

The Treasury

Budget 2020 Information Release

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Treasury Report: Further information on funding for responses to the 15 March Terror Attacks

Date:	22 August 2019	Report No:	T2019/2561
		File Number:	DH-0-0-1 (Funding for 15 March Terror Attacks)

Action sought

	Action sought	Deadline
Hon Grant Robertson Minister of Finance	<p>Note the further information requested on initiatives to respond to the 15 March Terror Attacks.</p> <p>Refer this report to your Ministerial colleagues in advance of a further Ministerial meeting.</p>	27 August 2019

Contact for telephone discussion (if required)

Name	Position	Telephone	1st Contact	
Jared Walton-Bhim	Analyst, Justice, Security and Government Services	[39]	N/A	✓
Simon Duncan	Team Leader, Justice, Security and Government Services	[39]	N/A	

Minister's Office actions (if required)

Refer this report to Ministers Clark, Martin, Shaw and Woods.

Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: Yes (Mental Health and Psychosocial Support initiative template attached)

Treasury Report: Further information on funding for responses to the 15 March Terror Attacks

Purpose of Report

1. This report provides you with further information on proposed initiatives which respond to the 15 March Terror Attacks (the Terror Attacks) as requested at your meeting with Ministers Martin, Shaw and Woods on 19 August 2019.

Background

2. You met with Ministers Martin, Shaw and Woods (with apologies from Minister Clark) on 19 August 2019 to discuss initiatives seeking funding to respond to the Terror Attacks. The table below sets out the decisions made at the meeting.

Portfolio	Initiative	Funding sought (\$m)	Funding agreed (\$m)
Corrections	Cost pressures associated with managing the March 15 attack accused	[33]	
Education	Education response and recovery from March 15 Event	1.800 opex	1.800 opex (100%)
Ethnic Communities	Increased investment in ethnically diverse communities	[33]	16.000 opex contingency ^[33]
[33]			
Total		[33]	[33] 0.000 capex

3. Ministers requested officials provide further information on the remaining initiatives. In addition:
 - a Minister Woods was asked to liaise with the Christchurch Foundation to determine what it is prioritising for funding, particularly in relation to the security of the two mosques targeted by the Terror Attacks
 - b the Minister of Internal Affairs was asked for more detailed information on the costings and components for the *Countering violent extremist content online* initiative, and
 - c the Minister of Health's Office was asked to provide more detailed information on the components of the *Mental health and psychosocial recovery* initiative.

Responses to information requests

Safer Communities Fund (Community and Voluntary Sector)

4. [34]

5. You requested information on what is planned specifically for those two mosques, and the relative risk for different locations. The Department of Prime Minister and Cabinet (DPMC) did not provide information about how the Safer Communities Fund would prioritise the mosques in Christchurch or the relative risk of different locations.

6. However, DPMC reports that there has been a significant increase in threats identified by agencies since the Terror Attacks. These include specific risks to the [5]
[5]
have raised their concerns with security agencies over a sustained period of time, and their concerns are supported by security agencies' risk assessments. The Prime Minister has acknowledged the concerns of these communities, orally and in writing.

7. DPMC considers that the establishment of a wider fund is strategically important and would send a message that the Government takes long-term safety of at-risk communities seriously.

8. The Treasury considers that the strategic questions around a Safer Communities Fund are better addressed through Budget 2020, but sees value in providing funding to the New Zealand Jewish Community and the Federation of Islamic Associations of New Zealand. However, if Ministers do not wish to progress funding for this initiative they may wish to recommend that funding be considered through the Prime Minister's Emerging Priorities Contingency.

Courts and victims resourcing (Courts)

9. Ministers agreed cost pressures in the Court system should be funded, but questioned whether one legally trained person to engage with victims and their families would be sufficient. Ministers considered that legally trained people would likely be higher value than Court victim advisors, and emphasised that people in these roles should be able to provide culturally appropriate services.

10. The Ministry of Justice considers that there would be limited value in increasing the number of legally trained advisor roles. There is some concern about the market available in New Zealand for more senior or legally trained victim advisors. It could also be problematic for legal advice to be provided by multiple people, as inconsistencies might arise.

11. The legally trained person would provide a new service that is not currently available and therefore victims should notice an improvement in support following this additional funding being agreed. The legal resource is estimated to cost [33] per hour at contractor rates, and we consider one person to be the best value for money. Should Ministers wish to increase the resource, we suggest providing funding for an additional junior legal counsel to support the legally trained advisor, at an overall cost of \$0.060 million.

12. The Ministry has not started recruitment for victim advisors or the legally trained person, so is unable to comment on the exact skill set of the people who will be working with victims and their families. However, the Ministry has assured us that the ability to provide culturally appropriate services to the Muslim community will be one attribute it will focus on through recruitment. We recommend including the intention to

hire victim advisors with culturally appropriate skills in the Cabinet paper recommendations.

Mental health and psychosocial services (Health)

13. Ministers considered this initiative to be a key part of the Christchurch response, and questioned whether it could receive more funding than recommended by the Treasury. You requested more information on the specific components of this initiative, stressing that local programmes were preferable to national ones and that services should be culturally appropriate. The Minister of Health’s Office is likely to provide additional detail on the components of this initiative.
14. The table below provides high-level information on each of the components of this initiative. A more detailed description is included in the Ministry of Health’s initiative template attached to this report.
15. After receiving additional information from the Ministry of Health, the Treasury has reconsidered its previous advice and now supports three additional components (marked with an asterisk below). Accepting these changes would increase funding for this initiative by \$3.2 million to \$8.7 million over the next four years.

Component	Funding sought (\$m)	Treasury comment
Post-traumatic stress disorder and other mental health disorder treatment	2.760	Support in full – local focus with cultural components
Community mental health and addiction services	1.320	Support in full – local focus with cultural components, less acute than first component
Primary care, counselling and community support services*	1.920	Support in full – local focus, culturally tailored community level services. Includes a refugee specific component which we have confirmed does not overlap with existing refugee services
Staff education - anxiety & cultural competency*	0.150	Support in full – local focus, targeted at capability of workforce
Extended mental health consultations with General Practitioners for direct victims	0.318	Support in full – local focus, reduces financial barriers and stigma around mental health
Virtual resilience hub – provides consistent messaging on how to stay well and where to seek help	0.150	Support in full – local focus, relatively inexpensive way to improve uptake of services to improve wellbeing
Refugee and migrant worker – focused on community building, leadership support and broader messaging to the community on mental wellbeing	0.360	Support in full – local focus, will provide additional support to the affected community
Expert Advisory Group for Recovery* – continuation of a group of clinical leaders who are subject-matter experts on trauma, and includes a Muslim clinician	[33]	Support full funding first year, scaled to 50% and 30% in second and third years – local focus, supports the development of culturally appropriate clinical services, most valuable in the initial year of service development

Support for Canterbury District Health Board workforce – includes multiple components, such as in-house psychological support, welfare advisors, staff training, EAP and trauma support	[33]	Support \$0.600 million for trauma support and increased EAP – local focus, full amount sought included elements^[33] which we consider should be business as usual
[33]		
Total	[33]	Support 8.685^[33]

[33]

Countering violent extremist content online (Internal Affairs)

18. Minister Martin and the Department of Internal Affairs considered that full funding is required to deliver this work programme, and that there could be health and safety concerns with not funding all FTE. You raised concerns about the level of costs being sought per FTE.
19. You requested that we work with the Department of Internal Affairs to determine the minimum viable product to undertake the work programme for this initiative. The Treasury and DIA officials considered that a scaled amount of approximately^[33] of the original amount sought would be the minimum viable product. The table below provides a summary of the initiative components discussed.

	Original sought	New amount	Scaling
Digital Safety and policy staff, and other operating costs	[33]	13.089	[33]
Capital		0	
Office of Film and Literature Classification		1.834	
Total		14.923	

20. [34]

A more detailed breakdown of the revised minimum viable amount is provided as Annex B. We

Support and services for victims of the Christchurch Mosque Attacks (Justice)

21. Ministers were supportive of providing funding for increased demand for grants, but questioned whether funding for Victim Support would be purchasing high-quality services. In particular, concerns were raised about the cultural appropriateness of the services, the qualifications of Victim Support workers and whether services were well equipped to address significant trauma.
22. The Ministry of Justice informs us that Victim Support provides a complementary role to other government services. Victim Support workers assist victims to engage with Court processes, including by ensuring they are on the Victim Notification Register, assisting with preparation of Victim Impact Statements, and facilitating Victim Assistance Scheme grants. The Ministry states that this funding is required to ensure victims of the Terror Attacks have the same level of service as other homicide victims in New Zealand including access to grants.
23. The Ministry has provided information on the capability of Victim Support workers. Victim Support staff and volunteers are required to undergo a training programme which covers topics such as grief and trauma, psychological first aid and cultural sensitivity.
24. The Ministry reports that Victim Support has built connections with the Islamic community in Canterbury, including Imams and other leaders at the mosques. Through this relationship, additional training was provided to all Victim Support staff and volunteers to better understand Islam and how to support the Islamic community. There will also be two staff members and two volunteers with a Muslim background providing services to the community.
25. The funding sought for this initiative will cover ten frontline and one national office FTE, and overheads for staff and over 100 volunteer support workers. The initiative also seeks \$0.7 million for travel and associated costs.
26. If Ministers are still unsure about the appropriateness of Victim Support services, they may wish to consider setting this funding aside in a tagged contingency to allow greater consideration of service quality before appropriating funding.

Leave management movements (Police)

27. Ministers appreciated the fact that operational changes in response to the Terror Attacks could create difficulties with leave management, but questioned whether this was something that the Police could reasonably be expected to cover within baselines. You asked for information on how the Police have dealt with leave management in response to previous similar incidents, such as earthquakes.
28. Police reports that it is managing approximately \$40 million in unfunded cost pressures in response to the Terror Attacks. In this context, there is little opportunity to reprioritise within baselines to address leave management movements.
29. In response to the Canterbury earthquake in February 2011, Cabinet approved additional operating funding of \$10 million for Police [ACE (11)31 refers] to cover staffing pressures. We have not been able to determine whether this funding included leave management movements.

Next Steps

30. We recommend that you refer this report and convene a further meeting with Ministers Clark, Martin, Shaw and Woods to discuss this additional information to finalise the recommendations for Cabinet.
31. A summary table of initiatives to support this discussion is included at Annex A.

Recommended Action

We recommend that you:

- a **note** the further information requested on initiatives to respond to the 15 March Terror Attacks
- b **refer** this report to Hon Dr David Clark, Hon Tracey Martin, Hon James Shaw and Hon Dr Megan Woods, and

Refer/not referred.
Minister of Finance
- c **meet** with the above Ministers to finalise recommendations to Cabinet on the initiatives responding to the 15 March Terror Attacks.

Simon Duncan
Team Leader, Justice, Security and Government Services

Hon Grant Robertson
Minister of Finance

Annex A – Summary of initiatives

Portfolio	Initiative	Amount sought (\$m)	Amount recommended (\$m)
Corrections	Cost pressures associated with managing the March 15 attack accused	[33]	
Education	Education response and recovery from March 15 Event	1.800 opex	1.800 opex (100%)
Ethnic Communities	Increased investment in ethnically diverse communities	[33]	16.000 opex contingency ^[33]
[33]			
Total agreed		[33]	[33] 0.000 capex (0%)
Courts	Courts and Victims Resourcing	5.092 opex 0.665 capex	5.092 opex (100%) 0.665 capex (100%)
[33]			
Justice	Support and services for victims of the Christchurch Mosque Attacks	11.020 opex	11.020 opex (100%)
Supported in full total		[33]	
Community and Voluntary Sector	Safer Communities Fund	[33]	5.000 opex contingency ^[33]
Health	Mental Health and Psychosocial Recovery	[33]	8.685 opex ^[33]
Internal Affairs	Countering Violent Extremist Content Online	[33]	14.923 opex ^[33]) [33]
Police	Leave Management Movements		3.306 opex ^[33])
Supported scaled total			31.914 opex^[33]) 0.000 capex (0%)
Decisions outstanding total		[33]	[33]
Total		[33]	[33]

Annex B – Further detail on the changes to the Countering Violent Extremism proposal

The key changes discussed with the Department of Internal Affairs included:

- Digital Safety Group: staffing remained at 15 FTE. Some changes were proposed to base salaries due to amended profile of roles, and a 15% premium on salaries for specialist roles was removed. Average annual salaries (excluding the director role) reduced from \$118,000 to \$99,000.
- Policy: Scaled from 3 FTE to 2 FTE. Recruitment phased until 2020/21.
- Other operating costs: Removal of depreciation and development costs^[33]
- [33]
- Office of Film and Literature Classification (OFLC): funding scaled to^[33]

		2019/20	2020/21	2021/22	2022/23 & outyears	Total
Departmental funding	Personnel (incl. Overheads)					
	Regulatory resources	1.580	2.604	2.537	2.586	9.307
	Policy resources	0.246	0.361	0.368	0.375	1.350
	Travel & Training	0.458	0.465	0.473	0.481	1.877
	Computer costs	-	-	-	-	-
	Prevention programme	0.051	0.052	0.053	0.053	0.209
	Other operating	0.075	-	-	-	0.075
	Depreciation	0.014	0.056	0.056	0.056	0.182
	Capital charge	-	0.030	0.030	0.030	0.090
OFLC Funding	0.595	0.413	0.413	0.413	1.834	
Total Operating	3.019	3.981	3.930	3.994	14.924	