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Funding Storm Recovery and Resilience

**Summary of feedback received during
Auckland Council's public consultation
from 11 September to 24 September 2023**



Funding Storm Recovery and Resilience



Te take mō te pūrongo

Purpose of this report

This report summarises the feedback received during the public consultation period from 11 September to 24 September 2023, on the funding package negotiated between Auckland Council and the central government, to help Auckland recover from the severe weather events of Auckland Anniversary weekend and Cyclone Gabrielle.

This report outlines common themes relating to the views and preferences of those that submitted feedback, rather than detail every point of feedback received. This report does not include any advice or recommendations for decision making.

Whakarāpopototanga matua

Executive summary

TOTAL SUBMISSIONS RECEIVED: 2,461

In early 2023, the Tāmaki Makaurau/Auckland region experienced a series of extreme weather events, with record-breaking rainfall, floods, landslides and high winds.

Auckland Council and the central government have negotiated a one-off funding package to help Auckland recover from the severe weather events of Auckland Anniversary weekend and Cyclone Gabrielle. The package is co-funded with the government providing just under \$1.1 billion of new and reprioritised existing funding, and Auckland Council investing around \$900 million.

Funding will go to three main areas:

- restoring the transport network
- Making Space for Water and other resilience projects
- the buy-out of Category 3 homes (where the risk from future flooding or landslides is intolerably high).

This consultation asked the public for feedback on the agreed funding package and whether they support Auckland Council advocating to central government for a national scheme to help us recover from similar future events.

We received 2,461 submissions in total, with 2,365 received via our online feedback form, 68 via hard copy feedback form and 28 via email.

Submissions received from organisations (20 submissions) are counted as a single piece of feedback, as with individuals, though we note they may represent the views of multiple people. As such, feedback from individuals and organisations are presented separately to allow decision-makers to consider them as they see appropriate.

The following is a high-level summary of the feedback provided during this consultation:

- Over four in five submitters (83%) support Auckland Council accepting the proposed funding package.
- We received:
 - 236 submissions from individuals who thought they might be eligible for a category 3 buy-out (and two from organisations)
 - 1,763 from individuals who did not believe they might be eligible for a category 3 buy-out (11 from organisations), and
 - 325 from individuals who indicated they didn't know (six from organisations).
- There was higher support among those who thought they might be eligible for a category 3 buy-out under the proposal – 95% of individuals who answered both questions.
- In feedback from those who supported accepting the proposed funding package, there was high support (generally implied rather than explicit) for property buy outs, however support was often conditional, emphasised property owners' personal responsibility, that the payout amount should be limited or that uninsured / underinsured properties should be excluded or should bear some consequences.
- Those who did not support accepting the funding proposal generally opposed the buy-out of category 3 properties, feeling this should be property owners' responsibility, covered by insurance payments or government responsibility. There were some concerns about the potential for rate rises.
- There was general support for investment to improve transport and water infrastructure, and reduce the risks and impacts of damage from future storms.
- In feedback on the methodology used to purchase Category 3 properties, there was a mixed view on whether to use Capital Value (CV) or market value – with slightly more suggesting market value. Some suggested using a hybrid between CV and market value. Some suggested the buy-out value should be capped. Submitters frequently expressed a desire that the process should be quick, transparent and equitable.
- Over four in five submitters (84%) support Auckland Council advocating for the establishment of national schemes to support recovery for future events.

Further detail on common themes raised in each question can be found in the body of the report.

Horopaki

Context

The following breakdown of feedback summarises ‘top line’ responses and common themes from individuals and organisations.

Feedback received from organisations are counted as a single piece of feedback, as with individuals, though we note they may represent the views of multiple people. As such, feedback from individuals and organisations are presented separately to allow decision-makers to consider them as they see appropriate.

There were two open questions asked on the consultation feedback form:

Do you have any feedback about the proposal outlined in this consultation?

Do you have any feedback on the methodology that Auckland Council should use to purchase Category 3 properties?

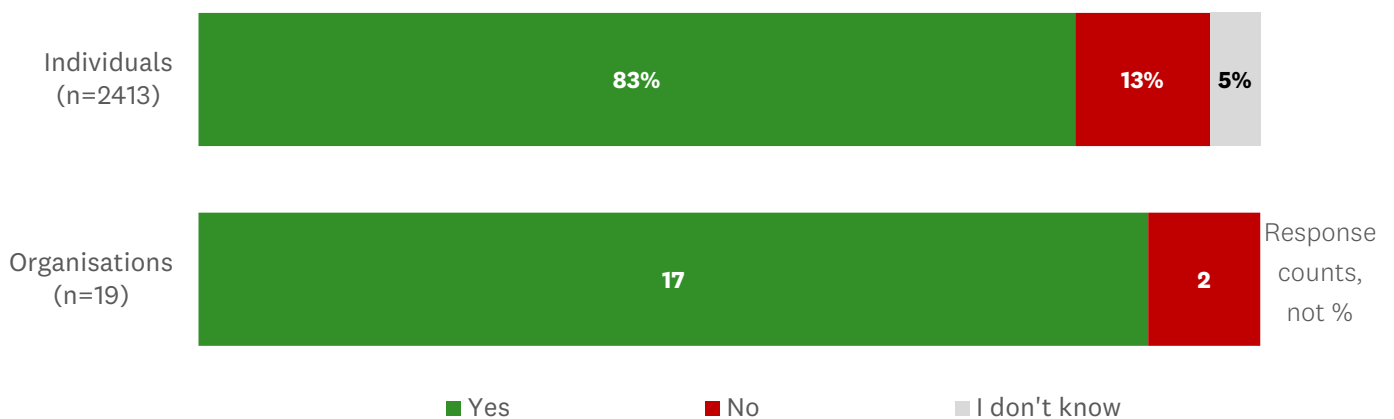
As submitters covered a range of topics in response to both, and other written submissions were not structured in the same way, themes across all written feedback are summarised collectively in this report.

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Feedback

Section 1. Do you support the council accepting the proposed funding package?

- Yes
- No
- Don't know



Common feedback themes from individuals who support accepting the proposed funding package

Of the 1,993 individuals who **support accepting the funding package**, 1,437 provided written comment. Common themes were:



Support property buy outs (often with conditions) 1,229 comments

Those supporting the funding package largely supported property buy-outs, expressing the need for fair, speedy resolution for affected property owners. However, support was often conditional and limited – particularly emphasising property owners’ personal responsibility, that the payout amount should be limited or that uninsured / underinsured properties should receive reduced payouts or be excluded. Some felt all property owners should receive equal treatment or that insured properties should receive a buy-out in addition to their insurance payout.

86%

*[3% of those who support the overall funding package commented that they **do not support property buy-outs**]*



The valuation method 663 comments

- Use market value or other method **30%**
- Use the Capital Value (CV) **21%**

Comments emphasised the importance of using a fair, equitable and transparent method of determining the valuation in buy-out processes. Views were mixed as to whether the capital value (CV) or market value should be used as the basis for valuation – with some preference for market value. Some suggest that a hybrid approach, considering both CV and market value, could be fair –that the CV could be paid out initially, with an ability for property owners to negotiate a further payment based on assessed market value. The CV was seen as being the fastest and simplest method to apply, but some recognised that it may not equate to a property’s actual market value.

46%

Some commented that the buy-out price should be capped at a percentage of the CV. As above, many submitters also suggested taking insurance payouts into account.



Insurance 462 comments

Even among those who supported the funding package generally, there were comments that the uninsured or underinsured should have to accept some or all of the consequences, questioning the need for property buy-outs given insurance payments, or emphasising that any buy-out should be a top-up to insurance payments only. Other issues included concerns that insurance companies were being relieved of their financial obligations or concerns about the impact of the buy-out on motivation to take out insurance, and setting a precedent.

32%



Fairness and equity 356 comments

Emphasising this in relation to settlement criteria, property valuations and buy-out prices. Submitters frequently expressed a desire that the process should be quick, transparent and considerate of the financial impact on affected property owners.

25%



Infrastructure investment and improvements 283 comments

Including support (on balance) for the transport and Making Space for Water funding elements of the proposal, as well as other infrastructure investment and maintenance to help recover from storm damage and mitigate future hazards. Some were critical of council's past investment in flood mitigation. Some talked about the need for better planning rules around where properties could be built.

20%



Eligibility 222 comments

Which cases should be eligible for buy-out or compensation, including:

- Include category 2 properties in the buy-out **8%**
- All house-types should be included **6%**
- Only the primary home should be included **3%**

15%

There was some mention of excluding properties known to be higher risk (e.g. cliff-top), means-testing and support for red-stickered properties ineligible for an insurance claim.



Move quickly 176 comments

Imploring council to move quickly / make a decision to provide certainty for those affected.

12%

Common feedback themes from individuals who do not support accepting the proposed funding package

Of the 306 individuals who **do not support accepting the funding package**, 284 provided written comment. Common themes were:



Do not support property buy outs 166 comments

Disagreeing with the proposal to use public funds to buy out properties. In many cases emphasising that property owners should take personal responsibility and/or that insurance payments should be sufficient.

58%

[30% of those who do not support the overall funding package commented that they do support property buy-outs]



Insurance 119 comments

Mostly questioning the need for a buy-out given property owners should receive insurance payouts. Also (similar to those who supported the funding package) suggesting that the uninsured or underinsured should have to accept some or all of the consequences. Other issues included concerns that insurance companies were being relieved of their financial obligations or the impact of the buy-out on motivation to take out insurance, and setting a precedent.

42%



Property owners' responsibility 102 comments

In many cases emphasising that property owners should take personal responsibility including for where they bought and for insuring their property, and ratepayers and/or taxpayers should not bear the cost.

36%



Government responsibility 66 comments

That central government or EQC should fund the buy-out and/or the recovery, that the recovery should be treated similarly to the Christchurch earthquake recovery, that the storm damage is a national disaster.

23%



Infrastructure investment and improvements 58 comments

Some commented that while they didn't support property buy-outs, they did support investment in the transport and Making Space for Water aspects of the package, including infrastructure investment and

20%

maintenance, and comments around improving flood mitigation. Also comments that council should not approve housing developments in risk-prone areas.



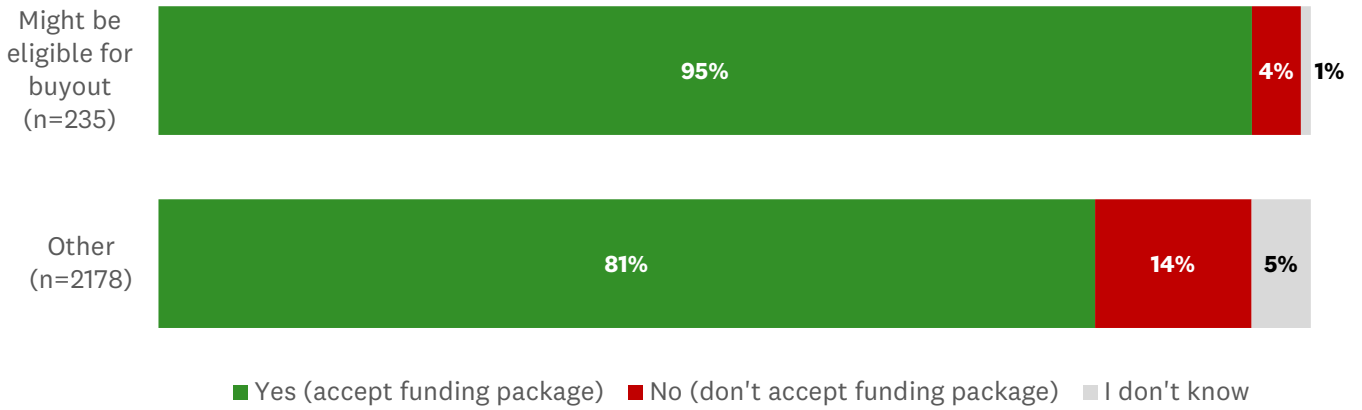
Opposing rate increases 49 comments

That rates should not be increased to pay for property buy-outs. In many cases that the cost should be borne by the government, developers, insurance companies and/or the property owner.

17%

Potentially eligible submitters

Submitters were asked ‘Do you think you might be eligible for a category 3 buy-out under this proposal?’. Those who answered ‘yes’ were more likely to support accepting the proposed funding package (95%) compared to others who answered this question (81%).



Of the 236 individuals who thought they might be eligible for a Category 3 buy-out, and supported accepting the funding package, 191 provided comments. The most common themes were:



Support property buy outs 176 comments

Generally expressing that buy-outs are the best way to allow affected property owners to recover, get their lives back on track and some concern that the payout amount will not be sufficient.

86%



The valuation method 127 comments

- Use market value or other method **39%**
- Use the Capital Value (CV) **39%**

Those who felt they might be eligible were evenly split on whether to use CV or a market value or other method to determine the buy-out – but again emphasised the need to use a fair, equitable and transparent method.

Those advocating for using the CV felt that this reflected the basis for rates payments, was the simplest and fastest valuation method, and could help property owners receive a quick payout – which is important. Some felt the CV should be used as a minimum initial payout, with an ability to negotiate a subsequent buy-out value to bring the payout to market value.

66%

Others felt the payout should be based on an assessed market value from just before the storms, as the CV often doesn't reflect a property's 'true' value.



Fairness and equity 74 comments

Fairness and equity generally in respect of property valuation and buy-outs. It highlights the need for consistent and flexible approaches, considering factors such as market value, capital value, and rateable value. The feedback also emphasises the need to treat all property owners fairly, provide choices, and ensure timely and swift processes.

38%



Insurance 58 comments

Suggesting that consideration should be given to uninsured or underinsured homeowners based on their circumstances.

30%



Eligibility 41 comments

Which cases should be eligible for buy-out or compensation, including:

- Include category 2 properties in the buy-out 15%
- All house-types should be included 9%
- Only the primary home should be included 1%

21%



Move quickly 34 comments

Imploring council to move quickly / make a decision.

18%



Infrastructure investment and improvements 28 comments

Comments around the need for better infrastructure and maintenance, and improving flood mitigation. Also some blaming Auckland Council for neglecting or not properly maintaining water infrastructure and/or improperly approving construction of properties in at-risk areas.

Emphasising the need to accept the funding package to address these issues.

15%

There were no common themes among the 12 submissions which answered 'yes' to eligibility and 'no' or 'I don't know' to whether council should accept the funding package.

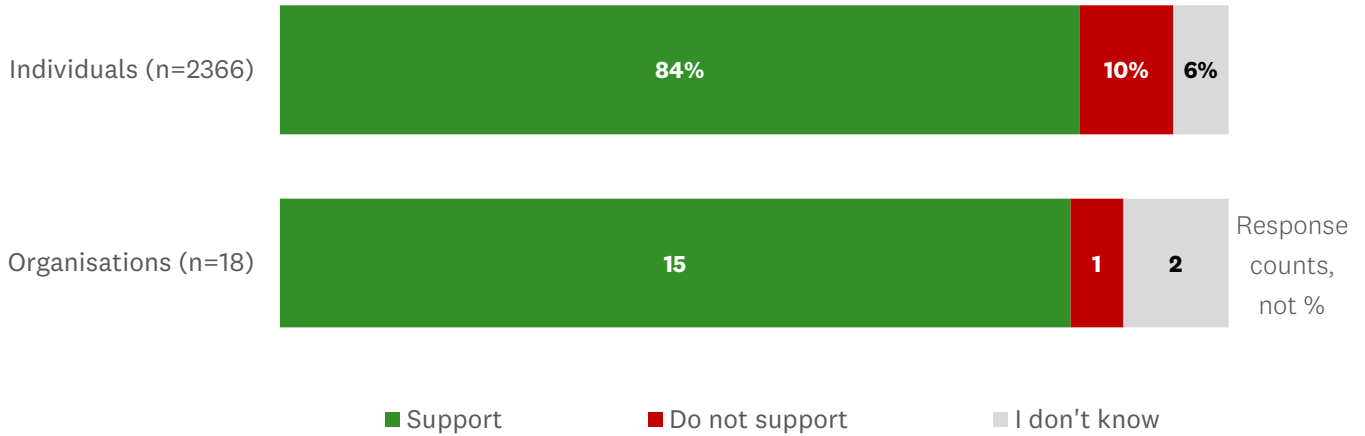
Feedback from organisations

Of the 20 submissions from organisations, 17 supported the council accepting the proposed funding package, two did not, and one did not specify (refer to page 4). Fifteen organisations provided comment, suggesting:

- The focus should be on improving risk mitigation and ensuring that people can live safely, as property owners purchased their properties without knowledge of the risks
- Urging improvement and maintenance of infrastructure, including that repairs to the transport networks are necessary
- Advocating for better planning and housing development decisions and/or that Council had responsibility for the storm damages
- The approach used in the Christchurch earthquake recovery was referenced.

Section 2. Would you support Auckland Council advocating for the establishment of national schemes for these purposes?

- Support
- Do not support
- Don't know



Individuals

Feedback on this question was not explicitly requested however there was a small amount of feedback relevant to this.

The most relevant feedback to this proposal was:

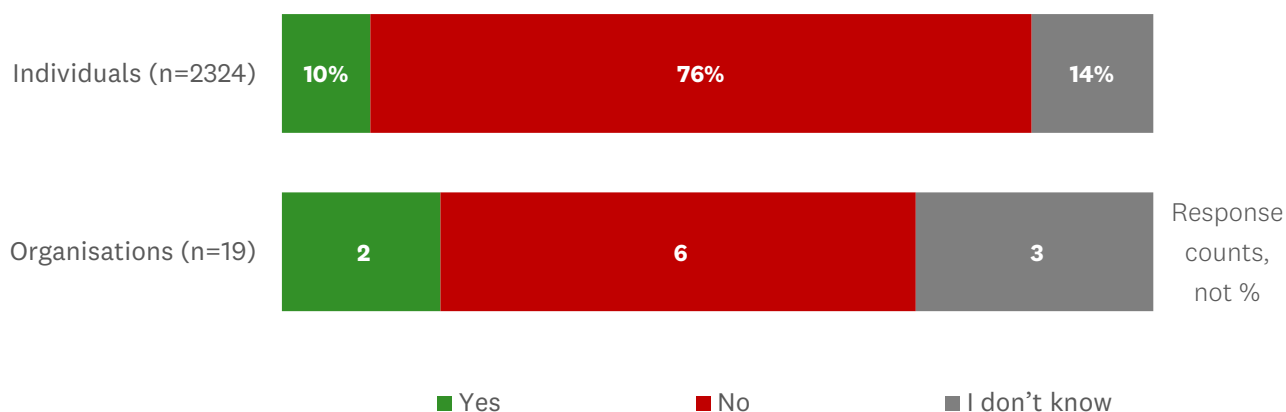
- Explicit or implicit approval of central government contributions towards the current storm recovery including:
 - that it was appropriate that central government contributed funding
 - that central government funding was insufficient and/or that government should fully fund the property buy-outs and/or recovery costs
 - the importance of finding a reasonable balance between national and local government funding
 - government should ensure the resilience of the country's infrastructure
 - the proposal should include details on the timing of central government funding
 - central government should bear the responsibility for the consequences of natural disasters, not local government.
- Characterising the situation as a national disaster including:
 - that the Christchurch earthquake recovery process serves as a model
 - that the buy-out of affected properties be treated similarly to the Christchurch earthquake, with full funding from central government
 - the need for swift action and consistency in government funding, as demonstrated by the experience of the Christchurch earthquake recovery.
- References to EQC:
 - that funds should be redirected from EQC where possible

- that EQC should have a larger role in covering property owners affected by events like landslides
- that buy-out payments should be reduced by any compensation received from insurance companies or EQC.

There were very few comments around opposition to a national scheme, however those that addressed this generally did so with reference to the responsibility of homeowners to insure their own property.

Section 3. Do you think you might be eligible for a category 3 buy-out under this proposal?

- Yes
- No
- I don't know



We heard from

- 236 individuals who thought they might be eligible for a category 3 buy-out (and two organisations)
- 1,763 individuals who did not believe they might be eligible for a category 3 buy-out (11 organisations), and
- 325 individuals who indicated they didn't know (six organisations).

Who we have heard from

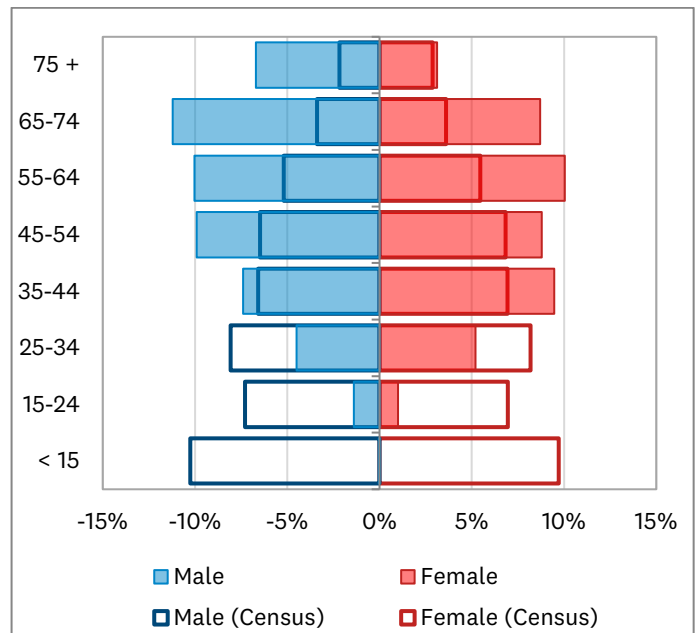
The information below shows demographic information as provided by submitters. Not all submitters responded to each question, so totals for each table do not match the total number of submissions.

RESPONSES

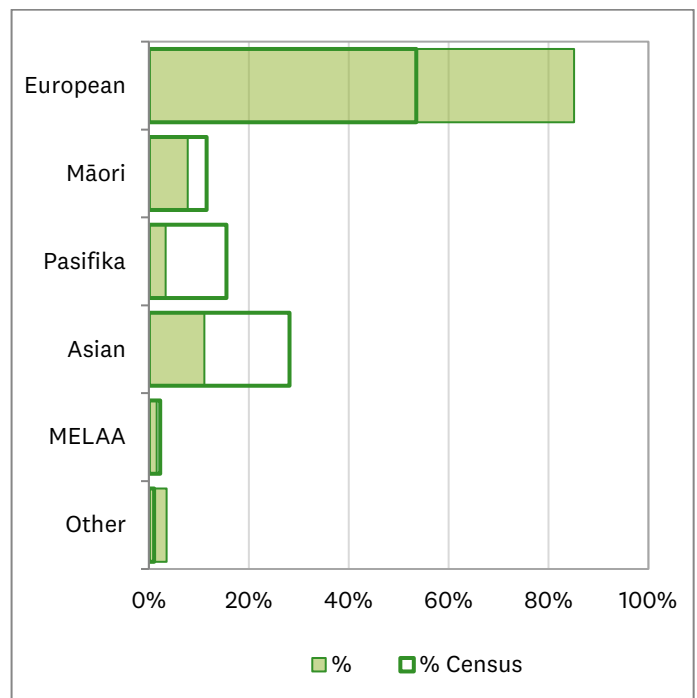
GENDER	#	%
Male	1,203	52%
Female	1,087	47%
Another gender	13	1%
Total	2,303	100%

AGE	Male	Female	Other	Total	%
< 15	1	0	0	1	0%
15 - 24	32	23	2	58	3%
25 - 34	104	120	5	233	10%
35 - 44	171	219	1	402	17%
45 - 54	229	203	2	445	19%
55 - 64	232	232	0	470	20%
65 - 74	259	201	2	471	20%
75 +	155	72	1	231	10%
Total				2,311	100%

COMPARISON TO CENSUS



ETHNICITY	#	%
European	1906	85%
Pākehā/NZ European	1639	73%
Other European	267	12%
Māori	174	8%
Pasifika	75	3%
Samoaan	34	2%
Cook Islands Māori	11	<1%
Tongan	8	<1%
Other Pasifika	22	1%
Asian	248	11%
Chinese	114	5%
Indian	75	3%
Southeast Asian	34	2%
Korean	10	<1%
Other Asian	15	1%
Middle Eastern/Latin/African	35	2%
Other	79	4%
Total	2,239	NA*



* Does not add to 100% as people may select more than one ethnicity

Submissions by local board

RESIDENT LOCAL BOARD	#	%
Albert-Eden*	260	10%
Aotea/Great Barrier	8	<1%
Devonport-Takapuna	156	6%
Franklin Local Board	82	3%
Henderson-Massey	165	7%
Hibiscus and Bays	146	6%
Howick	87	3%
Kaipātiki	128	5%
Māngere-Ōtāhuhu	61	2%
Manurewa	34	1%
Maungakiekie-Tāmaki	100	4%
Ōrākei	136	5%
Ōtara-Papatoetoe	12	<1%
Papakura	46	2%
Puketāpapa	67	3%
Rodney	252	10%
Upper Harbour	81	3%
Waiheke	16	1%
Waitākere Ranges	295	12%
Waitematā	136	5%
Whau	97	4%
Other (Not supplied, outside Auckland or regional organisation)	96	4%

*Note - Albert-Eden may be incorrectly represented - as the first option in the list, it may be selected by some who do not want to provide their Local Board.

Individual responses by local board

Q1. Do you support the council accepting the proposed funding package?

Local Board	Total responses	Yes	No	I don't know
Albert-Eden	253	85%	12%	4%
Aotea/Great Barrier	8	88%	13%	0%
Devonport-Takapuna	154	81%	14%	5%
Franklin	82	80%	15%	5%
Henderson-Massey	161	86%	11%	3%
Hibiscus and Bays	145	74%	17%	8%
Howick	85	74%	20%	6%
Kaipātiki	127	80%	14%	6%
Māngere-Ōtāhuhu	60	85%	8%	7%
Manurewa	32	75%	22%	3%
Maungakiekie-Tāmaki	100	70%	25%	5%
Ōrākei	134	78%	17%	5%
Ōtara-Papatoetoe	12	83%	8%	8%
Papakura	46	76%	20%	4%
Puketāpapa	67	94%	4%	1%
Rodney	248	85%	10%	6%
Upper Harbour	81	62%	31%	7%
Waiheke	16	63%	31%	6%
Waitākere Ranges	290	94%	3%	2%
Waitemātā	135	85%	9%	6%
Whau	97	91%	8%	1%

Note - this table only includes submissions where the local board of residence is known.

Q4. Would you support Auckland Council advocating for the establishment of national schemes for these purposes?

Local Board	Total responses	Support	Do not support	I don't know
Albert-Eden	247	85%	11%	0%
Aotea/Great Barrier	8	100%	0%	0%
Devonport-Takapuna	152	84%	10%	0%
Franklin	82	83%	13%	0%
Henderson-Massey	159	84%	6%	0%
Hibiscus and Bays	140	79%	15%	0%
Howick	86	84%	16%	0%
Kaipātiki	127	87%	9%	0%
Māngere-Ōtāhuhu	60	82%	8%	0%
Manurewa	32	78%	16%	0%
Maungakiekie-Tāmaki	100	78%	17%	0%
Ōrākei	135	83%	10%	0%
Ōtara-Papatoetoe	12	75%	25%	0%
Papakura	45	89%	7%	0%
Puketāpapa	65	92%	6%	0%
Rodney	247	86%	6%	0%
Upper Harbour	81	74%	22%	0%
Waiheke	16	75%	13%	0%
Waitākere Ranges	277	88%	4%	0%
Waitematā	134	86%	10%	0%
Whau	96	86%	8%	0%

Note - this table only includes submissions where the local board of residence is known.

Q5. Do you think you might be eligible for a category 3 buy-out under this proposal?

Local Board	Total responses	Yes	No	I don't know
Albert-Eden	242	9%	76%	14%
Aotea/Great Barrier	8	13%	63%	25%
Devonport-Takapuna	152	10%	78%	12%
Franklin	79	1%	91%	8%
Henderson-Massey	158	18%	65%	16%
Hibiscus and Bays	140	6%	85%	9%
Howick	84	2%	85%	13%
Kaipātiki	122	10%	75%	16%
Māngere-Ōtāhuhu	56	13%	61%	27%
Manurewa	31	3%	74%	23%
Maungakiekie-Tāmaki	98	6%	85%	9%
Ōrākei	135	2%	92%	6%
Ōtara-Papatoetoe	12	0%	83%	17%
Papakura	45	0%	91%	9%
Puketāpapa	65	15%	71%	14%
Rodney	246	20%	65%	15%
Upper Harbour	78	4%	86%	10%
Waiheke	16	0%	100%	0%
Waitākere Ranges	276	14%	62%	24%
Waitematā	132	5%	87%	8%
Whau	93	13%	70%	17%

Note - this table only includes submissions where the local board of residence is known.