

Information Supporting the Supplementary Estimates

Vote Lands

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Land Information (M44)

ADMINISTERING DEPARTMENT: Land Information New Zealand

MINISTER RESPONSIBLE FOR LAND INFORMATION NEW ZEALAND: Minister for Land Information

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2009/10				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	119,999	(10,283)	(177)	(10,460)	109,539
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	20,654	-	11,685	11,685	32,339
Capital Expenditure	13,825	(1,694)	(685)	(2,379)	11,446
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	154,478	(11,977)	10,823	(1,154)	153,324
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	23,745	N/A	5,947	5,947	29,692
Capital Receipts	9,556	N/A	7,386	7,386	16,942
Total Crown Revenue and Capital Receipts	33,301	N/A	13,333	13,333	46,634

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Outcome: Certainty of property rights	Administration of the Overseas Investment Act 2005
Outcome: Availability of land information	Administration of the New Zealand Geographic Board Act 2008 Administration of the Overseas Investment Act 2005
Outcome: Best use of Crown assets	Administration of the Overseas Investment Act 2005
Outcome: Trusted geospatial information that is available, accessible and able to be used and shared to support	Administration of the Overseas Investment Act 2005

Administration of the New Zealand Geographic Board (Ngā Pou Taunaha o Aotearoa) Act 2008 (M44)

Scope of Appropriation

This appropriation is limited to the expenses incurred under the New Zealand Geographic (Ngā Pou Taunaha o Aotearoa) Act 2008, including: Board/Committee meetings, secretariat personnel, consultation, public advertising and publicity, national and international liaison and representation, and Board publications.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	761	860	1,621
Revenue from Crown	761	860	1,621
Revenue from Other	-	-	-

Reasons for Change in Appropriation

The increase in appropriation in 2009/10 reflects some one-off system costs relating to the implementation of the 2008 Act, and changes in the cost allocation model.

Administration of the Overseas Investment Act 2005 (M44)

Scope of Appropriation

This appropriation is limited to the assessing of applications, for consent to the acquisition of investments in New Zealand land, significant business assets and fishing quota; monitoring and enforcement.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,404	178	2,582
Revenue from Crown	-	-	-
Revenue from Other	2,404	168	2,572

Reasons for Change in Appropriation

The increase in appropriation reflects changes in the cost allocation model.

Crown Property Management and Disposal Services (M44)

Scope of Appropriation

The management and disposal of the Crown's interest in land and property (outside of the conservation estate) and acquisition, management and disposal of land and property administered by the department on behalf of the Crown.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	25,319	(5,034)	20,285
Revenue from Crown	18,158	2,001	20,159
Revenue from Other	7,228	(6,261)	967

Reasons for Change in Appropriation

The decrease in appropriation is predominately related to the transfer of funding to 2010/11 for the Transpower grid upgrade project.

Land and Seabed Data Capture and Processing (M44)

Scope of Appropriation

The collection and authorisation of land data and information in accordance with the regulatory frameworks.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	41,840	(2,042)	39,798
Revenue from Crown	16,266	(821)	15,445
Revenue from Other	28,284	(4,520)	23,764

Reasons for Change in Appropriation

The decrease in appropriation reflects changes in the cost allocation model, transfer of Geospatial Office from output class Policy Advice, and savings offered to contribute to priority areas in future years.

Land and Seabed Information Access and Dissemination (M44)

Scope of Appropriation

The provision of access to, and dissemination of, information held by LINZ.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,142	1,220	5,362
Revenue from Crown	1,185	181	1,366
Revenue from Other	9,339	568	9,907

Reasons for Change in Appropriation

The increase in appropriation reflects changes in the cost allocation model.

Land and Seabed Information Storage and Management (M44)

Scope of Appropriation

Ensuring that the security and management of LINZ's databases and systems for land information are managed effectively and efficiently.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	27,673	(4,941)	22,732
Revenue from Crown	4,560	(2,285)	2,275
Revenue from Other	1,392	(200)	1,192

Reasons for Change in Appropriation

The decrease in appropriation reflects changes in the cost allocation model, funds released to high priority strategic projects, and savings offered to contribute to priority areas in future years.

Oceans Survey 20/20 Programme (M44)

Scope of Appropriation

This appropriation is limited to the undertaking of initiatives within the Oceans Survey 20/20 Programme.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	7,176	633	7,809
Revenue from Crown	7,176	633	7,809
Revenue from Other	-	-	-

Reasons for Change in Appropriation

The increase in appropriation reflects changes in the cost allocation model.

Policy Advice (M44)

Scope of Appropriation

Policy advice to the Government and Minister, relating to land and property information and providing support to the Minister.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,741	(682)	2,059
Revenue from Crown	2,716	(682)	2,034
Revenue from Other	43	-	43

Reasons for Change in Appropriation

The decrease in appropriation reflects changes in the cost allocation model, and transfer of Geospatial Office to output class Land and Seabed Data Capture and Processing.

Standards and Quality Assurance (M44)

Scope of Appropriation

Ensuring that the regulatory frameworks that create and protect property rights, and protect the public interest in Crown property management, rating valuations and the land information for which LINZ is responsible, are managed effectively and that delivery against the frameworks is quality assured.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	7,443	(475)	6,968
Revenue from Crown	3,886	(2,291)	1,595
Revenue from Other	2,103	(464)	1,639

Reasons for Change in Appropriation

The decrease in appropriation reflects changes in the cost allocation model.

Part 2.2 - Non-Departmental Output Expenses

Contaminated Sites (M44)

Scope of Appropriation

Analysis, investigation and, where necessary, appropriate remedial action on contaminated sites for which the Crown has accepted responsibility.

Reasons for Change in Appropriation

Funds of \$233,000 were transferred to the Huntly East and Deprecation appropriation.

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Crown Forest Management (M44)

Scope of Appropriation

Management of Crown forest properties and licences, including settling reviews, interest liability and GST on refunded fees.

Reasons for Change in Appropriation

The increase of \$120,000 is reflective of additional funds carried forward into 2009/10 from the prior year.

Crown Obligations - Loss on Disposal (M44)

Scope of Appropriation

Loss on disposal of properties arising from Crown obligations including the return of gifted land to the donor at nil value.

Depreciation (M44)

Scope of Appropriation

This appropriation is limited to depreciation of buildings on surplus Crown land.

Reasons for Change in Appropriation

The increase of \$157,000 reflects additional depreciation expense for easement purchased.

Inventory Write-Offs (M44)

Scope of Appropriation

Write-down of maps and charts stock.

Reasons for Change in Appropriation

Due to the introduction of the new topographic maps, the \$116,000 of old maps was written off resulting in the increase in appropriation.

Proceeds from Sale of Transit NZ Properties (M44)

Scope of Appropriation

To pay Transit NZ the equivalent of what the Crown has received from the sales of Transit properties.

Reasons for Change in Appropriation

There has been a \$2.891 million reduction in the revenue forecast due to less tenders being received for properties on the market.

Residual Crown Leasehold Rents (M44)

Scope of Appropriation

Leasehold liabilities paid on residual surplus government accommodation administered by the department on behalf of the Crown.

Reasons for Change in Appropriation

Budget of \$168,000 was transferred to the Inventory write down appropriation to fund the write-off of old maps.

Te Arawa iwi/Hapū settlement - adjustment to land value (M44)

Scope of Appropriation

This appropriation is limited to the difference between the current value of the land to be transferred under the Te Arawa iwi/Hapū settlement and the transfer value of that land transferred as part of that settlement.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Land Information New Zealand - Capital Expenditure PLA (M44)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Land Information New Zealand, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	2,480	(1,559)	921
Intangibles	1,822	(135)	1,687
Other	-	-	-
Total Appropriation	4,302	(1,694)	2,608

Reasons for Change in Appropriation

The estimated level of capital expenditure for intangible assets is below budget, as the bulk of costs associated with the Digitisation and the National Property and Land Information System projects are now expected to incur in the 2010/11 Financial Year.

The estimated capital expenditure for Property, Plant and Equipment is tracking above budget due to increase in costs associated with the refitting and refurbishment of the Christchurch and Hamilton Processing Centres.

No major variances against capital expenditure appropriate are expected overall.

Part 6.2 - Non-Departmental Capital Expenditure

Crown Acquisitions - Huntly East (M44)

Scope of Appropriation

Acquisition of properties falling within Cabinet's approved policy area for Huntly East subsidence zone.

Reasons for Change in Appropriation

The increase of \$148,000 is to fund settlement of properties falling under the Huntly East policy.

Land Tenure Reform Acquisitions (M44)

Scope of Appropriation and Capital Expenditure

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Land Tenure Reform Acquisitions (M44)	Original Appropriation	32,001
This appropriation is limited to the acquisition of the lessees' interest in pastoral lease land and purchase of any land and/or assets required to complete the acquisition of lessee interest in order to achieve Tenure Review outcomes under the Crown Pastoral Land Act 1998, or to achieve Government high country objectives.	Adjustments to 2008/09	3,185
	Adjustments for 2009/10	-
	Adjusted Appropriation	35,186
	Actual to 2008/09 Year End	7,841
Commences: 1 July 2008	Estimated Actual for 2009/10	4,073
Expires: 30 June 2011	Estimated Actual for 2010/11	23,272
	Estimated Appropriation Remaining	-

Reasons for Change in Appropriation

The changes are due to amendments to the forecasted completed date of Tenure reviews.