



Briefing: Adaptation framework: Establishing a Special Select Committee and independent reference group

Date submitted: 2 February 2024

Tracking number: BRF-4148

Security level: Policy and Privacy

MfE priority: Urgent

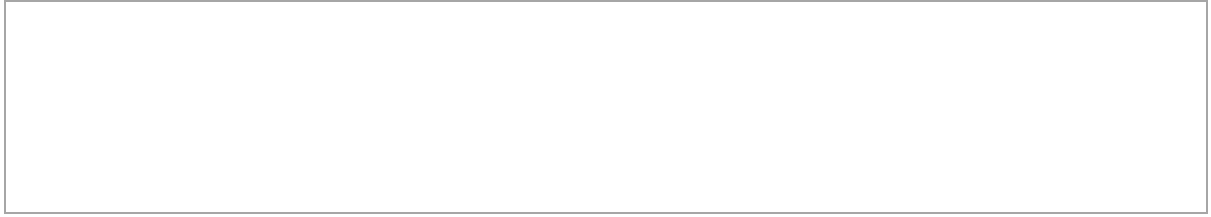
Actions sought from Ministers		
Name and position	Action sought	Response by
To Hon Simon WATTS Minister of Climate Change	provide feedback on the proposed adaptation select committee Cabinet recommendations and candidate nomination for the independent reference group.	5 February
CC Hon Nicola WILLIS Associate Minister of Climate Change	For information only	N/A

Actions for Minister's office staff
Forward this briefing to Minister Willis' and Minister Bishop's office. Return the signed briefing to the Ministry for the Environment (ministerials@mfe.govt.nz).

Appendices and attachments
1. Proposed recommendations for Cabinet 2. Potential candidates for the independent reference group

Key contacts at Ministry for the Environment			
Position	Name	Cell phone	First contact
Principal Author	Hannah Steans	027 224 8522	
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General Manager	Katherine Wilson	021 146 3122	✓

Minister's comments



Adaptation framework: Establishing a Special Select Committee and independent reference group

Key messages

1. This briefing responds to your request for advice on implementing the National Party election manifesto commitment to develop a climate adaptation framework. You have directed that this framework should establish principles for adaptation and build public and cross-party support including through an ad hoc committee and use of an independent reference group.
2. Cabinet approval is required to present a notice in motion to the House to establish an ad hoc committee. The notice in motion should include the purpose of the committee.
3. We recommend that you seek Cabinet approval to transfer the current inquiry from the Environment Committee on climate adaptation to the ad hoc Committee.
4. We propose you request a verbal item on 12 February Cabinet. If Cabinet agrees, we will work with your office to draft the notice of motion to present to the House for debate.
5. To support your request to establish an independent reference group, we have provided a list of potential candidates for this group for your feedback. Once this has been received, we will commence contacting the nominees to ascertain their willingness and availability to be on the group.

Recommendations

We recommend that you:

- a. **agree** that the purpose of the Adaptation Legislation Committee be to:
 - take up the current inquiry of the Environment Committee into climate adaptation
 - inquire into and produce recommendations for:
 - overarching principles that would guide decision-making on adaptation matters
 - matters that should be included in legislation to support adaptation
 - any other matters the committee considers relevant to establishing a durable, fair, and affordable approach to adaptation
 - consider specific matters questions of policy proposals that may be referred to it by from the Minister of Climate Change from time to time

Yes | No

- b. **agree** to discuss the terms of reference for the committee with the proposed chair of the Adaptation Legislation Committee

Yes | No

- c. **agree** that the terms of reference will be based on the purpose outlined in recommendation (a)

Yes | No

- d. **provide feedback** on the proposed Cabinet recommendations outlined in Appendix one

- e. **agree** to the establishment of an independent reference group

Yes | No

- f. **provide feedback** on the candidate nominations for the independent reference group and any further nominations from you or your colleagues

- g. **agree** to officials exploring availability of proposed reference group members outlined in Appendix Two

Yes | No

h. **forward** this briefing to Minister Bishop.

Yes | No

Signatures



Katherine Wilson
General Manager – Adaptation
2 February 2024

Hon Simon WATTS
Minister of Climate Change

Date

Adaptation framework: Establishing a Special Select Committee and independent reference group

Purpose

1. This briefing outlines the process for establishing an ad hoc committee inquiry into adaptation and an independent reference group.
2. It also seeks your feedback on:
 - proposed Cabinet recommendations for your oral item
 - proposed membership of the MfE-led reference group.
3. Finally, this briefing seeks decisions on:
 - the purpose of the ad hoc committee
 - the establishment of a reference group

Background

4. On 22 June 2023, Cabinet authorised the Minister of Climate Change to write to the Environment Committee suggesting the benefits of an inquiry on climate adaptation. On 24 August 2023 the Environment Committee self-initiated an inquiry into climate adaptation.¹
5. Public submissions on the inquiry closed on 1 November 2023 with approximately 150 submissions received from a wide range of individuals and groups. On 14 December 2023 the Environment Committee re-adopted the Inquiry. The Committee has not published a timeline of when, or if it will conduct oral hearings or table its final report.
6. While the development of a climate adaptation framework is not specifically covered in coalition agreements, the National Party's *Blueprint for a Better Environment* provides that:

National will work with stakeholders including local government, insurers, and communities to develop an adaptation framework to guide how costs associated with the changing climate will be shared between the central and local governments, property owners and insurers. National will seek to build a

¹ The Terms of Reference for this inquiry are available at: [Inquiry into climate adaptation - New Zealand Parliament \(www.parliament.nz\)](https://www.parliament.nz/en/committees/committee-on-the-environment-and-forestry/inquiry-into-climate-adaptation-new-zealand-parliament)

consensus for the funding of infrastructure, recovery from extreme weather events, and data collection.

Advice and analysis

Climate adaptation framework

Context

7. We met with you on 31 January 2024, and you requested advice on the set up of an independent reference group and special select committee to consider adaptation matters.

Purpose of the adaptation framework

8. We propose that the overarching purpose for an adaptation framework could be “to ensure New Zealand adapts to climate change in a way that minimises overall long-term costs to New Zealand and New Zealanders, while recognising that there are issues of well-being, fairness, transition, and specific Māori interests that must be addressed”.
9. On 30 January we also provided you with a list of key questions we considered that an adaptation framework and subsequent system would need to address.
10. We look forward to your feedback on both the proposed overarching purpose suggested above and the key questions, as these will help guide the development of the framework.
11. The key first step is to develop a framework of high-level principles to guide decision-making. We consider that, once the key principles are established, further system design and policy decisions will be needed to describe how these principles will be given effect to and by whom.

Establishing an ad-hoc committee

Context

12. You have indicated your preference for an ad hoc committee inquiry. We understand that this committee would have adaptation as its primary focus and not as one among many competing work programmes. It could have flexibility to travel around the country and hear from different stakeholders. The committee would also continue the work initiated by the Environment Select Committee with reference to the Government’s objectives and commitment to developing an adaptation framework. Finally, the ad hoc committee should help build consensus and cross-party support for the adaptation framework.

13. Members of Parliament can seek to establish an ad hoc select committee to deliver a specific task by moving a motion in the House of Representatives.²
14. We will work with the Office of the Clerk and your office to draft the notice of motion. A notice of motion is debatable, and during the debate members can propose amendments to the motion.
15. Before seeking to move this motion in the House, you should seek Cabinet agreement to:
 - establish an ad hoc committee
 - the purpose of the ad hoc committee
 - transfer the current inquiry to the ad hoc committee.
16. Cabinet agreement can be sought by submitting a request to raise an oral item at Cabinet. We have attached draft recommendations to Cabinet at Appendix one and seek your feedback on these.
17. The ad hoc committee could be named the Adaptation Legislation Committee.

Purpose and role

18. Based on initial discussions with you, we propose the purpose of the Adaptation Legislation Committee will be to:
 - Take up the inquiry of the Environment committee into climate adaptation
 - Produce recommendations for:
 - overarching principles that would guide decision-making on adaptation matters
 - matters that should be included in legislation to support adaptation
 - any other matters the committee considers relevant to establishing a durable, fair, and affordable approach to adaptation
 - The committee could be asked to consider specific questions or policy proposals from the Minister of Climate Change.

² Standing Order 185(2) states that: "The House may establish other select committees". These committees have the same status, role and functions of other regular select committees.

19. These points could be part of the notice of motion. We suggest that the terms of reference are negotiated in advance of the committee establishment with the proposed chair.
20. We understand you have discussed establishing an ad hoc committee with the Leader of the House. We recommend you also discuss it with the Business Committee. This would provide an opportunity to discuss who would be an appropriate chair of the ad hoc committee. You could then work with them to refine the purpose and role.

Transition from existing Inquiry into climate adaptation

21. We recommend asking the House to transfer the current inquiry to the ad hoc select committee. This will be necessary to meet timeframes for delivering an adaptation framework and introducing an Adaptation Bill to the House in the first quarter of 2025. The ad hoc Committee would have the opportunity to consider the submissions made under current inquiry and request further submissions on matters also relevant to the new inquiry.
22. An alternative would be to ask the Environment Committee to complete the current inquiry as soon as possible. We do not recommend this option as there is significant overlap between the existing and proposed inquiries. It would also be more resource intensive, take longer and be difficult to align timing with the establishment of an ad hoc committee.

Establishing an independent reference group

Purpose of the group

23. We met with you on 31 January 2024 to discuss progressing the adaptation work programme. You indicated you wanted the establishment of an informal and independent reference group to support the development of the adaptation framework.
24. We understand the purpose of this group would be to test ideas and hear challenges with the current legislative framework experienced by sectors directly impacted by climate change, including Treaty partners, banking, insurance, and local government. You have also suggested that the group could be involved in a series of deep dives on particular topics alongside other external parties.
25. We will also expect to engage with other stakeholders, such as the Local Government Steering Group, Te Tai Kaha, and Insurance Council, during the policy development process, within the context of broader engagement on the adaptation framework.

Potential candidates

26. You have indicated that members of the group could include the banking and insurance sectors, an economist, a representative from Māori and from local government.
27. To ensure the group can effectively perform its role, we have considered a range of skillsets, practical expertise and experience in:
 - decision making relevant to climate change adaptation
 - the cost and benefits of climate change risk and responses
 - Treaty issues and Te Ao Māori, and
 - the impact on communities from climate change.
28. A shortlist of 10 potential candidates for your feedback on has been provided in Appendix two. Subject to your feedback, officials will contact candidates to ascertain availability and work towards a first meeting of this group in late February.
29. We propose that the Ministry for the Environment establish the group and work closely with it throughout the policy development process. We anticipate the group would also be able to provide advice directly to you.

Te Tiriti analysis

30. The Te Tiriti analysis will be considered as part of the engagement process by an ad hoc select committee, the independent reference group and policy development by officials.

Other considerations

31. No financial, regulatory, or legislative implications are associated with the proposals in this briefing.

Risks and mitigations

32. There is a risk that an ad hoc select committee will not have sufficient time to engage on the relevant issues and produce a report by late July 2024.
33. This timeframe is necessary so that the Committee's recommendations can inform the policy proposals prepared for Cabinet decisions in September 2024. This risk could be mitigated by seeking an interim report from the Committee by early June 2024.

34. Furthermore, as the shortlisted candidates for the independent reference group have not yet been contacted, they may not be available. Officials will keep your office informed of progress over the next few weeks.

Next steps

Ad hoc committee

35. We propose that you could present your verbal item to Cabinet on 12 February 2024.
36. If Cabinet agrees to progress the ad hoc committee, a motion will need to be drafted for introduction to the House.

Date	Milestone
Week beginning 5 February	Discussions with Leader of the House and Business Committee
8 February	Your office lodges oral item template with Cabinet Office ³
12 February	Cabinet meeting
Following Cabinet approval	Draft notice of motion with the Office of the Clerk
As soon as practicable	Lodge notice of motion with the House (note - debate on motion will occur)

³ <https://www.dpmc.govt.nz/publications/how-submit-oral-item-cabinet-or-committee>

Appendices

Please see appendices as attached via email to the Minister's office.

Appendix 1: Proposed recommendations for Cabinet

Appendix 2: Potential candidates for the independent reference group