

Hon Willie Jackson

Minister for Broadcasting and Media

Proactive release of Cabinet Material: Draw down of tagged contingency funding to support ongoing AM transmission for emergency management communications in Northland

16 March 2023

Date: 9 December 2022

Title: Draw down of tagged contingency funding to support ongoing AM transmission for emergency management communications in Northland

Author: Ministry for Culture and Heritage

These documents have been proactively released by the Minister for Broadcasting and Media. This package includes the Cabinet paper and other key decision papers, as listed below.

Title: Cabinet paper - Draw down of tagged contingency funding to support ongoing AM transmission for emergency management communications in Northland

DEV-22-MIN-0289 Minute Supporting Ongoing AM Transmission for Emergency Management Communications in Northland: Drawdown of Tagged Contingency Funding

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

9(2)(b)(ii) the release of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

In Confidence

Office of the Minister for Broadcasting and Media

Cabinet Economic Development Committee

DRAW DOWN OF TAGGED CONTINGENCY FUNDING TO SUPPORT ONGOING AM TRANSMISSION FOR EMERGENCY MANAGEMENT COMMUNICATIONS IN NORTHLAND

Proposal

- 1 This paper seeks Cabinet approval for the Ministry for Culture and Heritage to draw down \$1.478 million from the Broadcasting Initiatives – Tagged Contingency to support critical emergency communications in Northland, noting longer term work is underway on the civil defence impacts of RNZ's AM transmission strategy.

Relation to government priorities

- 2 This proposal supports the Government's priorities to secure our economic recovery from the COVID-19 pandemic and lay the foundations for the future.
- 3 Supporting critical communications in Northland contributes to wellbeing domains of the Treasury's Living Standards Framework, particularly in relation to civic engagement and governance, cultural identity, and social connections.

Introduction

- 4 I am seeking approval for the Ministry for Culture and Heritage to draw down \$1.478m of the remaining tagged contingency to restore and ensure continued AM transmission for over 28,000 people across Northland who have lost, or will soon lose, AM transmission for emergency communications.

Background

- 5 On 31 August 2022, RNZ decommissioned its AM transmission tower at Waipapakauri and currently over 9,000 people living in Far North communities have lost AM transmission for emergency purposes. The mast was removed due to the significant safety hazard it presented.
- 6 In February 2023, a second Northland AM transmission mast (at Ōtaika) is scheduled for removal, followed by a third mast (at Ōhaeawai) later in 2023. The result is a total of 28,000 people living in Northland will be left without AM transmission for emergency communications within the next 12 months.
- 7 Maintaining ageing AM infrastructure is not aligned with RNZ's strategic focus on audiences and content as per its Charter requirements, the significant advances in technology, and changing audience behaviours. As a result, RNZ has not budgeted funds to maintain the aging AM infrastructure.

- 8 The removal and non-replacement of AM transmission masts are part of RNZs larger AM transmission strategy developed in 2017, approved by the RNZ Board and developed by RNZ for the eventual retirement of AM transmission.
- 9 The long-term strategy to phase out AM transmission by 2032 included assessing the safety risks and costs associated with maintaining the aging AM transmission infrastructure, audience impact, financial considerations, contractual commitments, alternative FM spectrum availability, property issues, and legislative obligations.

Broadcasting is a lifeline utility and there are civil defence impacts from the loss of AM transmission

- 10 The National Emergency Management Agency (NEMA) advises that the removal of all the AM transmission masts raises significant civil defence risks for Northland. It is an area that has unique characteristics, which make AM transmission critical to managing a civil defence emergency. The Northland area has high deprivation with poor access to other forms of emergency communication such as FM transmission, mobile coverage, and broadband.
- 11 AM transmission is a critical communication for the high population of Māori living in isolated communities in areas with challenging geographical features.
- 12 For Northland, AM transmission is the most resilient mass-communications channel in emergencies, particularly where power cuts may remove access to alternatives such as broadband and satellite TV, and in areas which may have poor access to mobile coverage and other alternatives.

Proposed solutions

- 13 To address the immediate need, RNZ has developed a solution to erect a temporary AM mast at Waipapakauri to provide immediate replacement transmission, while a more permanent solution is built within the next 12 months. RNZ also proposes to remediate the Ōhaeawai mast over the next 12 months and replace the Ōtaika mast.
- 14 The cost of a replacement mast at Waipapakauri is 9(2)(b)(ii)
The cost of remediating the Ōhaeawai mast over the next 12 months is 9(2)(b)(ii) and to replace the Ōtaika mast is 9(2)(b)(ii)
- 15 I have identified there is \$5.4m remaining in the Broadcasting Initiatives – tagged contingency fund within the Ministry of Culture and Heritage’s appropriation (CBC-21-MIN-0009; CAB-21-MIN-0006; CAB-22-MIN-0034 refers). As Cabinet is required to approve draw down of the fund, I am seeking approval to use \$1.478m to meet the costs of a temporary and more permanent solutions for AM transmission in Northland.
- 16 Given the immediate emergency management risks and the need to move quickly to commence remedial works, I consider that funding RNZ to remediate and restore AM transmission is justified to ensure Northland has access to critical lifeline utility communications.

Work is underway to review nationwide risks of decommissioning AM transmission

- 17 A joint programme of work between Ministry of Culture and Heritage and NEMA officials is underway with RNZ to review the nationwide impacts of RNZ's AM transmission strategy on emergency communications. This work will provide further options on sustainable solution(s) arising from specific civil defence impacts and the implications for Crown funding, if any.
- 18 After consultation with NEMA, RNZ is considering adding a fourth category of sites to their current AM transmission strategy, which will be directly informed by advice from NEMA regarding emergency communications risks.
- 19 RNZ expects that further discussions between NEMA and RNZ will result in the three Northland sites being re-categorised to this new category.
- 20 The RNZ Board is supportive of the approach to include a new category of sites that recognise the additional emergency communication value informed by NEMA's advice and subject to additional funding. The Board did, however, note their preference to avoid a piecemeal approach to funding.

Consultation

- 21 The Treasury and NEMA have been consulted and support the approach to funding AM transmission and the recommendations of this paper.

Financial Implications

- 22 Subject to agreement of the recommendations of this paper, the Ministry for Culture and Heritage will draw down \$1.478 million from the Broadcasting Initiatives – Tagged Contingency.
- 23 Following approval of the transfer to RNZ, I recommend the tagged contingency should be discontinued and the remaining balance (\$3.922m) be returned to the centre at the end of the 2022/23 financial year, in line with treatment for other COVID Response and Recovery funded tagged contingencies now that New Zealand moved into a more normalised, post-pandemic environment.

Legislative Implications

- 24 There are no legislative implications to this paper.

Impact Analysis

- 25 An impact statement is not required.

Human Rights

- 26 There are no human rights implications to this paper.

Gender Implications

- 27 There are no specific gender implications to this paper.

Disability Perspective

28 There are no specific disability implications to this paper.

Population Implications

29 An assessment of the loss of AM transmission in the Northland region by NEMA identified the main risk factor is the large number of people impacted by the three proposed Northland mast closures – collectively, around 30,500, amounting to one sixth the population of Northland and nearly 12,000 households. The populations potentially adversely affected were far higher than other AM transmission site closures.

30 While the number of people impacted is the main risk factor, there were other exacerbating risk factors identified, such as limited access to other channels such as mobile coverage and broadband and the extent of tsunami risk exposure, flooding and other hazards. In addition, high deprivation levels in the Northland region and isolated dispersed communities and geographical features created unique vulnerabilities in the Northland region.

Publicity

31 A national communications plan has been developed in preparation for the release of RNZ's decision to reinstate the Waipapakauri AM frequency mast and replace the other two AM transmission masts (Ōtaika and Ōhaeawai masts) in Northland that were due to be retired.

32 Once funding is confirmed and RNZ have advised their planning, pro-active communications about AM transmission in Northland will commence.

Proactive Release

33 I intend to release this paper proactively in line with the communications plan.

Recommendations

The Minister for Broadcasting and Media recommends that the Committee:

- 1 **Note** that due to significant structural issues RNZ is decommissioning three AM transmission masts in Northland across three different Councils (Far North, Kaipara and Whangarei).
- 2 **Note** that the removal of AM transmission masts in Northland would constitute a high risk to impacted communities in the event of a civil defence emergency that could not be satisfactorily addressed through other practicable mitigations.
- 3 **Agree** to provide \$1.478 million additional funding for a replacement AM transmission mast at Waipapakauri, as well as a temporary solution, remediation of the Ōhaeawai mast and replacement of the Ōtaika mast to provide people living in Northland with AM transmission for emergency communication purposes.
- 4 **Note** that \$5.400 million remains in "Broadcasting Initiatives – Tagged Operating Contingency" previously established as part of the July 2020 COVID-19 Response and Recovery Package [CAB-22-MIN-0034].

- 5 **Agree** to convert 9(2)(b)(ii) million from the Broadcasting Initiatives – Tagged Operating Contingency from operating to capital for 2022/23.
- 6 **Approve** the following changes to appropriations to provide for the decisions in paragraph 3 above, with a corresponding impact on the operating balance and net debt:

Vote Arts, Culture and Heritage	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Vote Arts, Culture and Heritage Minister for Broadcasting and Media	9(2)(b)(ii)				
Non-Departmental Output Expense Public Broadcasting Services		-	-	-	-
Vote Arts, Culture and Heritage Minister for Arts, Culture and Heritage					
Non-Departmental Capital Expenditure					
Heritage and Culture Sector Capital		-	-	-	-
Total Operating		-	-	-	-
Total Capital		-	-	-	-

- 7 **Agree** that the changes to appropriations for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 8 **Agree** that the operating and capital expenses incurred under paragraph 6 above be charged against the Broadcasting Initiatives Tagged Operating Contingency, as adjusted by the conversion described in paragraph 5 above;
- 9 **Note** that following the adjustments detailed in paragraph 8 above, the remaining balance and indicative phasing of the tagged operating contingency described in recommendation 5 will be:

	\$m				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Broadcasting Initiatives – Tagged Operating Contingency	3.922	-	-	-	-

- 10 **Note** that the tagged operating contingency described in recommendation 4 above will expire on 30 June 2024.
- 11 **Note** that other communities may be impacted by the RNZ’s AM Transmission strategy and that a joint programme of work between Ministry of Culture and Heritage and National Emergency Management Agency (NEMA) officials is underway with RNZ to review the nationwide impacts of RNZ’s AM transmission strategy on emergency communications.
- 12 **Note** this programme of work may identify other areas adversely impacted and will provide further options on sustainable solution(s) arising from specific civil defence impacts and the implications for Crown funding, if any.

Authorised for lodgement
Hon Willie Jackson
Minister for Broadcasting and Media

PROACTIVELY RELEASED



Cabinet Economic Development Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Supporting Ongoing AM Transmission for Emergency Management Communications in Northland: Drawdown of Tagged Contingency Funding

Portfolio Broadcasting and Media

On 23 November 2022, the Cabinet Economic Development Committee:

- 1 **noted** that due to significant structural issues, RNZ is decommissioning three AM transmission masts in Northland across three different Councils (Far North, Kaipara and Whangarei);
- 2 **noted** that the removal of AM transmission masts in Northland would constitute a high risk to impacted communities in the event of a civil defence emergency that could not be satisfactorily addressed through other practicable mitigations;
- 3 **agreed** to provide \$1.478 million additional funding for a replacement AM transmission mast at Waipapakauri, as well as a temporary solution (remediation of the Ōhaeawai mast and replacement of the Ōtaika mast), to provide people living in Northland with AM transmission for emergency communication purposes;
- 4 **noted** that \$5.400 million remains in the 'Broadcasting Initiatives – Tagged Operating Contingency' previously established as part of the July 2020 COVID-19 Response and Recovery Package [CAB-22-MIN-0034]
- 5 **agreed** to convert 9(2)(b)(ii) from the Broadcasting Initiatives – Tagged Operating Contingency from operating to capital for 2022/23;

6 **approved** the following changes to appropriations to provide for the decisions in paragraph 3 above, with a corresponding impact on the operating balance and net debt:

\$m – increase/(decrease)					
Vote Arts, Culture and Heritage	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Vote Arts, Culture and Heritage Minister for Broadcasting and Media Non-Departmental Output Expense Public Broadcasting Services	9(2)(b)(ii)	-	-	-	-
Vote Arts, Culture and Heritage Minister for Arts, Culture and Heritage Non-Departmental Capital Expenditure Heritage and Culture Sector Capital		-	-	-	-
Total Operating		-	-	-	-
Total Capital		-	-	-	-

7 **agreed** that the changes to appropriations for 2022/23 above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

8 **agreed** that the operating and capital expenses incurred under paragraph 6 above be charged against the Broadcasting Initiatives Tagged Operating Contingency, as adjusted by the conversion described in paragraph 5 above;

9 **noted** that following the adjustments detailed in paragraph 8 above, the remaining balance and indicative phasing of the tagged operating contingency described in paragraph 5 will be:

	\$m				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
Broadcasting Initiatives – Tagged Operating Contingency	3.922	-	-	-	-

10 **noted** that the tagged operating contingency described in paragraph 4 above will expire on 30 June 2024;

11 **noted** that other communities may be impacted by the RNZ’s AM Transmission strategy, and that a joint programme of work between Ministry of Culture and Heritage and National Emergency Management Agency (NEMA) officials is underway, with RNZ to review the nationwide impacts of RNZ’s AM transmission strategy on emergency communications;

- 12 **noted** that this programme of work may identify other areas adversely impacted, and will provide further options on sustainable solution(s) arising from specific civil defence impacts and the implications for Crown funding, if any.

Janine Harvey
Committee Secretary

Present:

Hon Grant Robertson (Chair)
Hon Dr Megan Woods
Hon David Parker
Hon Damien O'Connor
Hon Willie Jackson
Hon Michael Wood
Hon Dr David Clark
Hon Dr Ayesha Verrall
Hon Priyanca Radhakrishnan
Hon Meka Whaitiri
Hon Phil Twyford
Hon Kieran McAnulty
Rino Tirikatene, MP
Dr Deborah Russell, MP

Officials present from:

Office of the Prime Minister
Officials Committee for DEV

PROACTIVELY RELEASED