Minister for all policy matters.
- 14 In addition, in July 2001, the Secretary of Civil Defence (the then Chief Executive of DIA) delegated to the Ministry’s Director “all responsibilities associated with the Crown’s purchase interest in the Ministry of Civil Defence and Emergency Management. This includes all issues that relate to the delivery of outputs that are specified in the Purchase Agreement. The Director will work directly with the Minister of Civil Defence on these (purchase and output delivery) issues.”<sup>1</sup>
- 15 There are risks associated with this accountability arrangement because there can be a perception that the Ministry has unfettered autonomy when in fact the Chief Executive of DIA is accountable for both the quality of the advice and performance of the Ministry. Notwithstanding the delegation above the Chief Executive of DIA

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<sup>1</sup> Letter of Delegation to John Norton from Secretary of Civil Defence, 17 July 2001

is accountable for all aspects of the Ministry's operations and performance as provided in the State Sector Act 1988 and the Public Finance Act 1989.

### ***The Civil Defence Emergency Management Act 2002***

- 16 The Ministry notes in its self assessment<sup>2</sup> that the Act represents a major shift in the approach to civil defence emergency management in New Zealand characterised by:
- a more comprehensive approach to managing hazards and risks;
  - integrated emergency management across all agencies; and
  - addressing hazards through the '4 R's' of Reduction, Readiness, Response and Recovery.
- 17 The Ministry is tasked with implementing the new environment and is faced with bringing about a major change through the key players in the sector such as local government, emergency services, central government and lifeline utilities. The change is characterised by the:
- expectation of individuals and agencies to manage their hazards and risks;
  - shift from resource-based planning to consequence-based planning and a greater focus on reducing risk; and
  - expectation that everyone will do their job during a disaster with the role of civil defence emergency management agencies to assess, prioritise, coordinate, monitor and support the response.

### **Process for Stage One of the Review**

- 18 The Ministry's self-assessment was tested against the views of stakeholders through:
- discussions with relevant government departments such as the Ministry of Health, Department of Conservation, and other stakeholders such as Local Government New Zealand, Police, Fire Service and ODESC; and
  - visits to Kapiti, Auckland, Hawkes Bay and Ruapehu regions. The purpose of regional visits was to assess the readiness of the community and local authorities to respond effectively to a civil defence emergency management disaster.

### **Objectives for the Review**

- 19 The review is not, and is not intended to be, a comprehensive national audit. The level of assurance is inevitably limited by the relatively short timeframe and sample of visits to four regions. Having said that the regional visits were selected to test preparations in rural and metropolitan regions, a high-density population region that has experienced a recent emergency, and a region where a potential event could occur within one–two years.
- 20 The objectives of the review are to:
- provide as much assurance as possible about the readiness of the community to respond effectively to a civil defence emergency and disaster;

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<sup>2</sup> Ministry of Civil Defence and Emergency Management Self Assessment, December 2003

- provide information on progress at national and local levels towards implementing the new civil defence and emergency management environment focused on risk identification, readiness, response and recovery;
- provide advice on the Ministry's progress towards meeting its obligations under the Act;
- provide some evidence of how effective the Ministry might be in meeting the requirements of section 8 of the Act and in particular the Director's need to "during a state of national emergency direct and control for the purposes of the Act the resources available for civil defence emergency management";
- review how well equipped the Ministry is to support achievement of the functions of the Act; and
- provide sufficient information to determine if the Ministry is on track or whether a more in-depth examination or change is required.

21 We address each of these objectives below.

### **Community Readiness**

- 22 An assessment of civil defence readiness was made in four areas, Kapiti, Hawkes Bay, Auckland and Ruapehu District. A number of parties in each area were spoken to with a view to establishing:
- the level and nature of civil defence planning that was underway; and
  - what contribution to planning was being provided by the Ministry and how its role was perceived and being played.
- 23 In general, within the local authorities in each area there was a high level of awareness of civil defence planning and the requirements of the Act. This was apparent at both local and regional levels and clearly built on the extensive planning work that existed prior to the Act. What was also apparent was widespread appreciation by local and regional authorities of the changes in philosophy enshrined in the Act. In substance, this was requiring local authorities to graft to existing planning objectives:
- the regional responsibility approach to civil defence management; and
  - the identification and mitigation of natural hazards.
- 24 In each area the regional structures required by the Act had been established. Each regional body was engaged in the mandated development of a regional plan, with varying levels of progress along a continuum. The Horizons Regional Council, of which Ruapehu District Council (Ruapehu DC) forms part, has a completed and approved plan. Hawkes Bay and Auckland regions have made considerable progress with Wellington region a little further behind.
- 25 In large measure, the regional bodies appear to be working quite well. The Horizons Regional Council appears to be working very well with a substantial degree of cooperation between the ten districts. Hawkes Bay and Auckland have plans well along in development with a number of hazard identification and mitigation projects underway. Each region is taking the view their plans, when 'finalised' in the timescale of the Act, will none the less have aspects for which further planning work is required and/or timetabled.

- 26 Such plans will not represent a ‘concluded’ position on all relevant matters. Rather, they will be plans that will be continuing ‘works in progress’ to which better and more comprehensive information and planning responses will be added over time.
- 27 At a high level, the impression gained in respect of the Wellington region is that it is having more difficulty reaching agreement on matters, especially funding and that this may be slowing overall planning progress. In Auckland, despite a current inability to reach agreement on some funding issues, there seems to be a good deal of agreement and consequent progress on other planning matters.
- 28 At a local level we spoke with Kapiti District Council, Napier City and all the Hawkes Bay local authorities, Manukau City, Auckland City, Waitakere City and Ruapehu DC. All had well developed local plans including, in many cases, extensive networks of volunteers, connections to local contractors and utilities lifelines and command and management centres with varying levels of budget and personnel. In general, there appeared to be moderate to very good levels of commitment to supporting the planning requirements of the Act and to participation in the regional planning process. At a senior executive level there was a good appreciation of the philosophy of the Act.

### *Summary*

- 29 The Review Team is of the view that:
- generally, local response capabilities in the four regions visited for future emergencies will be good; and
  - in some regions, the regional response process will work as expected under the Act.

## **Progress Towards Implementing the Act**

### *National Strategy and Plan*

- 30 The Ministry has completed and agreed with the Minister the National Civil Defence Emergency Management Strategy. This has been completed within the timeframe specified in the Act and will be reviewed in 2006. The Ministry has also commenced work on the national civil defence and emergency management plan, and this was noted in visiting the Auckland region where at least one senior local official reported participation in work on the national plan. However, the work on the national plan has had a lower priority as the Ministry’s efforts have been directed at assisting regional and local planning ahead of a focus on the national plan.

### *Regional Planning*

- 31 As noted above, a good level of planning work is underway at regional and local level. The Ministry has provided welcome support and materials for the progress being made and this was universally commented on in the regions. The quality of the Ministry’s operational staff is regarded favourably. The planning templates and materials are also well regarded.
- 32 It appeared to the Review Team that at the regional level, at least in Hawkes Bay, Auckland and Manawatu/Wanganui regions, there is a good degree of regional cooperation. This exists at both officials and at political levels. There have been and

still are challenges, especially regarding funding and the relative roles of the relevant regional council and local authorities (especially in Wellington and Auckland).

- 33 There appeared to be varying levels of commitment by local authorities, evident especially through budget and personnel levels. However, all the local councils to whom the Review Team spoke appeared to have a commitment that seemed more than adequate. In Waitakere City there was an evident and substantial commitment, demonstrated through personnel and facilities. That city, as with Manukau City, also showed a substantial commitment to the concept of regional management of local civil defence events.

### ***Kapiti Flood – October 2003***

- 34 The Review Team's visit to Kapiti in December 2003 revealed that planning in the Wellington region is less advanced than the other regions visited. The Kapiti flood events in October 2003 demonstrated that local planning and response capability were both less than ideal. However, the events also showed that regional assistance was available and was in fact delivered, though in a less coordinated manner than desirable. The Mayor acknowledged the response was less than he would have liked and that planning could have been better.
- 35 The Kapiti events have proven to be a learning experience for Kapiti and the Wellington region. It is too early for the Review Team to comment on the impact such learnings have on both regional planning and local Kapiti planning. In particular, it is too early to comment on the hazard identification and management activities of the region, the lack of which might be regarded as having contributed to the coordination difficulties in responding to the October emergency.

### ***Training***

- 36 It was evident to the Review Team the Ministry has taken a different approach to civil defence training than under earlier regimes. In some areas there was a sense of 'loss' regarding the centralised and structured training approach taken by an earlier Ministry, centred on a national training facility at Marton. This facility was closed some time before the new Ministry was established. The new Ministry has adopted an approach that centres training on the use of expertise around the country, supporting (with both funding and personnel) locally produced and delivered courses. These have focussed on operational matters and little on civil defence management which was included in previous training.
- 37 In the Auckland region there was more apparent support for the current approach that appears to have been adopted a somewhat less prescriptive and more versatile approach. A number of Auckland personnel had been involved in Ministry supported training events and believed these were of value. There is also an opportunity to extend training programmes to elected council representatives and Mayors and there was support for such an extension from the Mayor of Kapiti.

### ***Hazards***

- 38 Hazard identification work is well underway in Hawkes Bay and Auckland regions. Each of these regions has a programme of work to meet this planning requirement. In the case of Auckland, the work plans form part of the proposed draft regional plan; as each work plan is completed the results will be incorporated into updated

versions of the regional plan. It is proposed to adopt the Auckland regional plan before all required work is completed on the sensible basis (in the view of the Review Team) that to wait until all information was available would likely mean a failure to meet the statutory timetable and result in a plan that would be years away, when much has already been agreed.

- 39 The lahar issue confronting Ruapehu DC demonstrated both the worth of the philosophy of the Act with the emphasis on hazard identification. It also highlighted the different views on whether this hazard has local or national ‘characteristics’ in its potential impact.
- 40 The experience at Ruapehu DC illustrated to the Review Team that if the differences in views of the various parties were maintained this could lead to a delay in completing and implementing mitigation plans and have the potential to put the public interest at risk.

### ***Regional Civil Defence Emergency Management Groups***

- 41 The Ministry has played an important and locally acknowledged role in advising on and supporting the establishment and operation of the statutory regional CDEM Groups. In large measure, the efforts of the Ministry were acknowledged and appreciated by the group participants spoken to by the Review Team. Ministry personnel have attended regional meetings, provided guidance and materials (the later developed and published by the Ministry) and have provided an available and relied on source of information.

### ***Summary***

- 42 The Review Team is of the view that in the regions visited:
  - good progress has been made towards by both regions and the Ministry in implementing the new civil defence emergency management environment;
  - the Review Team considers that the Ministry should assess the feasibility of extending the scope of training to include civil defence management and extend the training to elected council representatives; and
  - the Review Team believes the Ministry should be alert to such issues and adopt a planning and management strategy that enables planning, in relation to the hazard, to occur with the minimum of difficulties.

### **How well are the Functions in Section 8 of the Act being Implemented?**

#### ***Policy advice: s8 (2) a***

- 43 The Ministry’s effectiveness in developing and delivering sound policy advice was not tested in the initial review process. However, the Review Team received comments from stakeholders on the Ministry’s limited policy capability and the requirement for high quality policy leadership. These matters are considered in paragraphs 80-84.

#### ***Hazards: s8 (2) b***

- 44 As noted above, in the regions visited there is good progress being made on hazard identification, especially in Hawkes Bay, Auckland and Ruapehu. It is apparent the

work will continue for some time and, in the case of Auckland region, well after the region's first plan is adopted.

- 45 The Ruapehu lahar and the Franz Josef flood matters have raised new dimensions in considering hazards including the need to manage the line between 'local' hazards and hazards where issues arise that present difficult challenges in determining the appropriate response such as Franz Josef. In Ruapehu DC there has been a need to coordinate planning across the relevant local authority (Ruapehu), a government department (Department of Conservation) as well as other community (e.g. Maori) and the Government's interests (Ministers).
- 46 In summary, there is good evidence of hazard identification work being undertaken and incorporated into regional and local planning. While at least two hazards that have national prominence (as perhaps distinct from national consequences) have been addressed, the Ministry has yet to advance national hazard identification (see s8 (2) d below).

*National strategy: s8 (2) c*

- 47 The national civil defence and emergency management strategy has been developed and adopted in accordance with the Act.

*National plan: s8 (2) d*

- 48 The Ministry has commenced work on the national civil defence and emergency management plan. While that plan is in development the existing plan under earlier legislation remains operative.
- 49 The Ministry has made it clear that, taking available resources and capabilities into account, it placed priority on development of the national strategy, the development of planning guidelines and materials and overseeing and assisting the development of the regional planning process. For those reasons, and given the continuing existence of the 'old' civil defence national plan the Ministry has only more recently turned its focus to development of the national plan. The Review Team supports the Ministry's prioritisation of effort. This is especially so as the Ministry's efforts to support regional planning seems, at least on the basis of the limited sample, to be quite effective.
- 50 One matter that was raised by a number of local authorities was a call for the Ministry to play a greater and more effective role in relationships with emergency response and national lifeline organisations. Authorities, especially those in non-metropolitan regions, expressed the view the Ministry should develop civil defence planning and participation protocols with national organisations that could be used throughout New Zealand. The Review Team noted the Ministry had established links with a number of national organisations, for example the New Zealand Fire Service, utility organisations and science and welfare groups.

*Standards: s8 (2) e*

- 51 In all of the regions visited there was strong support for the efforts of the Ministry in developing and publishing planning guidelines. These standards are regarded as valuable; they are widely used and have made planning easier, with particular support in Hawkes Bay, Manukau City and Waitakere City.

- 52 There is room for the Ministry to continue its efforts and widen the breadth of the published materials. Some authorities would like to see the Ministry take a stronger leadership role on some matters such as standards for declarations of emergency. The Review Team is of the view that the Ministry should consider an extension of the breadth of the standards and guidelines as this has been of considerable value to regions.

***Monitoring Performance: s8 (2) f***

- 53 A number of local and regional civil defence groups reported that Ministry personnel have attended local planning meetings of Civil Defence Emergency Management Groups and other regional meetings. In Kapiti, the Review Team was advised that the Ministry has attended all Wellington regional planning meetings. All concerned have welcomed the Ministry's participation. The Review Team has not tested what views the Ministry has developed in relation to its monitoring function under this section of the Act. However, in the view of the Review Team the Ministry through its active participation in planning processes, in the four regions visited by the Review Team, is well placed to develop views and advise the Minister on the levels of performance observed.

***Promoting Civil Defence: s8 (2) g***

- 54 The Ministry appears to have had some success in the regions in promoting the changed philosophy of the Act. The Review Team found a wide understanding of the major changes in emphasis the new Act requires from the earlier approach to civil defence planning. In particular, the regional management and support and hazard identification concepts are both well understood and evident in current planning. The Review Team believes this is an important element of the promotion role the Ministry has under the Act.
- 55 The role is reinforced by the Ministry's continuing activities in supporting and advising about regional planning activities, as are the Ministry's training and conference activities, all of which act to promote the importance of civil defence planning.
- 56 The Ministry has a wider community role. This role is to foster a general public awareness and appreciation of civil defence planning. In this area, two councils hold a view the Ministry could be doing more to support local councils in public education. In particular, Hawkes Bay regional participants believe the Ministry should be a source of publicity materials that local councils could use, amend to suit local requirements and then publish. The objective would be to avoid duplicated efforts across the country and to develop consistent messages.
- 57 At least one council executive believed the Ministry has a role in promoting civil defence and emergency management at a local political level, with the objective of ensuring local government politicians were fully aware of local planning and management responsibilities. It was noted the training regime based at Marton had targeted local government politicians as well as council employees. As noted in paragraph 36 the Review Team has believes there is merit in assessing whether the training programmes could be extended to elected council representatives.

### ***State of Emergency – Directing Resources: s8 (2) h***

- 58 At the time the review commenced the Ministry had intended to hold a full civil defence emergency management exercise, in May 2004. In the course of the review the Manawatu floods of February 2004 occurred. These events have provided a real life opportunity to observe the capabilities of the Ministry in action and to better assess the ability of the Ministry to perform its national management role in a major civil defence emergency.
- 59 The proposed exercise has been deferred and instead there will be a review of the Ministry's role in those events. Accordingly, the Review Team has prepared this interim report in respect of matters other than the emergency capability of the Ministry, as the review will provide the best insights into Ministry's capability.

### ***Summary***

- 60 The Review Team is of the view that:
- the Ministry should play a greater and more effective role in relationships with emergency response and national lifeline organisations;
  - the Ministry should consider an extension of the breadth of the standards and guidelines as this has been of considerable value to regions; and
  - the Ministry through its active participation in planning processes, in the four regions visited by the Review Team, is well placed to develop views and advise the Minister on the levels of performance observed.

### **How Well Equipped is the Ministry to Support Achievement of the Act?**

- 61 Our expectations, recorded in the Terms of Reference for this review, were that the Ministry:
- will have systems in place to measure its own performance;
  - is clear about its purpose in its interactions with other agencies;
  - consults effectively with agencies of central government and local government in developing policy;
  - leverages capability with other agencies in regard to training, links with overseas civil defence and emergency management organisations and good practice standards;
  - has a clear plan for developing preparedness and a clear expectation of the steps to achieve this;
  - has policy that is well informed by past civil defence operations and experience; and
  - provides advice and guidance for improving national civil defence capacity.
- 62 In summary these expectations can be described as assessing the Ministry's internal management capability of its external policy and operations role.

### ***Regional and Stakeholder Views of the Ministry's Capability***

- 63 In Hawkes Bay and Auckland a number of observations were made to the Team that the capabilities of the Ministry personnel were generally good and in some cases very good. A measure of the regard the Ministry is held, at an operational level, is

the fact that at Kapiti, the Chief Executive observed he would be very happy to have the Ministry act as an auditor of the council's planning and capability, which reflected the confidence local civil defence participants have in the capability of the Ministry.

- 64 While other councils also expressed confidence in the operational skills of Ministry personnel, at the same time they were largely content to rely on local planning and response capabilities. There was an acceptance that planning and response are matters for local responsibility. This was particularly noted in Hawkes Bay where the Review Team was told of a long history of cooperative civil defence planning.
- 65 In the course of discussions with stakeholders and visits to regions, some significant gaps in the Ministry's capability were identified that need attention:
- the high level of staff turnover;
  - the lack of operations experience within the Ministry;
  - a question over the ability to sustain effective relationships;
  - limited communications capacity; and
  - lack of policy capability.

### ***Staff Turnover***

- 66 The extremely high staff turnover of 80% of staff over the past five years, (23 new appointments to the total staff of 29), was consistently mentioned by nearly all regions and other stakeholders as affecting the quality of their relationships and the performance of the Ministry. Three policy directors have been appointed in the last five years. The Ministry agrees there has been huge staff turnover but believes that it also reflects the need to align its skills to the policy role. It acknowledges that the turnover has created a risk of losing touch with traditional local government stakeholders and measures were being taken to ensure that this does not occur.<sup>3</sup>
- 67 Stakeholders commented on the loss of corporate knowledge which was held by just a few people and that the Ministry did not seem able to keep staff, particularly middle level policy analysts. This has affected its ability to give advice: "The biggest problem is the constant changing of staff. They have the right ideas but are clearly handicapped by a lack of experienced personnel. Clearly the Ministry is not seen as a career in itself".
- 68 The Ministry's small size (relatively isolated and separated from DIA) limits staff who want to build a career in civil defence emergency management and local government and for the Ministry to be able to draw on a wider pool of experienced policy analysts.

### ***Operations Experience***

- 69 While the Ministry has some well-regarded operational and planning staff, the number of people perceived by regions to have extensive operations experience is very low. Operations staff had been reduced from 1999 when there were 12 positions plus four training staff at the Marton Training Centre to six staff in the regions. Over the past two to three years the Ministry has recruited 9 staff with operational or emergency services experience.

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<sup>3</sup> Ministry of Civil Defence Emergency Management Self Assessment Report, December 2003

- 70 Concern was consistently expressed that Ministry personnel were overloaded. The Ministry's operational people are regarded as being few in number with advisory responsibility across large geographic areas and consequently high workloads. Local authorities had little access to these people. A number of people expressed the view that most of the experienced people in the 'old' ministry have gone and there is now a lack of civil defence operational experience. Those remaining who have experience are highly regarded.
- 71 There were mixed views in regions on the impact of fewer operational staff. Hawkes Bay and Auckland practitioners believe it is consistent with local authorities assuming the responsibility for civil defence emergency planning and response. Other regions, such as Kapiti and Ruapehu believe that the Ministry needs a stronger regional presence with staff who have proven experience in advising local staff on how to build capability to provide an excellent response to emergencies, build trust, and give sound advice. Knowledge of current local government structures is also important.
- 72 The Review Team notes that the Ministry considered that it needed to trade off operational experience for policy capability to implement the Act and therefore has only been able to make investment in operational capability within the past two-three years.
- 73 The Review Team considers that continuing to build operations and planning capability is essential and urgent.

#### ***Sustaining Effective Relationships***

- 74 The Review Team received comments from a number of regions and stakeholders that raised questions about the Ministry's ability to sustain effective relationships, particularly where there were contentious matters being discussed, such as the significance of local hazards. The Mt Ruapehu lahar is a particular example but having said that we are aware there are a range of strong and contentious views on this matter.
- 75 Several stakeholders commented on polarised relationships while others "more or less disregarded the Ministry as they proceeded with their own emergency planning". Stakeholders acknowledged that they should have had ongoing contacts with the Ministry.
- 76 Often comments about relationships reflected concerns about staff being overloaded and an associated inability to follow through on commitments made. The shortage of regional staff and constant stream of new appointees were factors impacting on relationships. This resulted in one agency needing to spend much time bringing new people up to speed. This contributed to the view expressed by one stakeholder that "the Ministry is not doing as well as it could and can't deliver what it needs to deliver".
- 77 The Review Team considers that once operational staffing matters have been reviewed senior management should consider strengthening the capability of staff to maintain effective relationships with stakeholders.

#### ***Communications Capacity***

- 78 A number of local authorities believe the Ministry could be doing a better job in assisting local planning with public communication materials. In particular, there is

a view that the messages about civil defence are often not region specific and that common materials able to be used locally should be developed nationally so as to avoid duplication and enhance the provision of nationally consistent messages.

- 79 Hawkes Bay, Auckland and Ruapehu region practitioners consider the Ministry is not doing as well as it should in general communications and education. In particular, it is not passing on quickly enough the learnings from civil defence events. The Kapiti floods were a particular instance where other local authorities had received little or no advice from the Ministry about what had happened. It was acknowledged that Ministry supported conferences (one is held annually) were useful to spread learnings and share experiences. However, they were not regarded as a substitute for quickly telling other practitioners the most recent learnings from individual events.
- 80 The lower North Island Floods in February subsequently confirmed that the Ministry has limited ability to coordinate effective relationships with the media in a major emergency event. This capability also needs to be developed further. During the February floods the Ministry communications resources were augmented by DIA but the arrangements for this need to be strengthened to provide capacity for a major level event. One of the limitations of the Ministry's structure, somewhat separate from DIA, is that although it has attempted to provide a communications capability it does not have access to the communications skills in DIA. This affects the Ministry's ability to quickly increase the level of support and communications capacity as emergency events escalate.

### *Policy Capability*

- 81 The Civil Defence Emergency Management Act 2002 had major implications for the Ministry by extending its policy responsibilities for advice to the Minister to include the new role of providing overarching emergency management policy advice, and oversight and coordination of the purchase and audit function. Examples of the policy role are seen in the development of the National Civil Defence Emergency Management Strategy and Plan, advising on the performance of civil defence emergency management groups and monitoring and evaluating the implementation of the Act.
- 82 The Review Team received comments from stakeholders on the Ministry's limited policy capability and the requirement for high quality policy leadership. This was also linked with the high turnover of middle level policy staff, which led to difficulties in retaining a group of skilled analysts with practical emergency management experience who have credibility with sector agencies: "They have the right ideas but are handicapped by a lack of experienced personnel". An example is the lack of experience in working with local civil defence emergency management groups.
- 83 An impact of policy staff turnover was illustrated by the need for agencies to resolve matters directly with the Director "when things get off the rails".
- 84 Extensive demands were placed on the Ministry's policy capability during the response to the February floods. A review of the Lower North Island flood event is underway and will be completed in July. The review will examine the support to Government to enable timely decision-making, including the advice and development of policy papers. Extensive support from the Department of Internal Affairs and central agencies was needed to provide advice to Ministers within the

required tight timeframes. Any shortfall in policy capability will be better understood as a result of the review of the flood event. Prima facie, however, based on the Review Team's observations during the recent emergency, the Team considers that the Ministry does not have sufficient policy capability.

- 85 The Review Team recommends that the Chief Executive of DIA and the Director of the Ministry investigate options to improve the policy and communications capability and capacity of the Ministry, taking into account, amongst other things, the findings of the review of the February 2004 Flood Event.

### ***Summary***

- 86 The Review Team considers, in light of the unanimity in the views expressed by stakeholders, that the Ministry needs to:
- address the level of staff turnover;
  - respond to stakeholders' concerns about the level of operations experience in the Ministry;
  - increase the ability to sustain effective relationships;
  - increase the communications capacity available to the Ministry; and
  - improve policy capability.

### **Accountability Arrangements**

- 87 As indicated earlier there are risks associated with the current accountability arrangements for the Ministry because there can be a perception that the Ministry has unfettered autonomy when in fact the Chief Executive of DIA is accountable for both the quality of the advice and performance of the Ministry.
- 88 Notwithstanding the specification of maximum autonomy in CAB (97)M17/3 and the delegation of the Crown's purchase interest in the Ministry by the former Secretary of Civil Defence, the Chief Executive of DIA is accountable for all aspects of the Ministry's operations and performance as provided in the State Sector Act 1988 and the Public Finance Act 1989.
- 89 The Review Team considers that section d of CAB (97)M17/3 which provides for the Ministry to operate with "maximum autonomy" has contributed to the isolation of the Ministry from the Department. The Review Team has therefore proposed that the reference in section d of CAB (97)M17/3 for the Ministry to operate with "maximum autonomy" should be rescinded.
- 90 If you agree, a Cabinet paper will be prepared by the State Services Commission, in consultation with DIA, the Ministry and DPMC explaining the background to the reference to "maximum autonomy", the need to rescind it as one means of strengthening the capability of the Ministry; and to ensure that the Chief Executive of DIA can properly exercise his accountability, without limiting the statutory authority of the Director of Civil Defence.
- 91 The Chief Executive of DIA would then update the accountability arrangements for the Ministry to operate as a business unit of DIA while respecting the Director's statutory functions in the Civil Defence Emergency Management Act 2002.

## ***Summary***

92 The Review Team is of the view that:

- the Commission should draft a Cabinet paper by 31 August 2004 in consultation with DIA, the Ministry and DPMC:
  - explaining the background to the reference to “maximum autonomy”;
  - the need to rescind it as one means of strengthening the capability of the Ministry;
  - ensure that the Chief Executive of DIA can properly exercise his accountability; and
  - without limiting the statutory authority of the Director of Civil Defence.
- the accountability arrangements would be updated for the Ministry to operate as a business unit of DIA while respecting the Director’s statutory functions in the Civil Defence Emergency Management Act 2002.

## **Update After Floods**

### ***Capability to Manage a National Level Event***

- 93 As noted earlier, the Ministry is coordinating a debriefing process across the five regions affected by the Lower North Island floods with territorial authorities and civil defence emergency management groups. In addition, an independent review is in progress, chaired by Dr Piers Reid and reporting to a steering committee chaired by the Chief Executive of DIA. A preliminary assessment of the impact of the floods on the Ministry highlights the pressure on a small organisation to provide sufficient staff to operate the National Crisis Management Centre over extended periods. The floods also highlighted the need to provide skilled, knowledgeable and competent people to fill all the functional roles on a continuous basis, provide advice and support to Ministers, coordinate analysis and assessment, and develop options for whole of government responses.
- 94 The floods showed that a considerable burden is placed on a small agency when an event occurs over several weeks. Extensive demands are also imposed on the same people during the recovery phase which invariably extends over many months.
- 95 The Review Team identified a need to agree procedures to draw on additional Public Service resources during major events. This will require identification of the resources needed and the agreement of relevant Departmental Chief Executives and Ministers.
- 96 The Review Team was concerned that there needed to be absolute clarity about the roles of coordinating the response of government agencies to civil emergencies. The Commission is discussing this further with the Officials Domestic and External Security Committee including the merits or otherwise of the Chief Executive of DIA participating in ODESC along with the Director of the Ministry.
- 97 The floods confirmed that coordinating responses to an emergency across five regions was a demanding test for the Ministry and exceeded their staffing resources. The event demonstrated that the Ministry has insufficient capability to manage a larger national level event. The Review Team considers that an analysis of the

capability needed for a national event should be completed following the debrief exercises, recommendations should be made to Ministers, and the arrangements put in place should be tested in future exercises.

- 98 It is also recommended that procedures be implemented as soon as possible for the Ministry to access additional resources from both the Department of Internal Affairs and other agencies as events of an extended duration and magnitude occur.
- 99 The review highlighted the extensive range of demands being placed on a small ministry. It was not possible for the Review Team, on the basis for the review, to conclude whether the Ministry faces a simple resource problem or complex prioritisation challenges. This will only become clear once the findings of the February flood event review are known and a business case for further funding is developed.
- 100 The review has identified a number of areas where the Ministry's current capability and capacity is constrained. The Review Team recommends that the Chief Executive of DIA report to the Ministers of Civil Defence and State Services on steps to strengthen the capability of the Ministry by 31 March 2005. The findings arising from this report may result in a budget bid for additional capability investment in the Ministry and an increase in the ability of DIA to support the Ministry in achieving its goals in the 2005/06 Budget.

### **Summary**

- 101 The Review Team is of the view that:
- there is a need to agree procedures to draw on additional Public Service resources during major events. This will require identification of the resources needed and the agreement of relevant Departmental Chief Executives and Ministers;
  - there is a need to confirm which agency has responsibility for coordinating the response of government agencies to civil emergencies;
  - an analysis of the capability needed for a national event should be completed following the flood debrief exercises, recommendations should be made to Ministers, and the arrangements tested in future exercises; and
  - the Review Team recommends that the Chief Executive of DIA report to the Ministers of Civil Defence and State Services on steps to strengthen the capability of the Ministry by 31 March 2005. The findings arising from this report may result in a budget bid for additional capability investment in the Ministry and procedures to draw on additional Public Service resources during major events.

### **Recommendation**

- 102 It is recommended that you:
- 1 **Note** that this is the Final Report on the Ministry of Civil Defence and Emergency Management now that the findings of the review of the Lower North Island Flood event will provide further information has been completed;

- 2 **Note** that the Ministry, in the four regions visited by the Review Team, has made good progress implementing the Civil Defence Emergency Management Act 2002:
- generally, local response capabilities in the four regions visited for future emergencies will be good;
  - there was good awareness of the legislation and its requirements;
  - good progress is being made on local response plans;
  - good progress is being made in establishing structures and capability building has started with national lifeline organisations;
  - work on risk identification and management is in the early stages; and
  - the Ministry through its active participation in planning processes is well placed to develop views on the performance of Civil Defence Emergency Management Groups and advise the Minister on the levels of performance observed.
- 3 **Note** that the Review Team considers that the Ministry's performance in implementing the functions in Section 8 of the Act is sound and would be further strengthened by:
- assessing the feasibility of extending the scope of training to include civil defence management and extending the training to elected council representatives;
  - being alert to whether hazards have local or national characteristics and adopting a planning and management strategy that enables planning, in relation to hazards, to occur with the minimum of difficulties;
  - playing a greater and more effective role in relationships with emergency response and national lifeline organisations; and
  - considering an extension of the breadth of the standards and guidelines as this has been of considerable value to regions.
- 4 **Note** that the Review Team has identified some significant gaps in the Ministry's capability to support the implementation of the Act that need attention:
- the extremely high staff turnover of 80% of staff over the past five years, (23 new appointments to the total staff of 29), was consistently mentioned by nearly all regions and other stakeholders as affecting the quality of their relationships and the performance of the Ministry;
  - the high turnover of staff, including middle level policy staff, has also affected the Ministry's ability to provide sound and timely policy advice;
  - there is a perception by stakeholders that the Ministry has inadequate civil defence emergency management operations experience;
  - feedback was received from stakeholders that raised questions over the Ministry's ability to sustain effective relationships; and

- feedback was received from stakeholders that the Ministry has limited communications capability, particularly for emergency events.
- 5 **Note** that the Review Team in response to these gaps in capability considers that:
- building operations and planning capability is essential and urgent;
  - once operational staffing matters have been reviewed senior management should consider strengthening the capability of staff to maintain effective relationships with stakeholders;
  - communications support should be reviewed; and
  - the policy capability of the Ministry should be reviewed.
- 6 **Agree** that the Chief Executive of DIA and the Director of the Ministry investigate options to improve the capability and capacity of the Ministry, taking into account, amongst other things, the findings of the review of the February 2004 Flood Event;
- 7 **Agree** that the Chief Executive of DIA report to the Minister of Civil Defence and Minister of State Services on steps to strengthen capability in the Ministry, as outlined in recommendations 4 and 5, by 31 March 2005;
- 8 **Note** that the findings arising from recommendation 7 may result in a budget bid for additional capability investment in the Ministry and to increase the ability of DIA to support the Ministry in achieving its goals in the 2005/06 Budget;
- 9 **Note** that the Review Team considers that section d of CAB (97)M17/3 which provides for the Ministry to operate with “maximum autonomy” has contributed to the isolation of the Ministry from the Department;
- 10 **Agree** that the Commission draft a Cabinet paper by 31 August 2004 in consultation with DIA, the Ministry and DPMC:
- explaining the background to the reference to “maximum autonomy”;
  - the need to rescind it as one means of strengthening the capability of the Ministry;
  - ensure that the Chief Executive of DIA can properly exercise his accountability; and
  - without limiting the statutory authority of the Director of Civil Defence.
- 11 **Note** that the Chief Executive of DIA will update the accountability arrangements for the Ministry to operate as a business unit of DIA while respecting the Director’s statutory functions in the Civil Defence Emergency Management Act 2002;
- 12 **Note** that the Commission is discussing the need for absolute clarity about the roles of coordinating the response of government agencies to civil emergencies

with the Officials Domestic and External Security Committee and the merits or otherwise of the Chief Executive of DIA participating in ODESC along with the Director of the Ministry;

- 13 **Note** that the review identified gaps in the capability needed for the management of a national emergency event and the need to augment the Ministry's capability and capacity;
- 14 **Agree** that the Chief Executive of DIA will provide advice to the Minister of Civil Defence and Minister of State Services on how the Ministry's capability and capacity should be augmented, in a national event, by 31 March 2005;
- 15 **Note** that the Review Team is concerned that there appears to be a lack of clarity about the roles of coordinating the response of government agencies to civil emergencies. The Commission is discussing this further with the Officials Domestic and External Security Committee; and
- 16 **Note** that the Director of Civil Defence has been consulted in the preparation of this report.

Iona Holsted  
Deputy Commissioner

Christopher Blake  
Chief Executive, Department of Internal Affairs