

I hereby give notice that an ordinary meeting of the Transport, Resilience and Infrastructure Committee will be held on:

Date: Thursday, 13 February 2025
Time: 10.00am
Meeting Room: Reception Lounge
Venue: Auckland Town Hall
301-305 Queen Street
Auckland

**Te Komiti mō te Tūnuku, mō te Manawaroa me te
Tūāhanga /
Transport, Resilience and Infrastructure
Committee**

OPEN AGENDA

MEMBERSHIP

Chairperson	Cr Andrew Baker	
Deputy Chairperson	Cr Christine Fletcher, QSO	
Members	Cr Josephine Bartley	Cr Kerrin Leoni
	Houkura Member Billy Brown	Cr Daniel Newman, JP
	Mayor Wayne Brown	Houkura Member Pongarauhine Renata
	Cr Angela Dalton	Cr Greg Sayers
	Cr Chris Darby	Deputy Mayor Desley Simpson, JP
	Cr Julie Fairey	Cr Sharon Stewart, QSM
	Cr Alf Filipaina, MNZM	Cr Ken Turner
	Cr Lotu Fuli	Cr Wayne Walker
	Cr Shane Henderson	Cr John Watson
	Cr Richard Hills	Cr Maurice Williamson
	Cr Mike Lee	

(Quorum 11 members)

Lata Smith
**Kaitohutohu Mana Whakahaere Matua / Senior
Governance Advisor**

10 February 2025

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Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.

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1 **Ngā Tamōtanga | Apologies**

2 **Te Whakapuaki i te Whai Pānga | Declaration of Interest**

3 **Te Whakaū i ngā Āmiki | Confirmation of Minutes**

Click the meeting date below to access the minutes.

That the Transport, Resilience and Infrastructure Committee:

- a) whakaū / confirm the ordinary minutes of its meeting, held on [Thursday, 5 December 2024](#), including the confidential section, as a true and correct record.

4 **Ngā Petihana | Petitions**

5 **Ngā Kōrero a te Marea | Public Input**

5.1 Public Input: Graeme Easte - Regional Land Transport Committee system

**Te take mō te pūrongo
Purpose of the report**

1. Graeme Easte will address the Transport, Resilience and Infrastructure Committee regarding the Regional Land Transport Committee system.

**Ngā tūtohunga
Recommendation/s**

That the Transport, Resilience and Infrastructure Committee:

- a) whiwhi / receive the public input address from Graeme Easte regarding the Regional Land Transport Committee system; and whakamihi / thank him for attending the meeting.

6 Ngā Kōrero a te Poari ā-Rohe Pātata | Local Board Input

6.1 Local Board Input: Henderson-Massey Local Board - Clover Drive Blue Green Network

Te take mō te pūrongo Purpose of the report

1. Henderson-Massey Local Board Members Brooke Loader and Dan Collins will address the Transport, Resilience and Infrastructure Committee to provide their support for implementation of all identified Making Space for Water projects across Tāmaki Makaurau as soon as is practicable.
2. To raise concerns at the reduction in funding for the Making Space for Water and how it will impact communities in Henderson-Massey and Tāmaki Makaurau.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) whiwhi / receive the Local Board Input address from Henderson-Massey Local Board regarding the Clover Drive Blue Green Network; and
- b) whakamihi / thank the Henderson-Massey Local Board members, Brooke Loader and Dan Collins for attending the meeting.

7 Ngā Pakihi Autaia | Extraordinary Business

City Rail Link - Wider Network Enabling Works

File No.: CP2024/16347

Item 8

Te take mō te pūrongo Purpose of the report

1. To update the Transport, Resilience and Infrastructure Committee on the 'Christmas' rail closures undertaken over late December 2024 and January 2025, as part of the major upgrade and project delivery activity required to open City Rail Link to passengers in early 2026.
2. To update the committee on preparations for the next rail closure period over Easter 2025.

Whakarāpopototanga matua Executive summary

3. Getting ready to open City Rail Link (CRL) to passengers in 2026 requires a complete upgrade of Auckland's rail network, in addition to fitting out new stations, expanding the train fleet, and integrating, testing and commissioning of new systems.
4. It is important that KiwiRail rebuild aging foundations and renew old assets that slow down trains so that we can get the most benefits from these significant investments. The rebuild and renewal over the next 12 months is the final stage of the overall RNR work programme.
5. There is now a short time frame to deliver the necessary work to be ready in time for CRL opening. The detailed programming ensures disruption is minimised, but it does mean some changes to passenger and freight services because trains can't run on the network when some of this work is being carried out.
6. The upgrade requires full or partial rail track closures throughout 2025. The dates have been selected to minimise disruption to passenger and freight services as much as possible and are under continual review for optimisation based on customer and delivery needs.
7. The first of the planned closures occurred over late December 2024 and January 2025. This update provides the committee with information on the rail closure period including rail upgrade progress, passenger numbers in replacement services, freight movement, the communications approach and lessons learned from the closure that can be applied to the upcoming Easter 2025 closure.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) whiwhi / receive the February 2025 update from KiwiRail and Auckland Transport on the wider network enabling works.

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Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	City Rail Link Network Readiness February 2025 Update	

Ngā kaihaina Signatories

Author	Taryn Muir - Executive Officer
Authoriser	Barry Potter - Director Resilience and Infrastructure

Auckland Transport Update - February 2025

File No.: CP2024/20902

Item 9

Te take mō te pūrongo Purpose of the report

1. To whiwhi / receive the February 2025 update from the Chief Executive of Auckland Transport on the performance of the organisation.

Whakarāpopototanga matua Executive summary

2. The Transport, Resilience and Infrastructure Committee has responsibility for the oversight of major transport and infrastructure matters that affect the Auckland region.
3. Auckland Transport is a Controlled Organisation of Auckland Council. Auckland Transport designs, builds and maintains Auckland's roads, ferry wharves, cycleways and walkways, coordinates road safety and community transport initiatives such as school travel, and plans and funds bus, train, and ferry services across Auckland.
4. An update (attached) will be provided by the Chief Executive on strategic issues, operational updates and key performance metrics for the most recent reporting period.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) whiwhi / receive the February 2025 update from Auckland Transport's Chief Executive on the performance of the organisation.

Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Auckland Transport Update - February 2025	

Ngā kaihaina Signatories

Author	Taryn Muir - Executive Officer
Authoriser	Barry Potter - Director Resilience and Infrastructure

2025/2026 Letter of expectations to Auckland Transport

File No.: CP2025/00006

Item 10

Te take mō te pūrongo Purpose of the report

1. To approve the content for inclusion in the 2025/2026 letter of expectations to Auckland Transport.

Whakarāpopototanga matua Executive summary

2. The letter of expectations is an important document that provides direction on:
 - i) the development of Auckland Transport's statement of intent (SOI) for 2025-2028,
 - ii) other priorities and issues of importance for the council to inform Auckland Transport's operations and service delivery.

Proposed content

3. The expectations have been informed by a drop-in session for councillors, local board chairs and deputy chairs in late January 2025, thirty-minute online sessions with the CCO Governance team as requested, the final mayoral proposal for the draft 2025/26 Annual Budget and decisions of the Budget Committee on 4 December and Governing Body on 12 December 2024.
4. The letter of expectations contains two parts: i) general expectations for all CCOs and ii) specific expectations for Auckland Transport. The general expectations centre largely on:
 - i) focusing CCOs on delivery
 - ii) accelerating implementation of group shared services
 - iii) delivering year two of the Long-term Plan (LTP) 2024-2034 and alignment to final Annual Budget 2025/2026
 - iv) planning, delivery and paying for growth
 - v) procurement and effective spending
 - vi) continue upholding Auckland Council Group's Te Tiriti o Waitangi-derived obligations
 - vii) quality timely advice to Local Boards
 - viii) climate change
 - ix) compliance with Statement of Expectations of substantive CCOs
 - x) asset management planning in preparation for the LTP 2027-2037.
5. The specific expectations for Auckland Transport are:
 - i) work with the council on government transport reform for Auckland
 - ii) work with the council on CCO non-structural reform changes
 - iii) continue to progress the council's priorities for transport (e.g. get the most out of the existing transport network, improve temporary traffic management)
 - iv) continue to implement and provide a clear programme through to Day-1 for City Rail Link and Eastern Busway
 - v) seek regional and local input on matters of high public interest

- vi) commit to implementing the Water Strategy and responding to new water legislation requirements as they relate to stormwater
- vii) undertake further work to improve communication to customers
- viii) provide more detail on the methodology and assumptions for SOI measures and targets
- ix) publish AT board committee agendas and, where possible, reports

Timings

- 6. The letter of expectations will be finalised based on this Committee's resolutions, under delegation by the Mayor, Chair and Deputy Chair, Transport, Resilience and Infrastructure Committee. The letter of expectations will be issued to Auckland Transport's board chair following the resolutions of this committee.
- 7. It is recommended that substantive CCOs are given a one-month extension of all statutory deadlines in the SOI process for 2025, as allowed for in the Local Government Act 2002. Given the CCO reform process, this will allow CCOs more time to align their work programmes with the agreed outcomes and final decisions of the 2025/2026 Annual Budget process.
- 8. Initial submission of the draft SOI will be on or before 1 April 2025, and final submission on or before 31 July 2025.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) whakaae / approve the proposed content for inclusion in the 2025/2026 letter of expectations to Auckland Transport as set out in this report and with any amendments requested by the Committee.
- b) tautapa / delegate authority to the Mayor, Chair and Deputy Chair of the Transport, Resilience and Infrastructure Committee to finalise and issue the 2025/2026 letter of expectations to Auckland Transport.
- c) whakaae / approve a one-month extension of statutory deadlines for the Auckland Transport statement of intent for 2025-2028, as provided for in the Local Government Act Schedule 8, section 4.
- d) invite / pōwhiri the Chair of Auckland Transport to present the draft statement of intent 2025-2028 at the April meeting of the Committee.

Horopaki Context

- 9. Along with the Statement of Expectations, the letter of expectations provides direction to Auckland Transport that will inform the development of their SOI which is required by legislation. The council aims to provide these letters before the end of every year to provide sufficient time for the CCOs to submit a draft before 1 March and a final copy before the start of the next financial year.
- 10. However, this year, given final decisions on the CCO reform process were made on 12 December 2024, it was determined it would be more appropriate to send letters of expectation in February 2025, which can reflect these decisions.

11. Given the CCO reform process, staff recommend that the Governing Body approves an extension of the statutory deadlines for all SOIs in 2025. This ability to extend deadlines by one month is provided for in the Local Government Act 2002 (schedule 8, section 4). It would extend:
 - i) the date of submission of the draft SOIs to on or before 1 April 2025.
 - ii) the date when the boards must consider shareholder feedback to 1 June 2025, and
 - iii) the date for final submission of SOIs on or before 31 July 2025.

Tātaritanga me ngā tohutohu Analysis and advice

Mayor's proposal for the 2025/2026 Annual Budget

12. The council agreed items for consultation as part of the 2025/2026 Annual Budget process at the Governing Body meeting on 12 December 2024.
13. The Mayor's expectation is that the draft 2025-2028 SOIs will be consistent with the relevant aspects of the Mayor's Proposal for the 2025/2026 Annual Budget.

Letters of expectations

14. The letter of expectation will contain two parts:
 - i) general expectations for all CCOs,
 - ii) specific expectations for Auckland Transport.
15. The content below summarises the key matters that will be expanded on in the final letter of expectations.

Expectations of all CCOs

16. Expectations proposed for all CCOs cover the key areas summarised below:

Focusing CCOs on delivery

17. CCOs are expected to work positively and collaboratively with the council to effectively implement the structural and non-structural change decisions on CCO reform. CCOs are also expected to support and actively engage in any section 17A, value for money and other reviews council may commission.
18. In line with the overall desire to refocus CCOs on service delivery, CCOs are expected to provide greater attribution to the council as the policy maker and funder in their public facing services, assets, amenities, communications and branding.

Accelerate implementation of group shared services

19. CCOs are expected to actively support the Group Shared Services (GSS) board with accelerating the transition of functions to the GSS model. Council's chief executive has been tasked with assessing the benefits (through business cases) for all eligible functions within Auckland Council and CCOs, with as many as possible to be completed by 1 July 2025. Thereafter, where business cases are favourable, the expectation is that all functions are shifted to GSS as soon as possible.
20. Demonstrable progress must be evidenced through the movement of functions to GSS through 2025, noting that, as part of the business case approval process, the operating model for these functions is agreed at the GSS Board.
21. The expectation is that no new technology platforms or arrangements will be introduced or entered in to by Council or any CCO without the appropriate oversight and approval within GSS.

Delivering year two of the Long-term Plan 2024-2034 and alignment to final Annual Budget 2025/2026

22. CCOs are expected to focus on delivering year two of the LTP 2024-2034. This includes \$47 million of savings, on top of other savings targets agreed through previous plans and decisions.
23. Council will commence public consultation on the draft Annual Budget 2025/2026 in late February 2025. Following consultation and deliberations, the final Annual Budget will be adopted in June 2025. Once this occurs, final SOIs (including financial information and performance measures) should be aligned with the final Annual Budget and the strategic priorities contained within.

Planning, delivery and paying for growth

25. As outlined in the Mayor's Proposal for the draft Annual Budget 2025/2026, the council continues to face issues around planning, delivery and paying for growth. Council will be developing a framework to support decision-making on growth related issues which takes an integrated group approach. This framework will help to identify necessary trade-offs and prioritisation. CCOs are expected to actively support and contribute advice and expertise to the development of this framework and its associated implementation.

Procurement and effective spending

24. Improving how the council group procures and effectively spends ratepayers' money (particularly on capital projects) is an area of focus in 2025/2026. To support improvements, CCOs are expected to align closely with a group approach to procurement where there are clear efficiencies and benefits to be gained, noting the existence of the group procurement function in GSS as an enabler for this.
25. Council's chief executive has established a team to drive improvements and will report back to the Revenue and Expenditure Committee by March 2025. CCOs are expected to actively contribute to and implement these improvements once agreed.

Continue upholding Auckland Council Group's Te Tiriti o Waitangi-derived obligations

26. Auckland Council Group is committed to upholding its obligations derived from Te Tiriti o Waitangi and to achieving better outcomes for Māori. CCOs are expected to share this commitment and contribute to its delivery, including through (but not limited to):
 - reporting on the delivery of their Achieving Māori Outcomes (AMO) Plans as part of the Quarterly Performance Report. The reporting should include Key Performance Indicators (KPIs) to track progress over time.
 - working with Auckland Council's Ngā Mātārae team regarding the review of the Māori Outcomes Fund and to implement the refreshed Kia Ora Tāmaki Makaurau framework and strategy. This includes contributing to the design of measures and preparing to align with the rest of the Auckland Council Group on AMO Plan development, monitoring and reporting for FY27 onwards.
 - building strong partnerships with mana whenua and mataawaka. This includes aligning with Council's Mana ki te Mana approach to Māori engagement, where relationships take precedence over issues or projects. This approach respects the unique mana motuhake of each iwi and mataawaka entity by prioritising their needs and aspirations.
 - working collaboratively with Ngā Mātārae and other Māori Outcomes specialists across the Council Group to take a whole-of-Council-Group approach to delivering outcomes for Māori. This includes continuing to participate in Auckland Council-led activities and hui such as the Kia Ora Tāmaki Makaurau Programme Delivery Board.

Quality advice to Local Boards

27. CCOs should continue to provide timely, delivery focused, quality, concise advice to local boards and ensure local boards are engaged early on projects and decisions directly impacting their local area. This supports the More Empowered Local Boards proposal, consistent with the council's shared governance model. For Auckland Transport in particular, better reporting is sought to local boards on local projects and services.

Climate change

28. CCOs should continue to be guided by *Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan* by incorporating climate change considerations (whole of life greenhouse gas emissions and resilience) into work programmes and decisions.

Compliance with Statement of Expectations of substantive CCOs

29. CCOs should adhere to the Statement of Expectations of substantive CCOs, which explains how CCOs should conduct their business and manage their relationships with the council and other interested groups (including matters such as the 'no surprises' principle). This document will be reviewed and updated in 2025 to reflect decisions on CCO reform.

Asset Management Planning in preparation for the LTP 2027-2037

30. CCOs are expected to deliver a draft asset management plan (AMP) covering existing and planned assets to inform the development of the LTP 2027-2037. The draft AMP should be available in February 2026 to contribute to the development of the LTP 2027-2037. CCOs are expected to work with Auckland Council's Infrastructure Strategy and Asset Management System teams on the development of AMPs.

Auckland Transport

31. For Auckland Transport we expect the following:

Work with council on government transport reform for Auckland

32. Auckland Transport is expected to work with the council to prepare for and enable the proposed legislative reform announced on 3 December 2024. Legislation change will enable:
 - i) strategy, policy and planning functions for transport to return to Auckland Council
 - ii) establishment of a new Auckland Regional Transport Committee with a focus on long-term, integrated transport planning
 - iii) Auckland Council to assume the role of Road Controlling Authority
 - iv) greater local decision-making over certain transport decisions for local streets and neighbourhoods
 - v) Auckland Transport to be retained as a CCO focused on delivering transport projects and services (as decided by Auckland Council).
33. These changes are substantial and will necessitate a thorough, joint process for effective implementation. Engagement with the government on the reform is to be led by Auckland Council and for transparency, all Auckland Transport engagement should be recorded and noted in the quarterly performance reports to council. Information required to assist with transition should be provided on time and in an open manner.
34. The Government has signalled the intention for local boards to be given greater transport responsibilities, and this will require us to work closely to understand the implications of and plan for these changes.

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Non-structural reform changes

35. As part of the future operating model arising from CCO reform decisions, the Mayor has asked for advice from the council's chief executive on the:
- i) principles to guide council's approach to transport reform that reflect the overall intention of this CCO reform package and legislative change
 - ii) detailed analysis about how transport functions could be delivered in the future state
 - iii) a proposed phased approach to implementation prior to legislation being enacted
36. This advice is to be prepared in parallel to the government's legislative process.
37. Auckland Transport is expected to actively support and provide full cooperation with the council in the development of this advice and its associated implementation, pending Governing Body decisions. This includes the provision of timely information when requested by the council.

Continue to progress the council's priorities for Auckland Transport

38. The last two letters of expectations have outlined council's expectation for Auckland Transport to:
- i) continue work to change how they interact with Aucklanders and listen to Aucklanders
 - ii) get the most out of the existing transport network, e.g. implement dynamic lanes, network optimisation, time of use charging
 - iii) improve temporary traffic management, reduce its impact and seek revenue and improve open road traffic management to ensure it is removed when works are complete
 - iv) take direction and oversight from the council, and improve communication internally within Auckland Transport to break down siloes
 - v) support development of the Auckland Integrated Transport Plan
 - vi) reduce delays incurred by utilities and developers when working with Auckland Transport
 - vii) implement low-cost opportunities to complete the cycling network, and continue to focus on completing existing links with minimal disruption
 - viii) reduce Auckland Transport's cost to Council, including where advice or decisions are required from local boards, providing local boards with a range of cost effective options
39. Auckland Transport is expected to continue to focus on these priorities and indicate in its statement of intent how these will be delivered.

Seek regional and local elected member input on matters of high public interest

40. Auckland Transport is expected to seek input from elected members on matters of high public interest. Elected member input should be sought at the start of your considerations and not at the end.

Further work is needed to improve communication to customers

41. Auckland Transport must continue to improve communication to customers about the transport system, particularly in the coming year due to rail disruptions. This is a critical factor that impacts the experiences of transport users, and it is essential that information provided is reliable and up-to-date across all communication channels. Given the forecasted disruptions on the rail network and changes to the rail and bus system to support the City Rail Link, clear communications will be vital. Refocusing communications and marketing activities on basic customer communications (especially for public transport) and away from promotion of Auckland Transport's brand and successes is expected.

Implementation of mega projects like the City Rail Link (CRL) and Eastern Busway

42. As the CRL construction work winds down, the role of Auckland Transport within the project will increase and day-1 readiness will become a stronger focus. This includes removing level crossings required for day-1, asset testing, acceptance, station and precinct readiness, driver training, way finding and passenger transport operations. Auckland Transport is expected to provide a clear programme through to day-1, with regular reporting to the Transport, Resilience and Infrastructure Committee.
43. As part of delivering to Day-1 and to ensure we get the most efficient use out of our investment Auckland Transport is expected to:
 - i) work with Auckland One Rail (AOR) and KiwiRail to decrease planned dwell times at stations and report on progress as part of their quarterly performance reporting.
 - ii) work with Auckland Council and other partners to ensure we accurately assess and capture the benefits of CRL. This will require Auckland Transport to input into the benefit realisation methodology and in some instances own some of the benefits.

More detail is required on the methodology for statement of intent measures and targets

44. As Auckland Transport transitions to being more of a delivery agency, Auckland Transport is expected to provide the council and the public with more information on the methodology for how measures and targets are calculated and the assumptions that underpins them.
45. Auckland Transport has undertaken to provide the council with improved capital expenditure measures. This is expected to be included in the statement of intent.

Auckland Transport's commitment to the Water Strategy and stormwater plans

46. The roading network is Council's biggest stormwater asset. Auckland Transport has an important role in managing and reducing the environmental impacts of stormwater quality. Auckland Transport is expected to align with the outcomes sought by the Auckland Water Strategy and ensure that water quality outcomes are included in their delivery programme.
47. The Local Government (Water Services Preliminary Arrangements) Act will require changes by both Auckland Council and Auckland Transport:
 - i) the new water reform bill proposes that territorial authorities must prepare a stormwater network risk management plan to identify any hazards and assess risk relating to the network in the district. Auckland Transport is expected to provide any necessary input, in a timely manner, into the development and implementation of the plan.
 - ii) Auckland Transport is also expected to enter into Service Level Agreements with Auckland Council in relation to stormwater and to keep these Agreements current with changes coming from water reform. This will help ensure that the community has clarity of roles and responsibilities for the variety of stormwater services and assets in Auckland.

- iii) Auckland Transport will need to comply with any new standards that might be applied to stormwater because of regulation implemented in the new water reform bill. If consultation is required on draft standards, Auckland Council will take the lead on this, seeking Auckland Transport's specialist advice and input.

Auckland Transport's subcommittee agendas should be published

48. With Auckland Transport's board meeting six times a year, and Auckland Transport's committees playing an important governance role, the agenda items for each board committee should be published online, and, where possible, reports to be included in an open agenda.

Tauākī whakaaweawe āhuarangi **Climate impact statement**

49. Addressing the challenges that climate change presents for Auckland continues to be a priority for the council group and this is reflected in the common expectations proposed in the letters of expectations.
50. The decision to approve proposed content for Auckland Transport's letter of expectations does not have a direct impact on greenhouse gas emissions.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera **Council group impacts and views**

51. The letters of expectations are one part of an overall accountability framework for substantive CCOs. The expectations have been drafted based on the Mayor's proposal for the 2025/2026 Annual Budget, decisions of the Budget Committee on 4 December and Governing Body on 12 December 2024 and with input from subject matter experts from across the council.
52. It is suggested that the letters include a closing paragraph which invites CCOs to contact the Manager CCO Governance and External Partnerships should they wish to discuss or clarify any aspects of the letter.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe **Local impacts and local board views**

53. The governance relationship between the substantive CCOs and the council sits with the Governing Body.
54. Local board Chairs and Deputy Chairs were invited to a drop-in session on 28 January 2025. Local boards were also offered the opportunity for one-on-one drop-in sessions. Feedback was received from Franklin, Ōrākei and Puketapapa local board members.
55. Auckland Transport are asked in the letters to provide timely, delivery focused, quality, concise advice to local boards and ensure local boards are engaged early on projects and decisions directly impacting their local area.

Tauākī whakaaweawe Māori **Māori impact statement**

56. Auckland Council Group is committed to upholding its obligations derived from Te Tiriti o Waitangi and to achieving better outcomes for Māori. This is reflected in the proposed common expectations for the letters of expectations and in specific expectations to individual CCOs.

Ngā ritenga ā-pūtea Financial implications

57. Through the letter of expectations Auckland Transport will be asked to ensure that their final 2025-2028 SOI (including financial information and performance measures) is aligned with the final 2025/2026 Annual Budget.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

58. There is a risk that Auckland Transport may misunderstand the expectations provided in the letter of expectations. However, there are additional opportunities for Auckland Transport to clarify the expectations, whether by discussion with council staff or through the Council Directors on Auckland Transport.
59. There is also a risk that the longer timeframe for decisions on CCO transition and the Government's transport reform legislation may impact on the work programme set out in Auckland Transport's draft and final SOI. This would be mitigated by regular reporting on the Transition programme and Government transport reform with the ability to modify the SOI later if required.
60. Additionally, the process of reviewing the draft SOI after it is received on 1 April 2025 provides another opportunity to ensure that expectations in the letter of expectations are responded to appropriately.

Ngā koringa ā-muri Next steps

61. The Mayor will issue the letter of expectations to CCOs based on the resolutions of this committee as soon as possible after this meeting.
62. Auckland Transport will submit its draft SOI to council on or before 1 April 2025.
63. The Auckland Transport chair will be invited to present the draft SOI to the April meeting of this Committee.
64. The date for final submission of the SOI is on or before 31 July 2025.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Author	Claire Gomas - Principal Advisor
Authorisers	Alastair Cameron - Manager CCO/External Partnerships team Anna Bray - General Manager Group Strategy, Transformation and Partnerships Barry Potter - Director Resilience and Infrastructure

Recovery Office Update

File No.: CP2024/19299

Te take mō te pūrongo Purpose of the report

1. To provide an update on progress with the Tāmaki Makaurau recovery programme, including revised property categorisation and buy-out forecasts.

Whakarāpopototanga matua Executive summary

2. It is now two years since the severe weather events of Auckland Anniversary Weekend 2023 and Cyclone Gabrielle. Auckland Council has made strong and steady progress in its recovery efforts, with more than 80 per cent of priority activities now complete.
3. This includes responding to over 800 significant roading slips, more than 200 wastewater and 16,000 stormwater issues, and damage across 1229 parks and community facilities. Over 3500 homeowners have opted in to a flood and landslide risk assessment for their homes, out of an estimated 7000 affected properties. Through this time, it has been essential to support the wellbeing needs of those affected.
4. At the two-year mark, the focus remains on completing the outstanding priority actions, including the remaining fifteen per cent of property categorisations, the property buy-outs and grants for properties identified as Category 3 and Category 2P, and implementing community-level solutions for Category 2C areas. As these actions are completed, the recovery effort will turn to more long-term issues, including local recovery plans and decisions over the use of storm affected (Category 3) land purchased by the Council.
5. On 5 December 2024, the Transport, Resilience and Infrastructure Committee (the Committee) noted that the forecast number of Category 3 properties was expected to increase from 900 to between 1205 and 1264, with a corresponding impact on the total buy-out costs of up to \$387.6 million ([TICCC/2024/146](#)). The Committee endorsed, in principle, a series of recommendations to request the Crown consider further funding for Category 3 buyouts or consider reallocating Category 2 funding to cover the cost of Category 3 buy-outs. A reallocation would require the identification of additional council funding to maximise access to the remaining Crown funding allocated for Category 2 projects.
6. The final forecast is now complete, with an expectation of 1215 Category 3 properties at an average purchase price of \$1.014 million. A request has been made to the Crown to consider additional funding to support this. If further Crown funding is not made available, this would require the Crown and council to each reallocate funding within the current Auckland Funding Agreement. The Crown would need to shift \$172m from Category 2 to Category 3 and the council would need to shift \$160m. Further council capital funding of \$68.8m would be required to meet the council's share of Category 3 buyout costs and maximise the Crown investment in Category 2C risk mitigation work (subject to business case approval for projects in Tranche 2 of the Blue-Green Networks initiative).
7. The increased number of Category 3 houses and higher than budgeted removal costs mean that a further \$33 million of capital funding is needed to cover the cost of house removals. A business case is being prepared to access \$12m from the Waste Minimisation Fund for this.
8. In summary, without additional Crown funding the total additional council capital required to complete the Category 3 and Category 2 programmes is estimated to be up to \$102 million. Initial assessments for the Storm Impacted Land Use programme suggest that this amount can be recouped through the sale of some Category 3 properties to the private market, in situations where risks can be appropriately managed.

9. The Recovery Office will continue to work with the Cyclone Recovery Unit to progress the funding request or secure the necessary funding reallocations. Council funding allocations will be considered by the Governing Body for the current year and the Budget Committee for future-year budget updates.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) tuhi ā-taipitopito / note the update and progress with the Tāmaki Makaurau recovery programme.
- b) tuhi ā-taipitopito / note the decisions made by the Committee on 5 December 2024 ([TICCC/2024/146](#)) to endorse, in principle, a request the Crown consider further funding for Category 3 buyouts or consider the reallocation of funding within the Auckland Funding Agreement and the provision of further council capital funding to provide for between 1205 and 1264 Category 3 property buy-outs and to maximise access to the committed Crown funding for Category 2 projects.
- c) tuhi ā-taipitopito / note that the final forecast for the number of Category 3 properties eligible for the Voluntary Buy-out Support Scheme is 1215 at an average price of \$1.014 million, increasing the estimated total cost of Category 3 buy-outs by \$352 million (shared 50:50 with the Crown), and that without any additional Crown funding this final forecast will confirm the budget changes endorsed in principle on 5 December 2024 ([TICCC/2024/146](#)) as follows:
 - i) request the Crown to move up to \$176 million of Crown funding from the allocation for Category 2 risk mitigation projects to the allocation for Category 3 voluntary buy-outs.
 - ii) provide for the Council's share of additional Category 3 buy-out costs in FY25 and FY26 by:
 - A) moving up to \$176 million of council funding from the allocation for Category 2 risk mitigation projects to the allocation for Category 3 voluntary buy-outs
 - B) identifying a further up to \$16.2 million for Category 3 buy-outs
 - C) requiring additional council borrowing as the risk mitigation budget was phased across 10 years in the long-term plan.
 - iii) subject to business case approval for projects in Tranche 2 of the Blue-Green Networks initiative, identify a further up to \$52.6 million council capital funding to access the full amount of Crown funding available for Category 2 risk mitigation projects (\$86 million)
 - iv) identify a further \$33 million capital funding for additional house removal costs.
- d) tono / request that the Chief Executive progress the proposed changes to the Auckland Funding Agreement with the Crown.
- e) tono / request that the Governing Body approve unbudgeted expenditure for the 2024/2025 financial year to enable projected Category 3 property settlements and house removal to proceed without delay, noting these costs will need to be initially funded from borrowings, and then offset through future-year property sales.
- f) tono / request that the Budget Committee approve the required changes to future budgets to respond to the revised programme through its consideration of the Annual Plan 2025/2026.
- g) tuhi ā-taipitopito / note that staff will continue to work on options to reduce the expected average cost for house removals.

Horopaki Context

Eighty per cent of priority recovery activities are now complete

10. It is now two years since the severe weather events of Auckland Anniversary Weekend 2023 and Cyclone Gabrielle. Auckland Council has made strong and steady progress in its recovery efforts, with more than 80 per cent of priority activities now complete.
11. Key components of the recovery programme include providing navigation services and wellbeing support for impacted Aucklanders and their communities, working with mana whenua, repairing damaged infrastructure and council assets, and providing funding to support homeowners to remove themselves from situations of intolerable risk to life. The Auckland Crown Funding Agreement, signed on 6 October 2023 ([GB/2023/187](#)) has enabled the purchase of Category 3 properties, repairs to the transport network and Category 2P properties, and investment in community-scale Category 2C resilience projects.
12. Recovery activity has included responding to over 800 significant roading slips, more than 200 wastewater and 16,000 stormwater issues, and damage across 1229 parks and community facilities. Over 3500 homeowners have opted in to a flood and landslide risk assessment for their homes, out of an estimated 7000 affected properties. So far, more than a third of categorised properties have been eligible for either a voluntary buy-out or Category 2P grant to support repairs and risk mitigation, meeting the Council's policy objective to 'support Aucklanders to voluntarily relocate from residential housing situations on properties that pose an intolerable risk to their lives.'
13. Throughout this time, it has been essential to support the wellbeing needs of those affected. Many whānau and individuals have been supported to move forward from the disruptive and often traumatic effects on their lives. We recognise that recovery is a long-term endeavour experience in other recovery efforts shows that it can take many years for impacted people to come to terms with what has happened.
14. At the two-year mark, the focus remains on completing the outstanding priority actions, including the remaining fifteen per cent of property categorisations, the property buy-outs and grants for properties identified as Category 3 and Category 2P, and implementing community-level solutions for Category 2C areas. As these actions are completed, the recovery effort will turn to more long-term issues, including local recovery plans and decisions over the use of storm affected (Category 3) land purchased by the Council.

Uptake of the voluntary buy-out scheme has been higher than expected and requires adjustments to the Auckland Funding Agreement

15. As reported to the 5 December 2024 Transport, Resilience and Infrastructure Committee, the number of Category 3 properties eligible for voluntary buy-out has been expected to rise from the current budgeted 900 properties to between 1205 and 1264 properties.
16. The Committee endorsed, in principle, a series of recommendations to request additional Crown funding or reallocate existing Category 2 funding to cover the increased cost of Category 3 buy-outs and to identify additional council funding to maximise access to the available Crown funding for Category 2 projects ([TICCC/2024/146](#)). The analysis below sets out the final forecast categorisation numbers, and the consequent financial impacts based on an assumption of no additional Crown funding becoming available.

Tātaritanga me ngā tohutohu Analysis and advice

Final forecasts anticipate 1215 Category 3 properties

17. With further progress on categorisation, the final forecast is now for 1215 Category 3 properties (see Table 1). The forecast includes provision for a small amount of movement between categories through disputes or infeasibility of Category 2P solutions.

Table 1. Final forecast categorisations

Final categories	LTP 2025-34	Forecast Nov 2024 (mid)	Forecast Jan 2025
Category 1	1,994	2,034	1,976
Category 2P	175	163	141
Category 2C	77	69	38
Category 3	904	1,230	1,215
Ineligible / opted out	-	22	168
Total registrations	3,150	3,518	3,538

18. The average purchase price for a Category 3 property is now sitting at \$1.014m, after accounting for a 5% homeowner contribution and an average 13% insurance contribution.

Budgets need to be reallocated to purchase more Category 3 properties

19. With reasonable confidence in the final forecast, we can now confirm the funding agreement changes required, and the financial impact for the council, which is set out in Table 2. In summary, the Crown and council will need to each reallocate funding within the current Auckland Funding Agreement, with the Crown to shift \$172m from Category 2 to Category 3 and the council to shift \$160m. Further council capital funding of \$68.8m is required to meet the council's share of Category 3 buyout costs and maximise the Crown investment in Category 2C risk mitigation work.
20. The effect of this re-allocation will be to allow for an additional 311 Category 3 buy-outs, and a corresponding reduction in the scope of Category 2C projects. While this reduces the number and scope of community resilience projects that can be delivered under the Auckland Funding Agreement, the shift will still meet the policy objective of removing people from situations of intolerable risk to life.

Table 2. Allocations in the Auckland Funding Agreement

(\$M)	Current allocation	Proposed allocation	Change
Category 3 buy-out	\$896	\$1249	\$352
Crown share (50%)	\$448	\$624.1	\$176.1 from Cat 2
Council share (50%)	\$448	\$624.1	\$159.9 from Cat 2 \$16.2 additional council funding
Category 2 committed funds (Mangere, Cat 2P)	\$92.6	\$92.6	--
Crown share (62%)	\$57.4	\$57.4	--

(\$M)	Current allocation	Proposed allocation	Change
<i>Council share (38%)</i>	\$35	\$35.2	--
Category 2 uncommitted funds	\$420.4	\$138.4	(\$282)
<i>Crown share (62%)</i>	\$261.6	\$85.8	
<i>Council share (38%)</i>	\$159.7	\$52.6	<i>Additional council funding to access remaining Crown funding</i>

21. The Chief Executive has written to the Cyclone Recovery Unit, with a request to the Crown to consider further funding to provide for 1215 Category 3 buy-outs, or alternatively seeking the reallocation of Crown funds within the Auckland Funding Agreement. The analysis above would need to be updated if additional Crown funding was to be made available.
22. Auckland Council will have the opportunity to adjust future budgets to respond to its funding reallocations as part of the Annual Plan process.

House removal costs have also increased

23. Up to \$33m capital funding will need to be identified for house removal costs across FY25 – FY28. This allows for the increased number of Category 3 properties, and an increase in average removal costs from \$53,000 to \$67,000.
24. The current budget for house removal is \$47.7m over four years, or around \$53,000 per site based on 900 Category 3 properties including all costs. The first removals have come in substantially higher than budgeted, partly due to the programme starting with the more complex sites on the West Coast (e.g. Muriwai and Titirangi). Site instability, operational constraints such as managing for kauri dieback, and the presence of asbestos have all contributed to the costs of the contracted sites to date being in the order of \$72,000 per site. While some dwellings have been relocated (target of 35% overall) and returned some revenue, this has been offset by a number of larger and more complex dwellings that are costing well in excess of \$100,000 to remove.
25. Now that the programme has moved into 'simpler' areas, the average removal costs are reducing, but still coming in higher than budgeted, at around \$67,000 per property (including apportioned programme costs for security, asbestos assessments, risk assessments and project management). The costs by area are set out in Table 3.

Table 3. Budget summary for house removal programme

Rodney (70 houses @ \$60,500 average)	\$4,235,000
Muriwai (68 houses @ \$87,500 average)	\$5,950,000
Piha/ Karekare/Titirangi (92 houses @ \$110,000 average)	\$110,120,000
South, Central, Northshore, West (970 houses @ \$60,000 average)	\$58,200,000
Budget required for house removal	\$78,505,000
Number of properties	1,200
Other programme costs per property (Asbestos report, security, QS, geotech advice, project management)	\$1,670
Average cost per property (excluding escalation)	\$67,090

26. Following a review of the house removal programme, a number of improvements are being implemented to drive efficiency and cost-effectiveness. Once all Category 3 houses are identified it will be possible to package dwellings for removal by area and put these packages out to competitive tender. The Recovery Office and Waste Solutions are also progressing an application for \$12m from the Waste Minimisation Fund, to support deconstruction and reuse of materials salvaged from the dwellings. This will help to offset costs.

The overall financial impact can be offset by sales proceeds from Category 3 land disposals

27. The combined impact of the above changes to the programme (more Category 3 properties, a reduced Category 2 programme that still maximises access to available Crown funding, and additional costs for the house removal programme) is an additional council capital funding requirement of up to \$102 million.
28. A summary of the projected financial impacts for the council is provided at Attachment A.
29. Council staff project that the additional capital funding can be offset through sales proceeds generated through the Storm Affected Land Recovery programme. While much of the land was severely impacted by the 2023 North Island Weather Events, there will be scope to safely redevelop some of the properties and recover some of the costs. A team is being established to deliver the Storm Affected Land programme. Work is underway to complete an initial assessment of each Category 3 site. Initial, high-level assumptions are that proceeds of \$102m are available. The Storm Affected Land programme is discussed in an accompanying paper on this agenda.

Strong progress implementing the Tamaki Makaurau Recovery Plan

30. As reported on Our Auckland¹, the Council has now completed 80 per cent of the priority recovery activities. The following discussion reports on progress since the 7 November 2024 report to the Transport, Resilience and Infrastructure Committee. A progress dashboard is provided at Attachment B.

Community and social recovery

31. **Navigators are currently supporting 655 whānau.** Numbers are reducing as more whānau come to the end of their recovery journey. At the same time, the complexity of needs has increased, particularly for financial and mental health. Navigators provide a wide range of support for impacted Aucklanders, including referrals to specialised counselling and other social services, grants for essential and basic needs, and support to move through insurance issues and property categorisation, buy-out and 2P processes. The Navigation Service is planned to remain in place until December 2025, with regular review to ensure the service is meeting community needs.
32. **Community and social engagement continues to be high,** with work underway for local recovery plans and other community-led activities. A panel of storm-affected Aucklanders from 16 communities has now provided input on the Natural Hazards Plan Change and has requested support to stay together to engage further with the council and central government on resilience and adaptation efforts. A Local Recovery Leadership Programme will be launching in April 2025, in partnership with Leadership New Zealand, to further support grassroots community leadership in this area.
33. **Many organisations continue to support Tāmaki Makaurau's recovery.** For example, the NZ Claims Resolution Service has provided insurance advice and guidance on 966 cases in the region. 824 cases are now resolved, and 142 remain active. The Tāmaki Makaurau Wellbeing Recovery Progress Report to the Auckland Regional Leadership Group provides an extensive report on activities underway across the social sector.²

Natural and built environment recovery

34. **Categorisations are complete for 87 per cent of opted in properties**, as of 23 January 2025, as follows:
- 1005 Category 3, with 833 properties having received a valuation as part of the voluntary buy-out support scheme, and 505 sale and purchase agreements completed
 - 126 Category 2P, with 48 design and consent grants and 5 construction grants approved
 - 11 Category 2C
 - 1,673 Category 1
 - 168 ineligible / withdrawn.
35. **106 houses have been removed**, with sites cleared and ready for consideration in the Storm Affected Land Use programme. The management of Category 3 properties after they have been purchased by the council, including maintenance, house removal and future land use, is discussed in a separate report on the agenda.
36. **Most council asset repair and resilience work is now complete:**
37. From 2000+ slips across the local transport network, 80% of the remaining 800+ large slips have been completed. Twenty large slips are currently under repair with work continuing over a 2-3 year programme. Auckland Transport is using artificial intelligence (AI) to identify landslide vulnerabilities on 8000km of the region's roads. Recent roads reopened include Pine Valley and Scenic Drive.
38. Around 83% of 1229 projects across parks and community facilities assets have been completed. This includes repairing damage to boardwalks, bridges, buildings, tracks, playgrounds and other assets. 306 tracks have been reopened, 190 buildings and 61 damaged playgrounds have been remediated. Where safe, tracks and facilities were opened for the summer period, ahead of further remediation work this year.
39. Watercare has resolved more than 200 individual issues arising from the storms, connecting thousands of households back to the water supply. 82 of these sites still require more permanent repairs. These are major undertakings including large scale projects like Judges Bay wastewater repair and wastewater connections where temporary robust repairs are in place and a submersible water pump station, rising main and gravity sewer are being installed. Permanent repairs have been completed for 36 major projects and Watercare expects to have completed all recovery projects by mid-year. It is currently working on permanent wastewater reconnections for more than 500 houses in Castor Bay, Murray's Bay, Torbay, Bayview and Titirangi.
40. Across the stormwater network 16,238 reported issues were resolved (97%), including 650 blockages with 100 being critical. Hotspot cameras are being rolled out across key issue areas to monitor and proactively maintain critical stormwater assets, with 56 installed so far. Major debris removals requiring heavy machinery, including diggers and helicopters, were carried out at 54 sites. 72 community flood resilience events were held, with over 1424 volunteers and participants. Critical catchpits have been updated for improved water flow. Campaigns promoting flooding preparedness have driven 811,712 visits to the Flood Viewer map and related advice since July 2023.
41. **Flood resilience projects for Te Ararata and Harania have achieved all necessary funding and consenting requirements in record time.** This means the \$53 million projects will get underway soon – years ahead of a typical timeline. The proposed next steps for the blue-green network programme are presented in separate reports as part of this agenda.

42. **The road reserves grant scheme is underway.** Following the decision by the Transport, Resilience and Infrastructure Committee on 7 November 2024 ([TICCC/2024/127](#)) the Recovery Office has sought expressions of interest from property owners with private property access impacted by road reserve slips during the 2023 weather events. The closing date for expressions of interest was February 10, a further update will be provided to the Committee as information becomes available.

Tauākī whakaaweawe āhuarangi **Climate impact statement**

43. Climate change remains a key consideration for the Recovery Office. The Tāmaki Makaurau Recovery Plan sets out specific actions and describes work at a regional level that will contribute to Auckland's ability to adapt to the impacts of climate change. This includes elements of the Resilient Auckland programme which will help to ensure Auckland's resilience in the long-term and also prioritise adaptation planning for communities that have less adaptive capacity.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera **Council group impacts and views**

44. The Recovery Office continues to work across the council group to ensure alignment with council policy and priorities, and to deliver necessary work programmes.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe **Local impacts and local board views**

45. Local boards have been engaged throughout the recovery process, including development of the Tāmaki Makaurau Recovery Plan and Making Space for Water programme. Further targeted engagement with local boards will happen throughout the implementation of the Recovery Plan, particularly in areas with impacted communities. Some local boards are expressing particular interest in the future of council-owned Category 3 land. Opportunities for their input will be provided through the Storm Affected Land Use process.

Tauākī whakaaweawe Māori **Māori impact statement**

46. The recovery is an opportunity to partner with iwi, mataawaka, marae and Māori businesses. Regular contact from council will be important moving forwards to strengthen relationships with mana whenua, and ensure they are able to meaningfully participate in the recovery effort. In response to feedback received that mana whenua expect to be involved in the recovery effort at a local level, council are resourcing and enabling mana whenua to develop and implement recovery plans for their rohe, and involve them in project development.
47. Local Recovery Planning is underway with three mana whenua entities. The Recovery Office is working with other teams across the council to extend the workstream to additional iwi, aligning it with existing projects where possible.
48. Staff have regularly attended the Interim Resilience and Infrastructure Mana Whenua Forum to provide updates on Recovery Office activity and seek feedback.

Ngā ritenga ā-pūtea Financial implications

49. The Auckland Funding Agreement provides for the sharing of the cost of purchasing Category 3 properties and transaction costs. Auckland Council is responsible for other related costs, including house removal and ongoing consequential operating expenses associated with the severely affected land purchased. The current Long-term plan provides for around 900 Category 3 properties, along with the estimated cost to deliver the planned blue-green network projects.
50. The risk of additional funding requirements for Category 3 properties was included in staff budget advice to support the draft Mayoral Proposal for consultation on the Annual Budget 2025/2026. This advice noted that this might result in additional borrowing requirements for the council.
51. Based on the updated forecasts and recommended reallocations in this report and assuming no additional Crown funding, the expected financial impacts would be:
 - A total increase in Category 3 buy-out costs of \$352.2 million, with unbudgeted expenditure in the 2024/2025 year of \$222.8 million and an increase to the budget in the 2025/2026 year of \$129.4 million.
 - The need to bring forward and reallocate all of the planned council funding for Category 2C projects (beyond Tranche 1) to fund the council's share of increase Category 3 buy-out costs (\$159.7 million).
 - An additional funding requirement of \$16.2 million for the remainder of council's share of property purchase costs.
 - An additional capital requirement of \$33 million, across FY25 to FY28 to cover house removal and deconstruction costs (additional purchased properties and increased average cost).
 - An additional council funding requirement of \$52.6 million towards the Category 2C programme, in order to maximise the flood resilience outcomes from available Crown funding.
 - Additional maintenance and security costs of \$1.7 million per annum from FY26 onwards, with any additional costs in the current year managed within existing budget.
 - Additional interest costs of around \$2 million in the current year and \$6-\$10 million per annum from FY26 due to the earlier and increased use of borrowing.
52. The total additional capital funding requirement from Auckland Council is projected to be \$102 million. It is projected that this could be offset, over six years, from the proceeds of the disposal of Category 3 land through the future land use programme. If these land proceeds are ultimately not available to fund this capital requirement, then alternative budget mitigations (such as reduced capital expenditure, service level reductions, alternative asset disposals and/or higher council rates and debt) would need to be considered and agreed via future budget processes.
53. The estimated financial impact for Auckland Council is summarised in Attachment A.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

54. An update on the Recovery Office was provided to the Audit and Risk Committee on 3 December 2024.

55. The ongoing key risks and mitigations for the recovery effort are identified in Table 4.

Table 4. Priority Risks for the Recovery Office

	Risk	Mitigation
1. Sufficient funding	The number of Category 3 properties is now higher than initially forecast.	Cabinet has agreed to allow flexibility to move funding from Category 2 to Category 3 if Category 3 properties are higher than expected. The council also has some flexibility to manage funding across recovery budgets. This paper outlines the proposed approach to ensure funding is directed to the Category 3 buy-out process, with revenue from the Storm Affected Land Use programme used to offset the additional funding required. The council is also proceeding with a request for additional Crown funding.
2. Delivery timeframes	Communities expect that categorisation and risk mitigation projects will be implemented quickly. Sometimes decisions take longer than the community expects.	Additional resource, including a \$5m acceleration fund from central government has enabled the Recovery Office to accelerate the categorisation programme, Category 3 buy-out process and Category 2P grant scheme and clear the backlog of disputes. Although there is complexity with many of the remaining properties, categorisation is expected to be largely completed by the end of March 2025, and the buy-out process by March 2026.
3. Fit for purpose systems	Rapid deployment of systems to support recovery need to be fit for purpose, demonstrate value for money, and able to be transitioned back into the council's regular business when the Recovery Office is wound down.	Recovery Office staff are focused on improved data management and reporting systems, working with relevant staff in the wider council group to ensure smooth transition and to manage further risk of cost escalation.
4. Further severe weather events	Another severe weather event could occur before recovery efforts are complete.	Storm Response funding is increasing proactive maintenance and improving the council's ability to respond quickly to events. Recovery continues to focus on the most vulnerable communities.
5. Inability to access all Crown funds	Reallocation of Auckland Funding Agreement budgets to meet additional demand for Category 3 buy-outs could result in some Crown funds for Category 2 projects remaining inaccessible, with no council match funding remaining.	The Transport, Resilience and Infrastructure Committee has endorsed, in principle, identifying additional funds through the Annual Plan process to unlock all allocated Crown funding, subject to approval of project business cases.

Ngā koringa ā-muri Next steps

56. The Recovery Office will continue to work with the Cyclone Recovery Unit to request additional Crown funding or secure the necessary funding reallocations. The impact on future council budgets will be considered through the Annual Plan process.

57. The Recovery Office's focus for the next few months will be completing the remaining 15 per cent of home categorisations, to be largely completed by March 2025. Alongside this we'll be progressing the remaining buy-outs, to be completed by March 2026, and completing the remaining infrastructure repair and resilience projects, to be completed in the next two to three years.
58. Physical flood resilience works will begin in Māngere later in 2025.
59. We will continue to support those Aucklanders that still need navigation services.
60. Looking ahead, efforts will shift to managing the purchased Category 3 properties, and making appropriate decisions for the future use of that land.

Ngā tāpirihanga Attachments

No.	Title	Page
A	Estimated Financial Impacts	
B	Recovery Office Dashboard	

Ngā kaihaina Signatories

Authors	Tanya Stocks - Recovery Office Strategic Support Mace Ward - Group Recovery Manager
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Storm Recovery: Approach to Storm-affected Land Management

File No.: CP2024/19303

Item 12

Te take mō te pūrongo Purpose of the report

1. To provide an overview of the process for managing the Category 3 properties purchased by Auckland Council and to present the draft Storm Affected Land Use policy and implementation approach to be referred to the Policy and Planning Committee for approval.

Whakarāpopototanga matua Executive summary

2. Auckland Council will be purchasing around 1200 residential properties that have been assessed as having an intolerable risk to life (Category 3). The Auckland Crown Funding Agreement specifies that, when the council takes ownership of the properties it also assumes all responsibilities, costs and revenues associated with the properties.
3. The management of properties includes three key components: interim maintenance and risk management, the house removal programme, and the storm affected land use programme to determine appropriate uses for purchased properties.
4. Interim basic maintenance of properties will be carried out as needed. Not all sites will need to be maintained – the priority will be mowing, garden maintenance, weed-spraying and boarding up broken windows on properties that are more visible from roads and footpaths, and properties where there is potential to relocate the dwelling (minimising any loss of value in the building). \$49.81m for Category 3 consequential opex currently sits with the Auckland Recovery Office for FY25 to FY34.
5. The house removal programme will be removing 400 dwellings per year, with completion scheduled for November 2027. The priority is to relocate dwellings where feasible, with a target of 35% of houses relocated. On-site removal (via deconstruction and demolition) is less preferred, but often necessary due to the construction type of the dwelling, or the presence of on-site hazards. Waste Solutions is partnering with the Recovery Office to provide expertise and funding to ensure house removals are effectively achieving waste minimisation goals at the same time as delivering cost efficiencies.
6. The current budget for house removal is \$47.7m over four years. Reforecasting of the number of Category 3 properties, and higher-than-expected house removal costs mean that a further \$33m will be needed. This is addressed in the accompanying Recovery Office Update. A business case is currently being prepared for \$12m of funding from the Waste Minimisation Fund. This will support resource recovery from properties and ensure the large-scale house removal programme is developing industry capability to achieve Auckland's zero waste aspirations.
7. Once dwellings are cleared, sites are remediated to a safe and tidy state, for entry into the storm affected land use programme. The draft policy and implementation approach for storm affected land use is attached as Attachment A, for consideration and referral to the Policy and Planning Committee. This builds on the interim guidelines for future use of land, agreed by the Governing Body in May 2024 (GB/2024/55) and is informed by analysis of properties that are now in council ownership. The policy identifies that land will be either divested to another party, transferred with the Auckland Council Group to meet an identified service need, or held by the council where the land is assessed as being highly hazardous. Initial analysis suggests that around 50 per cent of the properties could be safely divested and return some revenue to the Council to help fund the storm recovery programme, in accordance with resolution [TICCC/2024/146\(k\)](#).

8. A complex cases team is being established to work through the solutions for a small number of Category 3 properties with complicating factors that may constrain the council's decision-making abilities. These include properties held in unit title and some cross-lease properties, and properties where risks could potentially be mitigated and dwellings retained.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) tuhi ā-taipitopito / note the plans in place to manage Category 3 properties after they are purchased by the council, including interim maintenance plans, the house removal programme, storm affected land use decisions, and provision for management of complex cases.
- b) tuhi ā-taipitopito / note that the Category 3 house removals programme is working to achieve the objectives of the 2024 Waste Management and Minimisation Plan, and to strike a reasonable balance between material re-use and financial limitations.
- c) tuhi ā-taipitopito / note that the need for additional budget for the house removal programme is considered in the Recovery Office Update paper in this same agenda.
- d) ohia / endorse, in principle, the draft Storm Affected Land Use Policy and Implementation Plan, for consideration by the Policy and Planning Committee.
- e) tuhi ā-taipitopito / note the establishment of a complex cases team to support decisions on properties with more challenging conditions to be resolved before land use decisions can be made.
- f) tuhi ā-taipitopito / note that staff will continue to identify opportunities for cost savings from a number of areas including land and housing recycling and resource recovery, as per resolutions [GB/2023/202](#) and [TICCC/2024/146](#).

Horopaki Context

9. Auckland Council will be purchasing around 1200 residential properties that have been assessed as having an intolerable risk to life (Category 3).
10. Clause 4.2(g) of the Auckland Crown Funding Agreement specifies that Auckland Council is to 'take ownership of each Category 3 Property purchased and be responsible for all costs associated with the management of the Category 3 Properties purchased (including but not limited to all demolition and removal of building material). In turn, [the council] may retain any revenues from the ongoing use of the land or its resale (where ongoing use remains viable)'.
11. All management and decision-making about the fate of properties needs to be undertaken with an awareness that these properties were some of the most severely impacted by the North Island Weather Events of 2023, and mindful of the whānau and communities who have been personally impacted.
12. Figure 1 sets out the process that the council is applying as properties are purchased. A triage process identifies the next steps necessary for each property. All properties will be assessed for interim maintenance and risk management requirements (for the period between property purchase and confirmation of the determined land use). In simple cases, the property can move straight to the house removal process. In a smaller number of complex cases, there will be factors that need to be resolved before the council can move to house removal or another divestment process. These include situations where there are unit title ownership structures, heritage listings, or potential for a future land use without removing the house.

13. Ultimately, the intended outcome is that Auckland Council will either make use of properties for an identified council service need, will divest the property to another party to help fund the storm recovery programme, or will hold land that is too hazardous to release into the private market. For some situations, such as multi-unit buildings that cannot be demolished, the council will need to agree an exit from the property in partnership with other parties, such as body corporate members and cross-lease owners.

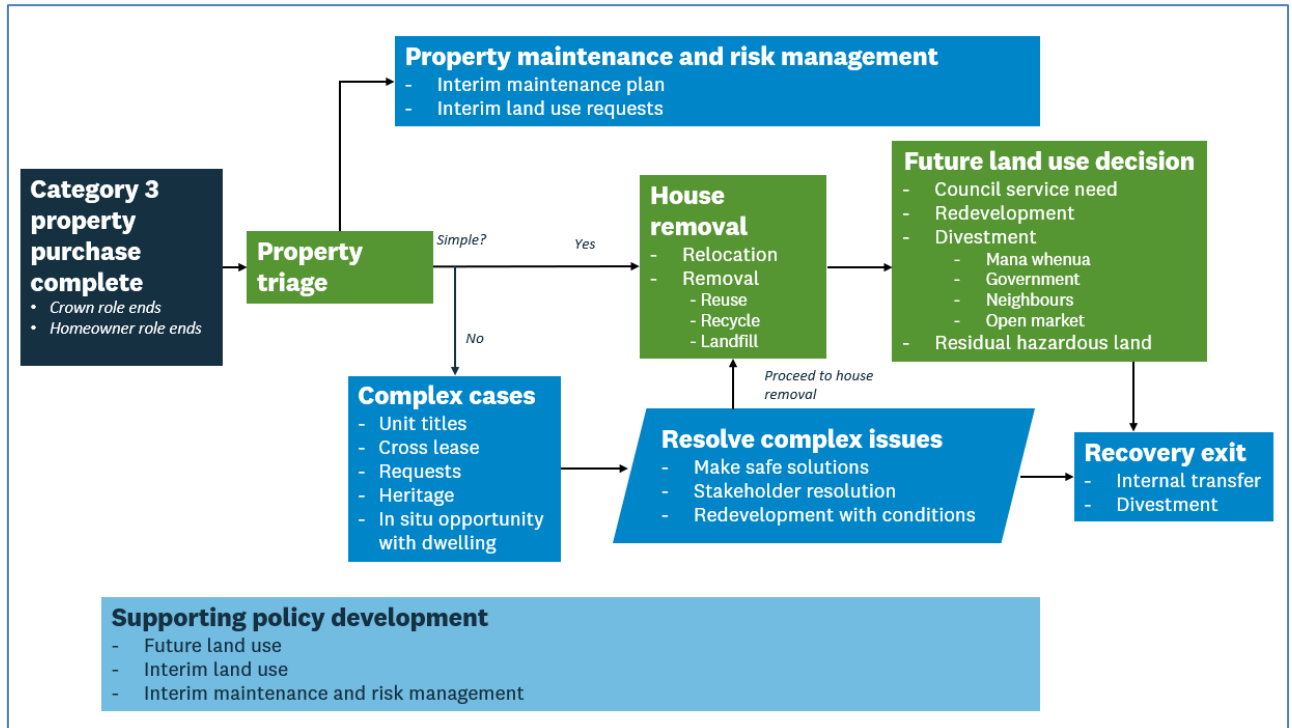


Figure 1: Management of Category 3 land after council purchase

14. Decisions made at each stage of the process will be supported by Recovery Office teams and systems for interim maintenance and risk management, interim land use (i.e. requests to use properties temporarily), and land use (i.e. the end use for the property).

Tātaritanga me ngā tohutohu Analysis and advice

Interim maintenance is important to respond to community concerns

15. Because of the scale of the house removal programme, many purchased Category 3 houses will sit vacant for long periods of time prior to removal. Community members are registering concerns over lack of maintenance on some properties. There are also numerous instances of vandalism occurring on Category 3 properties while still in private ownership and once purchased by the council.
16. The Recovery Office has established the following objectives for maintaining Category 3 properties on an interim basis until a permanent land use is determined:
- The Recovery Office needs to be a ‘good neighbour’ and meet the ‘fair and reasonable’ expectations of people that are remaining in storm damaged areas
 - Properties are to have a ‘kept look’ with a focus on maintaining areas visible from roads and footpaths i.e. berms and front yards on properties that have road frontages
 - Instances of theft and vandalism will be reduced by boarding up houses that have been broken into
 - Dwellings suitable for relocation will be prioritised for maintenance and security, to protect the ability to on-sell at the best price

- Effort and cost involved in maintaining land before it is damaged during house removal needs to be weighed up against the positive outcomes of maintaining land
- Investment in maintenance needs to be balanced against a need to ensure value for money, given the use of public funds: maintenance needs to be efficient and keep costs to a minimum.

17. Not all Category 3 land will need interim maintenance – there are numerous sites (particularly in rural areas) that will not cause nuisance to the surrounding area.

Utilising existing systems and processes for maintenance

18. A budget of \$49.81m for Category 3 consequential opex currently sits with the Auckland Recovery Office for FY25 to FY34 (~ \$3.5m increasing to \$5.5m per annum). This includes maintenance and other costs such as rates, levies and utilities where applicable.

19. Parks and Community Facilities have contracts with four Full Facilities contractors that service the areas the Category 3 properties are in, as well as a work order management system to track and assign service requests. These systems will be used to provide maintenance for Category 3 properties.

20. A contract and purchase order will be created between the Recovery Office and the Full Facilities Contractor for each area that is based on agreed rates for the following services:

- Mowing
- Garden maintenance
- Weed spraying
- Boarding up broken windows

21. Scheduled maintenance will be programmed on those Category 3 properties that meet the objectives outlined above. The frequency of this maintenance will be generally once a month.

22. Reactive maintenance can be requested through the 'report a problem' website. The Recovery Office will review requests against the maintenance objectives and action them in accordance with the maintenance objectives outlined above.

Opportunities for neighbours to help out with maintenance

23. We are aware that neighbours and community groups may be particularly motivated to keep their streets looking well-cared for and be prepared to mow the lawns from time to time. This may enable higher maintenance standards than can be achieved if relying on council contractors who will be focused on delivering to an agreed minimum standard and frequency of maintenance. Any requests to formally maintain properties will need to be considered on a case-by-case basis, taking into account:

- Health and safety implications of working on land with an identified intolerable risk to life
- Challenges working in and amongst contractors as they go about removing houses.

The house removal programme seeks the most effective solution for each site

24. The first 106 dwellings have been removed as part of the Category 3 house removal programme, including 22 dwellings that have been relocated or partially relocated. A further 44 properties are under contract.

25. Figure 2 provides a simplified view of the house removal process. Decisions on removal methodology depend on site and building characteristics. The priority is to relocate dwellings where feasible, with a target for 35% of dwellings to be relocated. On-site removal (via deconstruction and demolition) is less preferred, but often necessary due to the construction type of the dwelling, or the presence of on-site hazards. What can be usefully removed and re-used will be retrieved through deconstruction, then any remaining building will be demolished. Once dwellings are cleared, the site is remediated to a safe and tidy state, for entry into the storm affected land use process.

26. This approach is consistent with the council’s Waste Management and Minimisation Plan, adopted on 10 October 2024, which includes goals to reduce construction and demolition waste.

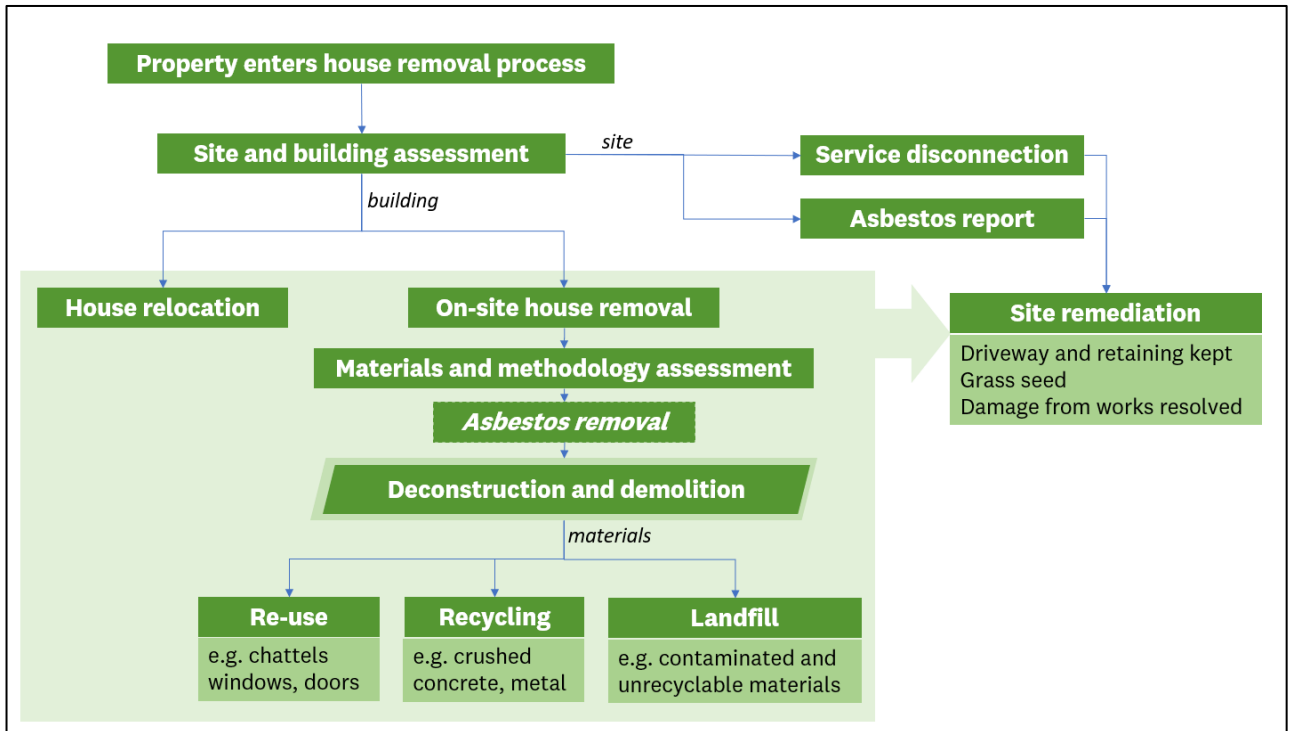


Figure 2: House removal process

Timeline to deliver programme

27. The house removal programme will reach full speed in 2025 and is expected to be completed by the end of 2027. Once fully operational, the programme will remove 400 houses per year – more than one house per day (Table 2). Some dwellings will not be removed – the property will either be divested with the building still in place or made safe for non-residential use (for example in the case of units within multi-unit buildings where other units are still occupied). These properties will still incur some costs, so for planning purposes, we are working with an estimate of a total of 1200 properties to be managed through the house removal programme.

Table 2: Planned house removal per year

Financial year	Number of houses
2023/2024	6
2024/2025	264
2025/2026	400
2026/2027	400
2027/2028	130
TOTAL	1,200

House removal costs are higher than budgeted

28. The current budget for house removal is \$47.7m over four years, or around \$53,000 per site based on 904 Category 3 properties including all costs. The first removals have come in substantially higher, partly due to the programme starting with the more complex sites on the West Coast (e.g. Muriwai and Titirangi). Site instability, operational constraints such as managing for kauri dieback, and the presence of asbestos have all contributed to the costs of the contracted sites to date being in the order of \$72,000 per site.

29. Now that the programme has moved into 'simpler' areas, the costs are reducing, but there is an extremely wide spread of costs depending on site characteristics. Some dwelling removals will return a profit (where a high quality dwelling can be sold for relocation at a price that covers other site remediation costs), whereas other properties are costing more than \$100,000 to clear due to factors such as site size, complexity, and number of buildings on site. Average removal costs are now coming in at around \$67,000 per property (including apportioned programme costs for security, asbestos assessments, risk assessments and project management).

Opportunities to reduce house removal costs and improve efficiencies

30. Recovery Office staff have reviewed progress and identified improvements that can be made to improve the efficiency of the programme, including introducing a competitive tender process for clusters of house removals, by suburb. This is possible now that more Category 3 properties have been confirmed. It will ensure the council achieves value for money, with efficiencies to be gained through creating greater price tension for area-based programmes of work.
31. Over the four-year life of the programme, factoring in identified efficiencies, the additional Category 3 properties, and expected high costs for difficult sites, we expect the total cost of the house removal programme to be \$80.5 million, or an average cost of \$67,000 per house. This accounts for some remaining properties having significant house removal challenges. It includes \$2 million for programme costs (for security, asbestos assessments, risk assessments and project management). It does not provide for any contingency (cost escalation).
32. Waste Solutions is partnering with the Recovery Office to provide expertise and funding to ensure house removals are effectively achieving waste minimisation goals at the same time as delivering cost efficiencies. A business case is currently being prepared for \$12m of funding from the Waste Minimisation Fund to support resource recovery from properties and ensure the large-scale house removal programme is developing industry capability to achieve Auckland's zero waste aspirations. If successful, this \$12m will be applied against the additional budget required.

The Storm Affected Land Use Policy and Implementation Approach will determine long-term land uses

33. With 1200 storm affected properties coming into council ownership, we need to find safe and sensible options for the land, working within the constraints of the hazards that are present. Although the scheme identified an intolerable risk to life with the existing dwellings, there is potential to do something useful with many properties. In a small number of cases, the dwellings could also be remediated. And, in some other cases, the land is simply too hazardous to allow for future use.
34. As set out in the accompanying Recovery Office Update, there is a need to release value from some of this land to help pay for the increased cost of the delivering the storm recovery programme.
35. As the landowner, the council needs to establish efficient processes to decide and action the fate of 1200 properties, currently held in the asset register as 'non-service land.'
36. The draft policy and implementation approach (Attachment A) is proposed to guide the process for land use decisions on a site-by-site basis, including decisions on whether properties should be retained or divested. It relies on existing council processes to undertake the assessment and disposal of properties. The guidance has been developed with input from relevant council departments and, subject to approval by the Policy and Planning Committee, will supersede the interim guidance for decisions on land acquired by Auckland Council approved by the Governing Body on 30 May 2024 (GB/2024/55).

37. The policy sets an outcome, that storm affected properties purchased by the council will be repurposed to the best use possible that takes account of identified risks. This includes public use where there is a value to retaining the land for an identified service need and private use where value can be released to help pay for the cost of the storm recovery programme.
38. It identifies six possible land use pathways. Preliminary analysis of the first 300 purchased properties suggest the proportion of properties suitable for each outcome – these estimates are likely to change as more properties are investigated and as market interest is ascertained:
- **The property is sold for redevelopment** (expected ~30%): these are sites where relocating building platforms to a different part of the site, or applying engineering solutions to flood and landslide risk mean the property could be successfully redeveloped by the private sector. Most of this land (70%) is marginal for redevelopment and may have a very low value or low market appeal.
 - **The property is sold for risk mitigation with the existing dwelling** (expected 3-5%): situations where it may be possible to repair the existing dwelling that couldn't be achieved under the 2P grant scheme, or where multi-unit buildings require a 'make safe' solution for the affected dwelling within the existing complex.
 - **The property is sold for private green space** (expected 15%): the land is not safe for redevelopment, but can be incorporated into neighbouring properties for additional garden or outdoor uses.
 - **The property is retained by the council for Making Space for Water** (expected 20%) **or another identified service need** (expected 10%): this includes properties that are needed for the Making Space for Water programme to improve community flood resilience, and properties that can be used by the council group for locating infrastructure or providing public open space, providing there is an identified service need and the service needs assessment is robust. In some cases, this could remove the need for the Council to purchase other land.
 - **The property is retained by the council for hazard management** (expected 20%): the land is either highly unstable or flood-prone and is not safe for use. It is best retained and managed by the council, similar to closed landfills.
 - **The property is retained by the council as residual land**: this is a holding state for land where no use can be currently identified. The portfolio will be regularly revisited, with a view to moving land into service use or disposal if viable.
39. Recommendations on the best use of properties will be identified by staff and presented to the Chief Executive for decision under delegation. If a property attracts significant public interest or is particularly complex, recommendations will be discussed with the Storm Recovery Political Advisory Group prior to decision.

Complex cases require a case-by-case approach

40. As risk assessments and property buy-outs have progressed, staff have identified a range of complicating factors for some properties. Foremost among these is the kind of land-holding arrangement in place. Cross lease and unit title properties require additional layers of engagement with neighbours and body corporates to agree the pathway for Category 3 dwellings. This becomes more complex where there are multi-unit dwellings with shared party walls or 'upstairs-downstairs' configurations where Category 3 dwellings are likely to need 'make safe' solutions other than demolition.

41. We currently have purchased 104 Category 3 cross-lease dwellings on 71 parent properties, and 31 unit title dwellings on 13 parent properties. In many of these cases, all dwellings on the site are being bought as Category 3 so the property can proceed directly to the house removal process. In some other cases, only a portion of the units have been identified as Category 3 – either because the risk is different for different units, or because other owners chose not to opt in to the risk assessment process.
42. We also expect that there will be properties where an ‘in situ’ solution is possible – for example properties where there may be a feasible solution for the property with the dwelling potentially modified and remaining in place.
43. A complex cases team is being established to work through the solutions for these properties, as part of the severely affected land use programme.

Tauākī whakaaweawe āhuarangi **Climate impact statement**

44. Climate change remains a key consideration for the Recovery Office. The Tāmaki Makaurau Recovery Plan sets out specific actions and describes work at a regional level that will contribute to Auckland’s ability to adapt to the impacts of climate change. Management of purchased Category 3 properties will need to take account of the likely impacts of climate change, and may also offer opportunities for carbon offsetting through planting and waterway management.
45. Climate impact is a key consideration in decisions about the future of severely affected land and has been included in the modelling for the analysis and advice provided.
46. The draft Storm Affected Land Use policy and implementation approach is consistent with the overall strategic direction, commitments and outcomes sought in the Auckland Plan 2050, and policy settings in Te Tāruke-ā-Tāwhiri, Auckland’s Urban Ngahere Strategy and the Water Strategy and the activities of Resilient Tāmaki Makaurau.
47. Properties that are retained for stormwater, hazard management and parks purposes will be used to increase the region’s resilience to flooding and the impacts of climate disruption. Plantings will contribute to Auckland’s Urban Ngahere Strategy by increasing canopy coverage, supporting urban heat mitigation, and adding to carbon sequestration.
48. It is noted that deconstruction and future infrastructure provision or construction is likely to cause increased emissions in the short-to-medium-term but will be beneficial in the long-term to assist Auckland’s ability to be prepared for climate disruption. Where possible, relocation of dwellings and re-use of materials from Category 3 properties will help to lower the carbon impact of the buy-out process.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera **Council group impacts and views**

49. The Recovery Office is working across the council group to ensure alignment with council policy and priorities, and to deliver necessary work programmes. Property maintenance, house removal and land use programmes all draw on expertise from across the council group, including the Recovery Office, Policy, Planning and Governance, Parks and Community Facilities, Waste Solutions, Eke Panuku, Auckland Transport, Watercare, Healthy Waters and Flood Resilience, Legal, and Group Finance.
50. The design of the Storm Affected Land Use Policy and Implementation Approach relies on using existing council policies and processes.

51. There are dependencies with other policies and programmes that will impact the use of severely affected land. These dependencies will be taken into account in assessment of properties. These include:
- Making Space for Water
 - Land instability mitigation projects programme
 - Open Space, sport and recreation policy framework refresh and consolidation
 - Property optimisation process
 - Plan Change processes including the Natural Hazards Plan Change (being notification-ready in April 2025).

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe Local impacts and local board views

52. The Recovery Office has met with local boards where houses are being removed to outline the programme and respond to any concerns. Prior to beginning work in each area, updates are provided to relevant elected members, community groups, immediate neighbours and the former homeowners to explain the removal plans and how disruption will be managed.
53. Further opportunities for local board input will be provided through the Storm Affected Land Use process. A register of property requests is being managed by the Recovery Office to ensure identified community and local board opportunities are considered in the final decision of the use of land.
54. Later this year, once acquisition and analysis are complete, staff will hold a workshop with each of the 15 local boards with storm-affected land to share information on:
- the land parcels acquired in their rohe
 - the land parcels that have an anticipated outcome
 - the land parcels that have been identified as meeting a potential service need in their rohe
55. Local boards will have an opportunity to express an interest in any of the properties and to consider budget implications for any land tagged as potential future local parks.
56. Under the Local Government Act 2002, certain decisions must be made by the Governing Body and cannot be delegated. These include the purchase or disposal of assets. Auckland Council's Allocation Table is clear that land is owned by Auckland Council. Decision-making responsibility relating to land will depend on the nature of the activity and the allocation of decision-making responsibility for that activity. Local boards will be included in decisions on specific land parcels where decision-making in relation to the land parcel may affect the responsibilities or operation of the local board or the wellbeing of communities in the local board area.

Tauākī whakaaweawe Māori Māori impact statement

57. Māori partnership and participation is one of the four whenu (strands) of the Tāmaki Makaurau Recovery Plan, which includes several actions to support this objective.
58. For the house removal programme, mana whenua are providing cultural monitoring to assist the council to manage risks in sensitive sites for house removal
59. The identification of sites of significance or of cultural interest to mana whenua is an early step in the land assessment process.
60. Five AMOTAI businesses are registered as part of the 11-member deconstruction supplier panel, working on the house removal programme. The panel includes objectives to work with Māori businesses.

61. An overview of the draft policy and timeframes were presented to the Interim Mana Whenua Engagement Forum hui in December 2024. The draft policy and summary were made available to mana whenua in early January for their feedback. No feedback other than requests for maps and details of acquired properties has yet been received.
62. Mana whenua will have the opportunity to review the complete list of properties acquired within their rohe. Any preferences or interests regarding land use will be recorded in the Acquired Land Request Register and considered during the assessment phase.
63. Divestment to mana whenua will follow the Eke Panuku Selection of Development Partners Policy.
64. Auckland Council will continue to engage with mana whenua individually through established relationships and collectively through forums such as the Interim Mana Whenua Engagement Forum. Regular updates from the Recovery Office will provide opportunities for feedback on progress with the Storm Affected Land programme.

Ngā ritenga ā-pūtea Financial implications

65. Budgets are already allocated for interim maintenance of purchased Category 3 properties and for the house removal programme. The increase in house removal costs has been addressed in the companion Recovery Office update report, with the increased funding requirement for this and other costs to be addressed by the release of value from the disposal of storm-affected land.
66. Further information is needed before the financial implications from the Storm Affected Land Use programme can be fully calculated. Preliminary analysis suggests that proceeds from the sale of some storm-affected properties will be sufficient to offset additional storm recovery costs (as discussed in the Recovery Office update report). If these land proceeds are ultimately not available to fund the additional costs, then alternative budget mitigations (such as reduced capital expenditure, service level reductions, alternative asset disposals and/or higher council rates and debt) would need to be considered and agreed via future budget processes.
67. Where land is retained within the council group for a service need, then the relevant department will need to cover all operational costs associated with the land.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

Table 5 outlines the key risks and mitigations for the council as owner of Category 3 properties.

Table 5: Key risks and mitigations

Risks of programme component	Mitigations
Property maintenance – vacant properties become run down and targets for vandalism and theft; community dissatisfaction with the council as property-owner	<ul style="list-style-type: none"> • Implementing interim maintenance plans for properties • Use of the ‘report a problem’ council service for community logging of issues • Investigating interim use opportunities to keep some properties activated
House removal – higher than budgeted costs to remove dwellings; an increasing number of Category 3 properties to clear; community expectations around speed of clearance	<ul style="list-style-type: none"> • Continual performance review • Revising procurement methods • Seeking additional budget in the Annual Plan

Risks of programme component	Mitigations
Storm affected land use – the council assumes the costs and responsibilities of ownership, putting further pressure on council resources.	<ul style="list-style-type: none"> The council will identify land that can be divested within acceptable risk thresholds. It will also look for cost-effective ways to maintain land that needs to be retained for hazard management purposes.
Storm affected land use – Category 3 land may not be attractive to the open market	<ul style="list-style-type: none"> Land holdings can be retained while options are explored. Discussions with stakeholders such as the insurance sector may help to identify and respond to barriers.
Storm affected land use – the public may not agree with land being repurposed	<ul style="list-style-type: none"> Principles establish that risk management is the first priority. Land will only be repurposed where it can be done so in a way that accounts for risks. The decision-making process will be transparent and well-communicated.
Complex cases – unit titles, cross leases, registered interests on legal titles, heritage provisions or other factors may constrain what the council can do to make a site safe and exit from ownership	<ul style="list-style-type: none"> Establishing project team to manage and find solutions complex cases, generally through to the stage where the council can divest the property

Ngā koringa ā-muri

Next steps

68. The house removal programme will implement the identified improvements and continue to monitor costs and efficacy of delivery.
69. The draft Storm Affected Land Use Policy and Implementation Approach will be referred to the Policy and Planning Committee for final approval.

Ngā tāpirihanga

Attachments

No.	Title	Page
A↔	Draft policy and implementation approach for storm affected land use	

Ngā kaihaina

Signatories

Authors	Rebecca Kruse - Principal Policy Advisor Tanya Stocks - Recovery Office Strategic Support Mace Ward - Group Recovery Manager
Authorisers	Ross Tucker - Group Chief Financial Officer Barry Potter - Director Resilience and Infrastructure

Blue-Green Networks Tranche 2 prioritisation

File No.: CP2025/00675

Te take mō te pūrongo

Purpose of the report

1. To seek approval of the prioritisation of the Clover Drive catchment as the next priority for the Making Space for Water Blue-green Networks initiative, prior to consideration of confidential item to approve the business case for this catchment.

Whakarāpopototanga matua

Executive summary

2. Higher than forecast numbers of Category 3 properties and the value of those properties means that Auckland Council and the Crown need to revise the funding allocations within the Auckland Crown Funding Agreement. This requires an increase to the co-funding for Category 3 by up to \$387.6 million (total) to enable buyouts for 1215 properties. Funding initially allocated to the Making Space for Water programme may need to be redirected towards the funding required for the Category 3 buyouts if the Crown does not agree to further funding for Category 3 buyouts. Consequently, Healthy Waters and Flood Resilience would need to reduce the scope of Tranche 2 flood risk mitigation projects to fit within the remaining approved or in principle committed funding.
3. Despite extensive investment by the council and the Crown in buying properties to remove Aucklanders from intolerable risk to life from flooding, our topography means many properties continue to have a high danger flood risk. Therefore, there is a need for a range of approaches to be implemented through the Making Space for Water programme to reduce risk to properties across the region. The severity of risk varies, but modelling shows that there are 1903 high danger flood risk properties in catchments that have been identified in areas suitable for blue-green network assets.
4. On 5 December 2024, the Transport, Resilience and Infrastructure Committee of Auckland Council endorsed, in principle, the commitment of an additional \$40.8 million to \$59.4 million in capital funding in order to access the remaining Crown funding for Tranche 2 flood risk mitigation projects, available from in FY27 on the assumption of a 62%:38% funding commitment ([TICCC/2024/146](#)). This forecast of the funding commitment from Auckland Council required to fully access the remaining Crown funding has been updated since that decision and is now assessed to be \$52.6 million. Together with the Crown's remaining share of \$85.8 million this brings the co-funded total available for flood mitigation to \$138.4 million. The detail behind the latest forecasts is discussed in more detail in the Recovery Office Update paper in this agenda.
5. The categorisation process led by the Recovery Office has also contributed the reduction of overall risk in some areas. This, combined with engineering feasibility work led by Healthy Waters and Flood Resilience (see Attachment A), has resulted in four remaining areas for consideration of blue-green network investment. These are Clover Drive, Wairau, Te Auaunga, and Whangapouri. Staff have analysed the comparative benefits in these major project areas to prioritise investment by applying a Multi Criteria Decision Analysis (MCDA) and a Cost Benefit Analysis (CBA).
6. Clover Drive and Wairau project areas yielded the highest weighted MCDA ranking of these four areas, at 4.1 out of 5 and 3.8 out of 5 respectively. The CBA results for Clover Drive and Wairau show benefit-cost ratios of 1.04 and 1.18 (noting that sensitivity tests using plausible different assumptions show lower results as discussed below).

7. Assuming a flood risk mitigation budget of \$138.4 million, staff recommend prioritising project delivery in the catchment surrounding Clover Drive, Rānui as the first Tranche 2 project. Staff plan to seek approval for the Wairau catchment as the next prioritised area at the April 2025 Transport, Resilience and Infrastructure Committee.
8. The initiate business case seeks approval for the design and consenting work for Clover Drive, the scope and costs of which are outlined in the confidential agenda. Approval for the subsequent construction stage for Clover Drive will be sought from the Transport, Resilience and Infrastructure Committee as the design and consenting work near completion. It is estimated this will take approximately 18 months.
9. The total cost of the Clover Drive catchment projects is expected to be up to \$90 million. The bulk of this would be funded from the \$138.4 million co-funded total for tranche 2 projects discussed above. In addition, \$3.6 million is intended to be redirected from existing Healthy Waters and Flood Resilience budget for projects in the Henderson-Massey Local Board where the Clover Drive project will be delivered.
10. Redirection of the existing Healthy Waters and Flood Resilience budgets in Henderson-Massey Local Board means some planned projects will be deferred, for example a \$3 million project planned in the Henderson-Massey Local Board area to upgrade existing pipes to accommodate future growth. Redirection of this funding is recommended in order to maximise the funding available for subsequent priorities within Tranche 2. As the next highest priority, Wairau would be the focus for the remaining tranche 2 funding.
11. Funding for tranche 3 projects would need to be considered as part of Auckland Council's annual and long-term planning process. Council staff will continue to investigate opportunities for future government funding of future flood risk mitigation projects.
12. Healthy Waters and Flood Resilience staff will continue investigation and design in the remaining focus areas of Wairau, Whangapouri, Te Auaunga.. Work in Whau Stream, Urlich Reserve and Henderson Park are categorised as Minor Blue-green Networks. This means that design of these projects will continue under existing Healthy Waters and Flood Resilience department budgets, to be delivered once funding and necessary approvals are secured.
13. There are three other catchments which were previously identified as likely benefiting from a blue-green network project to reduce property risk, but further assessment has concluded that projects are either not feasible or that risk mitigation can be achieved better through other interventions. These are Cox's Creek, Epsom, and Kumeū. After further assessment, Healthy Waters and Flood Resilience has decided not to pursue blue-green networks projects in these catchments. The proposed changes to delivery in these areas was communicated to relevant local boards in November 2024.
14. Staff will continue to seek approval for remaining projects within the overall blue green networks initiatives programme through Committees of the Whole over the next three years until the next Long-term Plan (Table 6). Each decision point enables staff to progress to a key stage of the programme which increases the overall certainty of successful delivery of the flood risk reduction benefits.
15. Approval for the business cases for Clover Drive will be sought in the confidential part of this agenda. The business case for Wairau Stage 1 and 2 as the next priority is planned to come to the Transport, Resilience and Infrastructure Committee in April. This report provides the relevant project information from the confidential report that can be shared publicly.
16. Following decisions from this committee, Auckland Council will seek approval from the Crown to retain the current 62:38 share and revise the scope of the co-funded Tranche 2 flood risk mitigation programme to Clover Drive (Rānui) to make optimal use of the available co-funding.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) whakaae / approve in principle the Clover Drive catchment as the next priority in Tranche 2 of the Blue-Green Networks initiative.
- b) tuhi ā-taipitopito / note there will be a confidential committee report in this agenda to consider and approve the business case for design and consenting of the Clover Drive catchment project.
- c) tuhi ā-taipitopito / note the proposed delivery timing of blue-green and flood resilience solutions in the remaining blue-green focus areas are subject to future funding availability.
- d) tuhi ā-taipitopito / note deferral of other Healthy Waters and Flood Resilience projects in Henderson-Massey in order to support design and consenting works for the blue-green network to proceed will be reflected in the 2025/2026 Annual Plan.

Horopaki Context

17. Auckland Council, in response to the flooding events of 2023, is committed to supporting community recovery and resilience through best practice flood mitigation. This is achieved, in part, by investing in nature-based solutions to reduce severe local flooding through the Blue-Green Networks initiative. The benefits extend beyond the single-site solutions of property buy-outs to deliver a wider range of flood and amenity improvements to communities.
18. Funding to deliver Making Space for Water was approved through the Long-term Plan 2024-2034 (GB/2024/45), with co-funding made available under the Auckland Crown Funding Agreement. Initially, Healthy Waters and Flood Resilience identified 12 focus areas to develop plans for blue-green networks. These were highly impacted areas with waterways which might be able to feasibly be enhanced. Options for works in these areas have been considered over the past 18 months based on sufficient funding being available through the co-funding agreement with the Crown. This process set expectations for rapid delivery of projects that would typically take at least 30 years to fund and deliver. In the final Long-term Plan 2024-2034 the 10-year budget for Blue-Green Networks is \$480 million. The Māngere projects (Te Ararata and Harania) are the first co-funded projects to proceed, with a budget of \$53.36 million and are programmed to begin construction in 2025.
19. As a result of higher-than-expected registrations into the property risk assessment and categorisation process and higher Category 3 buy-outs, budget allocations may need to be reallocated for the remaining funds in the Auckland Crown Funding Agreement if additional Crown funding is not made available. This was agreed in principle by the Transport, Resilience and Infrastructure Committee on 5 December ([TICCC/2024/146](#)) and is detailed further in the accompanying paper on this agenda titled Recovery Office Update.

Tātaritanga me ngā tohutohu Analysis and advice

20. Staff have undertaken a prioritisation process as work in each blue-green focus area has progressed. The detail of this process and the outcomes are discussed further in the body of this report. The diagram in Attachment A summarises this process and the associated decisions made by staff based on best available information.
21. The first step was to identify areas where blue-green networks projects, if feasible, could reduce community flood risk. These 12 areas were shared in 2023 when the Making Space for Water programme was first approved.

22. As categorisation progressed, it became clear that the risk to properties in some catchments was sufficiently resolved by Category 3 property acquisition. Staff subsequently determined that projects in Cox’s Creek and Epsom catchments would not need to be progressed and any works needed in these areas to reduce residual flood risk would be programmed into departmental business-as-usual planning. It was also clear that work was required urgently in the Māngere area. Therefore, projects in Te Ararata and Harania were approved as Tranche 1 of the Blue-Green Networks.
23. Engineering feasibility was determined through the concept design process. Project design was undertaken for nine remaining focus areas. This process demonstrated that an engineering option could not deliver sufficient flood risk reduction in the Kumeū catchment. Stakeholders, elected members and mana whenua in this area were advised of the outcome of these assessments in December 2024, and that a blue-green project in Kumeū would not be progressed.
24. As budget constraints became more significant, in parallel more precise prioritisation was able to be undertaken. This prioritisation effort has confirmed that four major focus areas remain. These are Clover Drive, Wairau, Whangapouri, and Te Auaunga Stage 2. These have been through a robust multi-criteria analysis and initial cost-benefit analysis. The rest of this report details the degree of risk and proposed prioritisation for these areas.
25. Some areas were proposed for minor blue-green projects. These are Whau, Opanuku Stream and Porter’s Stream. Project interventions here will have some local flood reduction benefits. They have not been through the same multi-criteria and cost-benefit analysis.

Properties remain at risk in blue-green project areas

26. Public interest in the voluntary buy-out scheme was higher than initially forecast, yet there are many properties which will remain at high danger flood risk because they have not opted in, did not meet the criteria for voluntary buy-out, or were not eligible for the scheme, see Table 1. Some additional property acquisition will be necessary through the Public Works Act to deliver the full benefits of the projects. These properties are considered essential to delivering the project, some of which will have a high danger flood risk.
27. To reflect the progress made from categorisation and improved knowledge of flood risks, this report refers to properties with a high danger flood risk. A diagram explaining levels of flood risk is included in Attachment B. These are properties where a building is surrounded by water to a point where safe evacuation may not be possible and lower levels of the house may not be safe.
28. Staff have estimated in Table 1, the number of high danger flood risk properties remaining after the buy-outs are completed in the main blue-green networks areas.

Table 1. Number of high danger flood risk properties in main blue-green networks areas

Impacted area	Estimated properties in flood plain	Estimated total Cat 3 for buy-out (Intolerable Risk to Life)	Estimated remaining high danger flood risk properties (Incl. Kaīnga Ora owned)
Clover Drive	169	55	37 (1 KO owned)
Wairau	1323	151	182 (4 KO owned)
Te Auaunga Stage 2	366	41	28 (16 KO owned)
Whangapouri	45	19	7 (1 KO owned)

Different solutions are required to reduce different types of risk

29. The Making Space for Water programme delivers flood risk interventions at the property, asset, and neighbourhood-level. Categorisation and voluntary buy-outs undertaken through the Recovery Office are a property-level response benefiting a household. Where properties are removed, there is space to implement a neighbourhood-level response such as a blue-green network benefiting a community. Improving conveyance of built and natural stormwater assets are an asset-level response, benefiting a community. This means that risk can only be reduced beyond the property-level if a range of interventions can be delivered, beyond property buy-out. These physical projects are integral to community recovery.

Updated Blue-Green Network programme view

Funding will need to be committed by council if the government agrees to the requested changes to the funding agreement

30. On 5 December 2024, the Transport, Resilience and Infrastructure Committee of Auckland Council endorsed, in principle, committing an additional \$40.8m to \$59.4m to access the remaining Crown funding for Tranche 2 flood risk mitigation projects, starting in FY27, assuming co-funding is shared 62%/38%. This assumed a forecast range for the Category 3 buy-outs and no additional Crown funding. For project modelling at this stage, staff have used the current forecast of 1215 properties being bought out and continued to assume no further Crown funding. Under this scenario the council would need to provide an additional \$52.6 million from FY27 over seven years to meet the Crown’s contribution of \$85.8 million. In this scenario, the total co-funding available for flood mitigation projects would total \$138.4 million.

These areas have been assessed based on cost-benefit and multi-criteria decision analysis

- 31. An initial cost-benefit analysis (CBA) and multi-criteria decision analysis (MCDA) was used to compare the project benefits in the four major project areas to prioritise investment.
- 32. The results of the MCDA are summarised in Table 2 below. The detailed assessment for all catchments is in Attachment C with further work to be done as projects continue through approval phases. Based on assessments of four catchments, Clover Drive and Wairau Stage 1 and 2 provide the greatest benefit. These assessments assume that the projects are delivered to the current design. It is important to note that as per Table 2 below, there will be reduced benefits if projects are delivered in part rather than as currently designed, or out of sequence.

Table 2: Benefits analysis summary (see Attachment C for more detail)

Catchment	Multi-Criteria Decision Analysis (5=high)	Cost benefit analysis	Estimated properties in flood plain (2023)	Estimated Category 3 properties (Dec 2024)	# high danger flood risk properties after project	# properties with any level of reduced flood risk after project
Clover	4.1 / 5	1.04	169	55	37 (36 KO)	80
Wairau (stage 1 and 2)	3.8 / 5	1.18	1323	151	182 (4 KO)	24
Te Auaunga	2.37 / 5	0.72	366	41	28 (16 KO)	10
Whangapouri	2.3 / 5	2.06	45	19	7 (1 KO)	18

33. Further work on the CBA methodology will be undertaken for subsequent blue green business cases and when approval for the construction business case for Clover Drive is sought from committee. It is important to note that the result of any assessment (CBA, MCDA or other) is the result of one assessment approach. Any results of analysis should be interpreted in the wider context of qualitative benefits and in comparison to all data points in Table 2.
34. The CBA was made available to the Auckland Council Chief Economist Unit. Initial feedback was that the work provides a good framework of the potential costs and benefits and attempts to quantify the benefits. Sensitivity testing using alternative plausible assumptions (e.g. testing different assumptions about the value of avoided damage to property and the discount rate) gave a lower benefit-cost ratio for the projects of around 0.5 for Clover, Wairau and Te Auaunga and 1.1 for Whangapouri. However, the CBA may not capture some potential benefits e.g., any benefit from avoiding damage from higher-frequency lower-impact events
35. The multi-criteria decision analysis has included qualitative intangible benefits. The MCDA evaluates the project investment benefits across flood risk reduction, economic, social, and environmental domains. This supports a holistic view of the programme value by capturing benefits that are difficult to monetise. The MCDA enables prioritisation of projects, identifying high-priority projects based on agreed qualitative criteria.
36. The multi-criteria decision analysis includes:
- Flood risk reduction
 - Reduced number of properties with risk to life and habitable floor flooding
 - Increased resilience for lifeline infrastructure
 - Social improved human health and wellbeing
 - Social cohesion and wellbeing
 - Delivers sustainable procurement objectives, social procurement
 - Economic wider flood benefits residential and commercial
 - improved business continuity
 - enablement of land development
 - Environmental
 - improved flood resilience factoring in growing impacts of climate change
 - improved water quality
 - broader environmental benefits

Results of the prioritisation analysis for Tranche 2

37. The community surrounding Clover Drive has experienced extensive damage, significant disruption with some residents not able to return to their homes, and well-being concerns because of recurring flooding events and ongoing uncertainty about the future of the community. The area is almost entirely residential. There was severe flooding up to 1.9m deep and residents were evacuated by emergency services.
38. Wairau is by far the largest of our focus areas. From Tōtara Vale to Milford, it has a mix of large commercial and dense residential land uses. There was widespread extreme flooding and two deaths in this catchment on 27 January 2023. Due to the scale of the catchment and flooding impacts, a range of interventions have been assessed. Flood risk reduction is maximised when interventions are delivered across the whole of the catchment, but this requires catchment-based planning and long-term investment across a programme of projects. As projects are completed, redevelopment will become viable on some vacant land.
39. Based on the analysis in Table 2 and assuming a \$138.4 million budget is available for Tranche 2, staff recommend project delivery (design and consenting) in the area immediately surrounding Clover Drive, Rānui.

Auckland Council has a clear scope of works and cost estimate

- 40. Extensive catchment modelling and technical design refinement has given staff a clear scope of work and required budget to reduce flood risk in Clover Drive. Project scope and cost detail is provided in the business cases as part of the confidential section of this report.
- 41. The proposed works at Clover Drive must be completed together to realise the benefit of the works, therefore the scope for this area is fixed. Table 3 below summarises the parts of the Clover Drive project and benefit.

Table 3: Project deliverables for Clover Drive, Rānui

Project elements in order of priority	Benefit
Lincoln Garden Close embankment removal	Reinstate flow path to the stream
Don Buck Road Bridge replacement	Increase conveyance under road
Swanson widening downstream of bridge	Increase stream capacity and reduce blockage risk
Clover Drive blue-green corridor	Conveyance through previous Clover Drive properties
Swanson widening upstream (including debris trap)	Increase stream capacity and reduce blockage risk
Camphora Place filling	Protect land from flooding to enable redevelopment
Overland Flow Path modification	Reduce property flooding risk
Swanson Road to Mayfair Place culverts	Increase capacity and reduce blockage risk
Glen Road culvert duplication	Increase capacity and reduce blockage risk

- 42. If additional funding is available, work could be delivered for Stage 1 and Stage 2 of the Wairau catchment. The highest priority interventions would be increased detention in park land reducing downstream flow by 30 per cent and reduced risk of blockage and increased conveyance from the removal of Woodbridge Bridge (as Stage 1) and increasing stormwater reserve detention capacity across the catchment and constructing a blue-green network in Tōtara Vale, assuming further design demonstrates feasibility (as Stage 2). This would be subject to further decision-making from the council and the Crown.

A wider Blue Green Network work programme would further reduce risk across the region

- 43. Staff will continue to design the projects for the remaining focus areas in the blue green network. Staff will also continue to design for the Minor Blue-green Networks (Whau Stream, Porter’s Stream, and Opanuku Stream), which will confirm project feasibility. Design of these projects will continue at a slower pace under existing Healthy Waters and Flood Resilience department resources once capital funding and necessary approvals are secured. This will enable more robust benefits analysis, based on learnings from the Chief Economist’s Office.
- 44. To date, staff have completed feasibility, early concept design, and benefits assessments for Māngere (approved), Clover Drive, Wairau Stage 1 and 2, Whangapouri, Te Auaunga. Options have been identified for minor blue-green networks, but not designed or costed. This includes a detailed catchment study which has identified a range of isolated interventions in the Whau catchment.
- 45. A map of all the focus areas in the blue-green network is included in Attachment D. A table of delivery expectations of the whole blue-green network initiative is included as Attachment E

Some areas will not have a blue-green network project scoped further

- 46. Three catchments were previously identified as likely benefiting from a blue-green network project to reduce property risk. Based on further investigation and modelling it has become apparent that a blue-green network solution is either not needed or infeasible. These are Cox’s Creek, Epsom, and Kumeū.

47. The most at-risk properties in Cox’s Creek and Epsom catchments will be bought-out as Category 3 properties. The future use of the land will be determined as part of the Storm Affected Land Use programme. Where properties are retained in council ownership within these catchments, the future use of this land will be determined according to the Storm Affected Land Use directive. Healthy Waters and Flood Resilience will provide technical advice to enable local stormwater co-benefits and reduce flood risk where possible.
48. Flooding in the Kumeū-Huapai township has presented a significant challenge. Council has thoroughly investigated stormwater infrastructure options to reduce flooding impacts for the wider community, including building a floodway, diverting floodwaters through pipes and creating an upstream dam and detention pond. Significant work has gone into developing these options but at this point none of the options assessed significantly reduce flood risk without considerable associated residual risk, such as dam failure. They all have high cost, and in some cases have adverse cultural, community, and environmental impact. As such, they do not represent a good investment of public money.
49. The council is working collaboratively to consider non-infrastructure options for the Kumeū-Huapai area to provide the best solutions for the community, including the use of planning tools to manage existing and future land-use in areas impacted by flood risk. In the meantime, we have increased waterway maintenance to improve water flow during smaller storms, continue to work with residents and community groups to increase resilience, and we are exploring flood intelligence tools, including a flood monitoring system that will be piloted this year.
50. Based on these assessments, staff recommend the following delivery phasing (Table 4) over the next 10 years, subject to funding and ongoing design development.

Table 4: Blue-green networks delivery phasing

Tranche	Project area	Funding source	Status
1	Mangere (Te Ararata and Harania)	Crown / Auckland Council	Underway and fully funded
2	Clover Drive Wairau (initial stages)	Crown / Auckland Council	Pending business case approval
3	Wairau Whangapouri Te Auaunga Stage 2	TBC (currently unfunded)	Early design and modelling underway
	Kumeu Cox’s Creek Epsom	n/a	Not progressing through blue-green networks initiative Alternative projects may be scoped in future

Tauākī whakaaweawe āhuarangi Climate impact statement

51. Modelling shows that storm and flooding events will be both more extreme and more frequent as the climate continues to change.
52. Te-Tāruke-ā-Tāwhiri (Auckland’s Climate Plan) sets out a direction for Tāmaki Makaurau as a region to prepare for the impacts of climate change, and to be proactive in taking measures to prevent or mitigate severe or irreversible outcomes. The Making Space for Water programme has been developed in accordance with this key direction, with the Blue-Green Networks initiative focused on providing for the increased rainfall the city is projected to experience as the climate continues to change.
53. To support another key goal of Te-Tāruke-ā-Tāwhiri to achieve net zero emissions by 2050, all Making Space for Water projects will consider their impact on carbon emissions. Assessments

will be conducted during the design, construction, and physical works stages to ensure all opportunities for reducing emissions are realised. Contractors will be required to report carbon and waste reduction practices as part of their contracts.

54. There are long-term carbon reduction benefits in blue-green networks, rather than traditional grey infrastructure, therefore these projects provide ongoing carbon reduction, asset resilience and climate mitigation benefits.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera Council group impacts and views

55. Healthy Waters and Flood Resilience will work with Regulatory Compliance, Legal Services, the Recovery Office, Watercare, Auckland Transport, Eke Panuku, and Parks and Community Facilities for physical works projects enabling storm recovery.
56. Healthy Waters and Flood Resilience will need to seek approval from Watercare and Auckland Transport to undertake work that will impact their assets during construction and have commenced discussions on these approvals. For example, Watercare will need to enable a designation for works to be completed on Don Buck Bridge.
57. Parks and Community Facilities and Connected Communities are both key partners in enabling positive place-making outcomes for these projects. Staff are already engaged to maximise co-benefits from this long-term investment. There will be consequential operating costs for maintaining land which is now vacant until a project can be delivered, after which point it becomes an asset maintained under existing processes by Healthy Waters and Flood Resilience, and Parks and Community Facilities.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe Local impacts and local board views

Local impacts

58. Blue-green networks provide localised benefits to a catchment, wider than can be achieved by property acquisition alone.
59. There will be positive impacts for those in the immediate vicinity of the project areas. These are primarily reassurance that work will be undertaken to reduce their flood risk, improved infrastructure resilience, and the amenity value of improving vacant land adjacent to streams. These benefits and associated recovery will not be released until the projects are underway.
60. The negative impacts for those in project areas will be in the disruption during construction, which can take over a year depending on the complexity. Traffic management is a key disruption and will be managed in consultation with Auckland Transport and key road users. For example, in Māngere we are working with schools and local freight companies to understand how we can minimise their disruption. In this case, full road closures and diversion are preferred rather than partial road closure. This reduces the time needed to complete the works. A similar approach will be taken for Tranche 2 projects
61. We acknowledge that people will be disappointed and frustrated by needing to wait longer for physical works to be delivered. Healthy Waters and Flood Resilience is working closely with the Recovery Office to support communications to these areas and will identify low-cost activities that can be undertaken immediately to reduce flood risk and support recovery. There is a benefit in providing certainty about timing. We are aware that people have delayed decisions about buying or selling in an area or undertaking home improvements as they are uncertain about if or when work will be delivered. Knowing that physical works are several years away may make these decisions easier for some people and businesses.

Local board views

62. Delivery is planned in seven local board areas over the programme's 10-year duration. Staff have attended workshops to inform boards of the progress being made in the feasibility of works in their areas. This includes advising local boards if projects will be delivered later than expected, or not as expected. In these workshops, staff discussed up-to-date feasibility and design expectations in the area and identified ways that local board representatives will be able to contribute to the design through community working groups. Mana whenua also participate in these groups.
63. There has been strong support from local boards to deliver these complex projects as soon as possible. Since confirming the budget limitations, staff have discussed the impact of this change with affected local boards. However, local boards have not provided formal input to the benefits business case due to timing constraints.
64. Local Board Plans are being analysed to reaffirm the importance of this type of work. There are four common themes in these local board plans regarding flood resilience and stormwater management. They consistently emphasise the importance of flood risk awareness, infrastructure upgrades, green infrastructure solutions, and community engagement.
65. Local boards have requested staff utilise existing strong community connections to include residents and wider communities in the project development process. This is already underway in a few areas, for example Māngere, being provided through the Recovery Office and Healthy Waters and Flood Resilience.
66. Staff are working to deliver work through the other six Making Space for Water initiatives equitably across the region and are reprioritising planned works to reflect the changed delivery expectations for those highly-impacted areas.

Tauākī whakaaweawe Māori Māori impact statement

67. Staff provide general Making Space for Water programme updates to the Resilience and Infrastructure Services Mana Whenua Kaitiaki Forum each month. This is an opportunity for all participating Mana Whenua to identify ways to engage with this initiative.
68. Blue-Green Networks project managers and senior staff are working with relevant mana whenua regarding projects in their rohe. This has included regular hui, site visits, and catchment walks.
69. As kaitiakitanga, mana whenua are impacted by physical works in te taiao. Staff have been in discussion with mana whenua since the floods through individual hui and the Resilience and Infrastructure Services Operational Forum. There has been strong advocacy for nature-based solutions, including cultural considerations in design, and enabling local Māori involvement in the projects.
70. The Clover Drive project proposes to return parts of the piped network to naturalised streams. This enhances te mauri o te wai and connection of all people, particularly Mana Whenua, to their local awa.
71. There are no marae in the currently scoped project area. There are mataawaka in Clover Drive area represented in a residents group, businesses, and community organisations. Specific views from these groups have not been sought at this stage, but will be included as needed as each project progresses.

Ngā ritenga ā-pūtea Financial implications

72. Central government and Auckland Council collectively committed to joint funding for recovery and flood mitigation investments following 2023 Auckland Anniversary Weekend Floods. The Auckland Council funding contribution was approved by the Governing Body through the adoption of the Mayoral Proposal for the Long-term Plan 2024-2034 (GB/2024/45). These projects were planned to be delivered through the Making Space for Water regional budgets.
73. As set out in the Recovery Office Update paper in this agenda, funding changes are proposed to respond to the increased need for Category 3 buyouts that would make \$138.4 million of joint funding available for Tranche 2 of the Blue-Green network.
74. Under the current 62%:38% funding arrangements with the Crown, the Clover Drive catchment projects will utilise \$53.5 million of Crown funding leaving an unallocated balance of \$32.3 million for any further flood risk mitigation projects in other areas. To access the unallocated Crown funding Auckland Council will need to invest the remaining \$19.8 million from the \$52.6 million requested in the Recovery office update paper and a further \$2.2 million from redirected existing Healthy Waters and Flood Resilience budgets on flood risk reduction projects.
75. This approach would fully utilise the current Crown funding arrangement meaning any further requests for funding for tranche 3 projects would need to be considered as part of Auckland Council’s annual and long-term planning process. Council staff will continue to investigate opportunities for future government funding of future flood risk mitigation projects. This will need to be progressed via discussions with central government on future climate resilience funding arrangements and through the council’s next long-term plan.
76. Detailed project costs for the Clover Drive catchment projects and their financial implications are included in the confidential Clover Business Case report on this agenda.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

77. A range of high-level risks for this project are detailed in Table 5 below, with further discussion included in the business case.

Table 5. Risks and mitigations

Risk type	Risk Description	Mitigation
Resource	Lack of internal staff resources; staff diverted to manage other emergency work; contractor performance	Further increased use of consultant staff; clear prioritisation expectations for staff; utilise trusted contractors and consultants; funding through department reprioritisation.
Funding	Budget not made available from 2027; budget is insufficient for cost escalations; support from Crown rescinded.	Monitor and report regularly to senior management; Programme Manager to escalate any funding concerns to General Manager. Further reprioritisation will need to be made, and alternative revenue sources be found.
Scoping	Rainfall and flood impact modelling changes effectiveness or feasibility of service; Benefits not adequately captured; Pressure to increase scope outside of funding envelope; Solutions once designed do not deliver expected outcomes	Project level independent peer-review. Workshops with relevant internal/external SMEs prior to confirming design solutions. Early involvement from contractors and end-users.

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Risk type	Risk Description	Mitigation
Procurement and delivery	Changes to current contractor procurement processes	Programme Manager to engage with Procurement regularly on programme needs and escalate to management where delivery programmes may be compromised
Stakeholder engagement	<p>Pressure to complete works from funding sources and community expectations doesn't allow for the appropriate and necessary amount of consultation and/or due process.</p> <p>Engagement process unable to effectively engage with those impacted by flooding and subject to the Property Categorisation process.</p> <p>Lack of project buy-in from other impacted entities.</p>	<p>Business case and decision approvals set clear scope, external pressure to be managed by senior management and Strategic Direction.</p> <p>Community working groups will be established as business case is approved. This is the primary way for people to provide input to the design. Ongoing communication between Recovery Office, Healthy Waters and Flood Resilience, local elected members and the community will build trust in the process and manage delivery expectations.</p> <p>Refining projects based on known land available after buy-outs. Additional acquisition will cause delays due to the lengthy Public Works Act process. Delegation sought to initiate this process.</p> <p>Establish programme level engagement with other key asset owners</p>
Assets	Impact on wider services if the programme isn't delivered eg eastern interceptor, bridges, culverts, other public assets, etc	Establish programme level engagement with other key asset owners including CCOs, Kāinga Ora, NZTA, Vector, Chorus.
Severe weather	Additional severe weather events damaging these or other areas	Continue asset maintenance to maximise resilience; Accelerate delivery as much as practical; Work with partners to build community resilience to weather events

Ngā koringa ā-muri Next steps

78. The business case information that demonstrates Clover Drive as the priority for Tranche 2 will be provided to the Crown, through the Cyclone Recovery Unit and Crown Infrastructure Partners. A decision is expected from Cabinet shortly after the resolutions from the Auckland Council Transport, Resilience and Infrastructure Committee are received.
79. The business case for Wairau Stage 1 and 2 will seek approval by the Transport, Resilience and Infrastructure Committee in April 2025.
80. The decision making summary and timeline from now until included in Table 6.

Table 6: Decision making summary to 2027

Decision	Month	Decision Maker
Endorse additional capital funding, in principle, for Cat 3 and 2C	December 2024	Transport, Resilience and Infrastructure Committee
Initiate Business Case Clover Drive	February 2025	Transport, Resilience and Infrastructure Committee
CIP Complex Stage 1 Gate (Clover Drive – Wairau tbc))	March 2025	Cabinet approval
Initiate Business Case Wairau	April 2025	Transport, Resilience and Infrastructure Committee
Approve Category 3 investment	May 2025	Budget Committee

Decision	Month	Decision Maker
Draft Auckland Council Annual Plan 2026/2027 (Tranche 2 capex, tranche 3 design)	November 2025	Governing Body
Final Auckland Council Annual Plan 2026/2027 (Tranche 2 capex, Tranche 3 design)	May 2026	Governing Body
Deliver Business Case (Clover Drive and Wairau)	September 2026	Transport, Resilience and Infrastructure Committee
CIP Complex Stage 2 Gate (Wairau and Clover Drive)	September 2026	CIP Chief Executive
Draft Auckland Council Long-term Plan 2027/37 (Tranche 3 capex)	November 2026	Governing Body
Final Auckland Council Long-term Plan 2027/37 (Tranche 3 capex)	May 2027	Governing Body

81. If additional funding is confirmed from council and remains available from the Crown, staff will be able to confidently commence preliminary design to progress consent processes and identify property acquisition requirements, as discussed in the business case.
82. Throughout this process, communities, local boards, and mana whenua will be invited to participate in community working groups. The purpose of these community working groups is to inform design choices prior to design finalisation to maximise co-benefits.
83. Progress on the blue-green network initiative as part of the Making Space for Water programme will continue to be provided in 3-monthly updates to the Transport, Resilience and Infrastructure Committee and relevant local boards.

Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Prioritisation process summary	
B⇒	Flood risk levels definitions	
C⇒	Multi-criteria decision analysis	
D⇒	Map of all focus areas	
E⇒	Delivery expectations for all blue green networks	

Ngā kaihaina Signatories

Authors	Elizabeth Johnson – Principal, Wai Ora Strategic Programmes, Healthy Waters and Flood Resilience Craig Mcilroy - General Manager Healthy Waters and Flood Resilience
Authorisers	Ross Tucker - Group Chief Financial Officer Barry Potter - Director Resilience and Infrastructure

Status Update on Action Decisions from Transport, Resilience and Infrastructure Committee meeting 5 December 2024

File No.: CP2024/20901

Item 14

Te take mō te pūrongo Purpose of the report

1. To update the committee on action decisions made at the last meeting.

Whakarāpopototanga matua Executive summary

2. The information provided below is a status update on an action decision only that was made at the Transport, Resilience, and Infrastructure Committee meeting on 5 December 2024:

Resolution Number	Item	Status
TICCC/2024/139	Item 8 - Time of Use Charging - Programme Update	The Land Transport Management (Time of Use Charging) Amendment Bill was released on 17 December 2024 and Select Committee dates are expected to be announced in late January 2025. Advice and draft submission will be presented to the committee in February/March.
TICCC/2024/146	Item 13 - Storm Recovery: Categorisation reforecast and financial impact	Reporting back to the committee in February 2025.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) tuhi ā-taipitopito / note the status of decisions made at the 5 December 2024 meeting.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Author	Lata Smith - Kaitohutohu Mana Whakahaere Matua / Senior Governance Advisor
Authoriser	Barry Potter - Director Resilience and Infrastructure

Summary of Transport, Resilience and Infrastructure Committee information memoranda, workshops and briefings (including the forward work programme) - 13 February 2025

File No.: CP2024/19963

Item 15

Te take mō te pūrongo

Purpose of the report

1. To tuhi ā-taipitopito / note the progress on the forward work programme appended as Attachment A.
2. To whiwhi / receive a summary and provide a public record of memoranda or briefing papers that may have been distributed to the Transport, Resilience and Infrastructure Committee.

Whakarāpopototanga matua

Executive summary

3. This is a regular information-only report which aims to provide greater visibility and openness and transparency of information circulated to Transport, Resilience and Infrastructure Committee members via memoranda/briefings or other means, where no decisions are required.
4. The following items were distributed.

Date	Subject
3/12/2024	Memorandum – Luke Combs Concert and Rail Network Closure January 2025
18/12/2024	Memorandum - Tāmaki Makaurau Recovery Office monthly update
18/12/2024	Memorandum - CRRC Digital Rapid Transit vehicle demonstration update
7/01/2025	Memorandum - Time of use charging enabling legislation
28/01/2025	Memorandum - Increasing the Private Revenue Ratio for public transport operating expenditure.
7/02/2025	Memorandum - Update on Water reform: Watercare Charter; and Local Government (Water Services) Bill

5. The following workshop and briefing took place for the Transport, Resilience and Infrastructure Committee:

Date	Subject
8/11/2024	CONFIDENTIAL Briefing - Ministerial Announcement - City Rail Link Update
5/02/2025	CONFIDENTIAL: Recovery Office Update Workshop – Storm recovery programme.

6. Note that, unlike an agenda report, **staff will not be present to answer questions about the items referred to in this summary.** Transport, Resilience and Infrastructure Committee members should direct any questions to the authors.

Ngā tūtohunga Recommendation/s

That the Transport, Resilience and Infrastructure Committee:

- a) tuhi ā-taipitopito / note the progress on the forward work programme appended as Attachment A of the agenda report.
- b) whiwhi / receive the Summary of Transport, Resilience and Infrastructure Committee information memoranda and briefings – 13 February 2025.

Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Transport, Resilience and Infrastructure Committee 2025 Forward Work Programme	
B⇒	Memorandum - Luke Combs Concert and Rail Network Closure January 2025 (<i>Under Separate Cover</i>)	
C⇒	Memorandum: Tāmaki Makaurau Recovery Office monthly update (<i>Under Separate Cover</i>)	
D⇒	Memorandum: CRRC Digital Rapid Transit vehicle demonstration update (<i>Under Separate Cover</i>)	
E⇒	Memorandum: Time of use charging enabling legislation (<i>Under Separate Cover</i>)	
F⇒	Memorandum: Increasing the Private Revenue Ratio for public transport operating expenditure (<i>Under Separate Cover</i>)	

Ngā kaihaina Signatories

Author	Lata Smith - Kaitohutohu Mana Whakahaere Matua / Senior Governance Advisor
Authoriser	Barry Potter - Director Resilience and Infrastructure

Exclusion of the Public: Local Government Official Information and Meetings Act 1987

That the **Transport, Resilience and Infrastructure Committee**

- a) whakaae / agree to exclude the public from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 **CONFIDENTIAL: Making Space for Water - Blue/Green Program Clover Drive Initiate Business Case**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. In particular, the report contains information related to the purchase of land required for the blue green network	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.