

The confidential section of the meeting commenced at 3.58pm.

The meeting adjourned at 3.58pm and reconvened at 4.06pm.

CONFIDENTIAL: Recovery Coordination Office Update on Cost Share Negotiations with Treasury

Note: changes were made to the original recommendation, amending clause b) and adding new clause b) iv), as a chairperson's recommendation.

Cr J Watson left the meeting at 4.51pm.

Resolution number GB/2023/142

MOVED by Mayor W Brown, seconded by Deputy Mayor D Simpson:

That the Governing Body:

- a) **tuhi ā-taipitopito / note progress with the negotiations held with the Crown over the Future of Severely Affected Land.**
- b) **whakaae / agree in principle that Auckland Council will participate in the voluntary buy-out process proposed by the Crown, noting that:**
 - i) **Auckland Council is not a guarantor of private property interests or an insurer of last resort;**
 - ii) **Auckland Council has no legal obligation or general liability in relation to the impacts of the weather events;**
 - iii) **The Crown announced their proposal to be locally-led and centrally supported without an agreement from Auckland Council;**
 - iv) **further consideration will need to be given to process and consultation requirements before final decisions are made;**
 - v) **the design and administration of buy-outs is complex and risks creating new, unfunded, mandates for Auckland Council;**
 - vi) **specific parameters of our participation are outlined below and continue to be finalised through the negotiation process.**
- c) **whakaae / agree the following negotiating principles to the Crown process for the Future of Severely Affected Land:**
 - i) **The arrangement does not set a negative precedent for the role Auckland Council plays in future natural hazard events, which means:**
 - A) **An explicit acknowledgment that the council contribution to buy-outs in this case is one-off and limited, and does not represent an in-principle agreement to meet similar costs in the future.**
 - B) **The Crown agrees to develop, with input from local government and opposition parties, a national funding scheme for future natural hazard events, similar to the Earthquake Commission model.**
 - ii) **The arrangement deals with funding arrangement for Category 2C and 2P (community-level and property level) work, including the council's Making Space for Water initiatives, so the full cost is managed holistically.**
 - iii) **A simple 50:50 cost share of Category 3 properties, as proposed by the Crown, is not acceptable to Auckland Council without a substantial Crown commitment to co-fund recovery and other resilience work (e.g. as part of the council's Making Space for Water initiatives).**

- iv) **Auckland Council’s financial exposure must be limited through:**
 - A) **Tight definition of categories and eligibility, and of the event itself,**
 - B) **Appropriate risk and cost-sharing of whole-of-life costs with property owners, the Crown, local government, and the banking and insurance sectors,**
 - C) **A scheme design that minimises moral hazard and considers the extent to which landowners may have taken on knowable risks.**
- d) **whakaae / approve the lead negotiator to work within the principles above and report back to the Governing Body for decisions.**

Restatement

- e) **whakaae / agree that the decisions, report and any attachment remain confidential until the need for confidentiality no longer exists.**

CARRIED

Note: Under Standing Order 1.8.6, Cr Turner requested his dissenting vote be recorded.

CONFIDENTIAL: Acting Chief Executive and Group Chief Financial Officer Update

Deputy Mayor D Simpson left the meeting at 5.26pm.

Cr S Stewart left the meeting at 5.27pm.

Resolution number GB/2023/143

MOVED by Cr C Fletcher, seconded by Mayor W Brown:

That the Governing Body:

- a) **whiwhi / receive the Auckland Council Group and Auckland Council financial performance results for June 2023.**

Restatement

- b) **whakaae / agree that the Auckland Council Group and Auckland Council financial performance results for June 2023, provided as Attachment A and this agenda report, will remain confidential until the release of the Auckland Council Annual Report 202/2023 and Auckland Council Summary Annual Report 2022/2023 on 29 September 2023 to the NZX and the public**
- c) **whakaae / agree that the resolutions only be restated in the open minutes.**

CARRIED

5.35 pm

The chairperson thanked members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
AT A MEETING OF THE GOVERNING BODY HELD
ON

DATE:.....

CHAIRPERSON:.....