

HON ANDREW LITTLE, MINISTER OF DEFENCE

Appointment of the Defence Policy Review Ministerial Advisory Panel

May 2023

This publication provides documents on the decision to establish a Ministerial Advisory Panel in support of the Defence Policy Review.

The pack comprises the following documents:

- *Report of the Cabinet Appointments and Honours Committee: Period Ended 30 September 2022 [CAB-22-MIN-0417]*
- *Appointment of the Defence Policy Review Ministerial Advisory Panel and associated Terms of Reference [CAB-22-CAB-0417]*

This pack has been released on the Ministry of Defence website, available at: www.defence.govt.nz/publications.

It has been necessary to withhold certain information in accordance with the following provisions of the Official Information Act 1982. Where information is withheld, the relevant sections of the Act are indicated in the body of the document. Where information has been withheld in accordance with section 9(2) of the Act, no public interest has been identified that would outweigh the reasons for withholding it.

- to protect the privacy of natural persons [section 9(2)(a)]



Cabinet

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.

Report of the Cabinet Appointments and Honours Committee: Period Ended 30 September 2022

On 3 October 2022, Cabinet made the following decisions on the work of the Cabinet Appointments and Honours Committee for the period ended 30 September 2022:

Out of Scope

Released by the Minister of Defence

APH-22-MIN-0214

**Defence Policy Review Ministerial Advisory
Panel: Appointments and Terms of Reference**
Portfolios: Defence

CONFIRMED

Out of Scope

Out of Scope

Released by the Minister of Defence

Rachel Hayward
Acting Secretary of the Cabinet

Office of the Minister of Defence

Chair, Cabinet Appointments and Honours Committee

APPOINTMENT OF THE DEFENCE POLICY REVIEW MINISTERIAL ADVISORY PANEL AND ASSOCIATED TERMS OF REFERENCE

Purpose

1. On 13 June 2022, Cabinet approved the Terms of Reference for a Defence Policy Review [CAB-22-MIN-0218 refers]. A Defence Policy Review will provide guidance to Defence to support immediate planning, along with a long-term strategy for Aotearoa's defence policy, capability and resourcing. The paper also signalled support for a Ministerial Advisory Panel to provide me with advice, separate from Defence officials, on matters related to the Defence Policy Review and its policy products.

2. This paper outlines my intention to establish the Ministerial Advisory Panel, and appoint Sir Brian Roche as Chair; Professor David Capie, Sir Don McKinnon, and Pania Tyson-Nathan as external independent members; and David Gawn and Christine Stevenson as *ex-officio* members of the Panel. Approval is also sought for the Terms of Reference for the Ministerial Advisory Panel, which are at Annex C of this paper.

3. The term of appointment will commence from the date of appointment, and will run until the completion of the Defence Policy Review, which is expected to be by mid-2024.

Relation to Government Priorities

4. The Ministerial Advisory Panel will directly support the overall Defence Policy Review process, which in turn supports the Government's Priorities in the following ways:

4.1. *Objective 1: To keep New Zealanders safe from COVID-19:* The Defence Policy Review will consider the impact of COVID-19 on Aotearoa New Zealand's strategic environment, defence policy settings, and the future requirements for the New Zealand Defence Force to provide aid to the civil power (e.g. New Zealand Defence Force support to COVID-19 response).

4.2. *Objective 2: Accelerate our economic recovery:* Supported by facilitating capital investment into Aotearoa New Zealand's local industry through infrastructure programmes as well as the acquisition and support of current and future capabilities.

4.3. *Objective 3: Laying the foundations for the future:* The Defence Policy Review supports a long term approach to the stewardship of Defence Force capabilities. The Review will set out a pathway for the New Zealand Defence Force contribution to a more resilient Aotearoa New Zealand and region.

Relation to Minister of Defence Priorities

5. *People:* Defence planning begins with its people, as its first and most vital capability. The Defence Policy Review will aim to ensure that our people are supported

by Defence strategy and capability planning to be prepared for the range of tasks expected of them.

6. *Infrastructure*: Defence Policy Review products such as the Defence White Paper and Defence Capability Plan will be critical in developing a pathway for the purposeful future planning of Defence. This includes ensuring both physical and digital infrastructure will meet the needs of the Defence Force both now and into the future.

7. *Pacific*: The Defence Policy Review will reflect my portfolio emphasis on the Pacific. It will draw on *Defence Assessment 2021*, which identified strategic competition and climate change as growing threats to Pacific security, stability and resilience. This review of policy settings is expected to produce strategy and force structure decisions for supporting our interests in the Pacific, along with those in the broader Indo-Pacific and further afield as directed by Government.

Background

8. *Defence Assessment 2021* concluded that Aotearoa New Zealand's strategic environment is becoming more challenging, and proposed that our defence policy settings be reviewed.

9. On 13 June 2022, Cabinet approved the Terms of Reference for a Defence Policy Review [CAB-22-MIN-0218 refers], which noted that in line with the recommendations in *Defence Assessment 2021*, the Defence Policy Review will produce the following policy products, in response to the change in New Zealand's strategic environment:

10. Part One:

10.1. *The Defence Policy and Strategy Statement*: an expression of Government's defence policy interests, objectives, priorities, and high level strategy, including indications of prioritisation. The statement will assess the strategic environment and contingencies that Aotearoa New Zealand might face based on current and predicted trends, defines desired policy outcomes and includes elements of strategic planning guidance for employment of the current force over the near term.

10.2. *Set of future force design principles*: an expression of Government's intentions for future force structure. It defines the activities and scenarios the New Zealand Defence Force may be required to undertake in the future based on current and predicted trends. It signals the kind of future capability and structural choices which may be required to realise these. This can form an interim step in the production of a Defence White Paper to refine future force structure options.

11. Upon delivery of the Defence Policy and Strategy Statement, Cabinet decisions will then be sought for the development of a Defence Capability Plan, and the consolidation of the overall review in the form of a public-facing Defence White Paper.

12. Part Two (subject to Cabinet approval)

12.1. *Defence White Paper* (pending commissioning): a public statement of Government's long-term position on, and intentions for, defence policy, strategy, capability, and resourcing. It considers workforce and infrastructure requirements and develops a future force matched to policy objectives.

12.2. Defence Capability Plan (pending commissioning): Government's intentions for future force structure development, consisting of a costed force, including capital and operating expenditure. Provides capability roadmaps, indicative funding, and proposed time horizons.

13. It is expected that the delivery of the full Defence Policy Review will take until mid-2024.

14. Within the Terms of Reference for the Defence Policy Review, it was noted that I intended to engage the support of a Ministerial Advisory Panel, to provide me with advice throughout the Defence Policy Review period.

Scope of the Ministerial Advisory Panel

15. The Ministerial Advisory Panel will provide me with advice, separate from Defence officials, on any matters related to the Defence Policy Review and its policy products.

16. It is expected that the Ministerial Advisory Panel will provide perspectives from a range of different backgrounds, with the intention of challenging, critiquing and reviewing the Defence Policy Review products. This will ensure that the products of the review are sound, viable and well-considered.

17. The Panel will provide advice on public consultation activities.

18. The Ministerial Advisory Panel will also be expected to provide views and advice, and consider any issues, on any other matters relating to the Defence Policy Review process at my request.

19. In order to achieve this, the Ministerial Advisory Panel will be provided with updates on the Defence Policy Review process, content development, drafting of products, and project status. This could be facilitated through briefings and workshops, and access to appropriate and relevant defence information.

20. As with previous Ministerial Advisory Panels, a range of activities including panel discussions will be considered. This would assist in giving the Ministerial Advisory Panel familiarity with defence activities, and provide them an opportunity to engage with New Zealand Defence Force personnel and Ministry of Defence staff.

21. The advice provided to me by the Ministerial Advisory Panel will be non-binding. The Ministerial Advisory Panel is not obliged to put forward one singular view, in the event that differences of opinion may arise.

22. As Minister of Defence, I will take into account any advice provided, but I will retain responsibility for defence policy and capability recommendations to Government.

Membership

23. I propose that the Ministerial Advisory Panel comprise:

23.1. A Chair; and

23.2. Five members, with the aim of representing the following key areas of expertise: government, military, international relations, Māori partnership and public sector.

24. I intend to appoint Sir Brian Roche as Chair of the Ministerial Advisory Panel, for the duration of the Defence Policy Review from the date of appointment.

s9(2)(a)

25. I also intend to appoint Professor David Capie, Sir Don McKinnon, and Pania Tyson-Nathan as external independent members of the Ministerial Advisory Panel for the duration of the Defence Policy Review from the date of appointment.

s9(2)(a)

26. I intend to also appoint David Gawn and Christine Stevenson as *ex-officio* members of the Ministerial Advisory Panel for the duration of the Defence Policy Review from the date of appointment.

s9(2)(a)

s9(2)(a)

Released by the Minister of Defence

Meeting frequency

27. The meeting frequency will be determined between myself and the Chair. It is expected that as key project milestones are due to be considered by Cabinet, the Panel will have had the opportunity to meet and review policy products and content. This will provide an additional level of assurance, prior to submission to my office.

Handling of classified information

28. The Chair, after receiving advice from the Ministry of Defence and the New Zealand Defence Force, will seek agreement from myself on an appropriate process and settings for the handling of classified information that may be required to be accessed, distributed and discussed by the Panel.

Representativeness of appointment

29. I am satisfied that these appointments provide for a balanced group in terms of gender and experience. I consider that there is an appropriate mix of skills and experience that will enable the Ministerial Advisory Panel to carry out its work successfully.

Remuneration

30. The Ministerial Advisory Panel is classified as a Group 4 Level 1 body under the *Cabinet Fees Framework*. The fee for the Chair, Sir Brian Roche, is NZD 1,150 per day, and the fee for the external independent members Professor David Capie, Sir Don McKinnon, and Pania Tyson-Nathan is NZD 865 per day. These fee rates are consistent with the Fees Framework.

31. David Gawn and Christine Stevenson, as senior public service officials, will not be remunerated for their roles as part of the Ministerial Advisory Panel.

Appointment process and consultation

32. I can confirm that an appropriate process has been followed in selecting the proposed appointees, in accordance with the Te Kawa Mataaho Public Service Commission Appointment Guidelines.

33. In summary, that process comprised consulting officials from across the Ministry of Defence and the New Zealand Defence Force to find suitable candidates for appointment, and to determine the scope of the work that the Ministerial Advisory Panel will be required to carry out. I also engaged with my ministerial colleagues for suggestions on candidates to be considered. Advice was also sought from Te Kawa Mataaho Public Service Commission to identify suitable candidates for the Panel. Discussions were had with each candidate regarding their suitability for appointment.

34. This process was appropriate because of the non-legislative advisory nature of the Ministerial Advisory Panel.

Conflicts of interest

35. I can confirm that appropriate enquiries concerning conflicts of interest have been carried out, in accordance with Te Kawa Mataaho appointment guidelines, to identify any conflict of interest that could reasonably be identified.

36. If any conflicts of interest should arise during the term of the Ministerial Advisory Panel, mitigations will be put in place to address these.

Proactive Release and Publicity

37. I will release a press statement once the appointments to the Ministerial Advisory Panel have been approved, and the Chair and each member have been notified.

38. This Cabinet paper and the attached Terms of Reference will be proactively released.

Consultation

39. Advice was sought from the responsible Ministers: Minister of Customs, Minister Whaitiri, and the Minister for Emergency Management, Minister McNulty, on the proposed appointment of Chief Executives Christine Stevenson, and David Gawn respectively. Both Ministers were supportive of these appointments.

40. The Prime Minister, and the Ministers for Maori Crown Relations: Te Arawhiti; Energy and Resources; Public Service; GCSB/NZSIS; Attorney-General; Foreign Affairs; Biosecurity; Justice; Digital Economy and Communications; and Emergency Management were consulted on all relevant appointments and Terms of Reference for the Ministerial Advisory Panel.

41. The Treasury, Te Kawa Mataaho, and the Department of Prime Minister and Cabinet were consulted.

Financial Implications

42. Operating costs for the Defence Policy Review, including the Ministerial Advisory Panel, will be shared between the Ministry of Defence and the New Zealand Defence Force. These costs will be met from within the existing baselines of the respective organisations.

Recommendations

43. It is recommended that Cabinet:

1. **note** that on 13 June 2022, Cabinet approved the Terms of Reference for a Defence Policy Review, which noted the intention to appoint a Ministerial Advisory Panel to provide advice to the Minister of Defence on the work of the Defence Policy Review [CAB-22-MIN-0218 refers];
2. **note** that the Prime Minister, and the Ministers for Maori Crown Relations: Te Arawhiti; Energy and Resources; Public Service; GCSB/NZSIS; Attorney-General; Foreign Affairs; Biosecurity; Justice; Digital Economy and Communications; and Emergency Management were consulted on all relevant appointments and Terms of Reference for the Ministerial Advisory Panel;

3. **note** my intention to appoint the following persons to form the Ministerial Advisory Panel, for a term commencing from the date of appointment through to the completion of the Defence Policy Review, which is expected to be by mid-2024:
 - i) Sir Brian Roche as the Chair;
 - ii) Professor David Capie as an external independent member;
 - iii) Sir Don McKinnon as an external independent member;
 - iv) Pania Tyson-Nathan as an external independent member;
 - v) David Gawn as an *ex-officio* member; and
 - vi) Christine Stevenson as an *ex-officio* member.
4. **approve** the attached Terms of Reference for the Ministerial Advisory Panel to consider the advice provided as part of the Defence Policy Review; and
5. **note** that the costs of the Ministerial Advisory Panel will be shared between the Ministry of Defence and New Zealand Defence Force, and will be funded from within the existing baselines of the respective organisations.

Authorised for lodgement

Hon Peeni Henare
MINISTER OF DEFENCE

Annexes:

- A. Organisation Form
- B. Candidate CV Forms
- C. Terms of Reference for the Ministerial Advisory Panel