



# Cabinet

CAB Min (07) 12/1(20)

## Minute of Decision

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Minister for the Environment

### Copies to:

Prime Minister  
 Deputy Prime Minister  
 Minister of Finance  
 Hon Jim Anderton  
 Associate Minister of Finance  
 (Hon Trevor Mallard)  
 Controller and Auditor-General

## 2007 Budget Package: Vote Environment

On 19 April 2007, Cabinet:

1. **approved** the Budget initiatives for the above Vote for inclusion in the 2007 Budget package, as listed in the summary below and detailed in the attached initiative documents;

### Summary of initiatives included in the attached initiative documents:

#### Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
4388	Cleanup of Tui Mine	-	4.940	4.940	-	-
4399	EnergyWise Package: Warm Homes Programme	-	1.500	1.500	1.500	1.500
4532	Government Leadership in Sustainable Procurement	-	2.600	2.000	1.400	1.400
4533	Households Sustainable Living Programme	-	2.000	2.000	2.000	-
4534	Business Partnerships for Sustainability	-	1.000	1.000	1.000	-
4535	Public Space Recycling	-	1.000	1.000	1.000	-
4537	Implementing the Sustainable Water Programme of Action	-	1.000	-	-	-
4539	Sustainable New Zealand - Supporting Government's Leadership Role	-	0.650	-	-	-
4587	EnergyWise Package: Rebranding and information campaigns	-	1.000	-	-	-
<b>Total Operating</b>		-	<b>15.690</b>	<b>12.440</b>	<b>6.900</b>	<b>2.900</b>

**Capital Initiatives (Impact on Debt)**

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
4535	Public Space Recycling	-	0.500	0.525	0.550	-
<b>Total Capital</b>		-	<b>0.500</b>	<b>0.525</b>	<b>0.550</b>	-

2. **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
3. **approved** the changes to appropriations and/or projected balances of net assets of the administering department (where applicable) to implement the initiatives, as set out in the attached initiative documents;
4. **approved** the additional recommendations (where applicable) to give effect to the initiatives, as set out in the attached initiative documents;
5. **agreed** that the proposed changes to appropriations and/or projected balances of net assets for 2006/07 above be included in the 2006/07 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
6. **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2006/07 Supplementary Estimates, the 2007/08 Estimates and the fiscal forecasts;
7. **noted** that all communications relating to the 2007 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;

Secretary of the Cabinet

References: CAB (07) 135, CAB (07) 135A

**Vote:** Environment

**Title:** Cleanup of Tui Mine

**Description:** This initiative will clean up Tui mine, New Zealand's second most contaminated site. This will eliminate the unacceptable risk of catastrophic tailings dam failure and significantly improve surface water quality and public safety.

**Theme:** Economic Transformation

**Theme Objective:** Sustainable, natural resources

## Performance Information

### Performance Text

The clean up of the Tui Mine will:

- eliminate the unacceptable geotechnical risk posed by the Tui tailings dam;
- significantly improve water quality in both the Tui and Tunakohoa streams;
- improve public safety and amenity;
- improve access to the conservation estate.

## Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	4.940	4.940	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>4.940</b>	<b>4.940</b>	-	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General):					
Environmental Policy Advice (funded by Revenue Crown)	-	0.940	0.940	-	-
Non-Departmental Output Expenses:					
Clean-Up of Orphan Crown Contaminated Sites	-	4.000	4.000	-	-
<b>Total Operating</b>	-	<b>4.940</b>	<b>4.940</b>	-	-
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Environment

**Title:** EnergyWise Package: Warm Homes Programme

**Description:** To assist in the installation of clean and efficient heating (improving air quality, improving health, and reducing greenhouse gas emissions) through grants to low income households. This includes the implementation and maintenance of a Sustainable Household Building Website.

**Theme:** Economic Transformation

**Theme Objective:** Improving security of energy supply and efficiency

## Performance Information

### Performance Table

	Unit of Measurement	Performance Specification				
		2006/07	2007/08	2008/09	2009/10	2010/11
<b>Quantity</b>						
Retrofits	Retrofits	0	800	800	800	800

### Performance Text

A 50% subsidy will be provided to householders to encourage installation of clean and efficient heating in 800 low income homes per annum. This will be supported by information, administration and marketing activities.

A Sustainable Household Building Website will be implemented and maintained.

## New Appropriation Approvals

Type	Period	Name	MCOA Output Class	Scope
Other Expenses to be Incurred by the Crown	Annual	Warm Homes Grants and Assistance	N/A	Crown's contribution to assist with the installation of clean and energy efficient heating, with a particular focus on the homes of low income earners.

## Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	1.500	1.500	1.500	1.500
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.500</b>	<b>1.500</b>	<b>1.500</b>	<b>1.500</b>

## Initiative No: 4399

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Departmental Output Expenses (General): Environmental Policy Advice (funded by Revenue Crown)	-	0.300	0.270	0.270	0.270
Other Expenses to be Incurred by the Crown: Warm Homes Grants and Assistance	-	1.200	1.230	1.230	1.230
<b>Total Operating</b>	-	<b>1.500</b>	<b>1.500</b>	<b>1.500</b>	<b>1.500</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Environment

**Title:** Government Leadership in Sustainable Procurement

**Description:** To reduce known barriers to sustainable procurement by government agencies to help deliver both direct environmental benefits in a cost-effective way and improved market opportunities for New Zealand sustainable businesses.

**Theme:** Economic Transformation

**Theme Objective:** Sustainable, natural resources

## Performance Information

### Performance Text

Sustainable government procurement can help drive innovation, cleaner production, improved cost-effectiveness over the whole life cycle, and market opportunities for New Zealand firms. This bid funds a single government procurement policy with more emphasis on sustainability, including minimum standards in some areas. It strengthens the Govt3 programme with enhanced information tools and training support. It also contributes to the development and uptake of eco-standards and verification methods.

## Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	2.600	2.000	1.400	1.400
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>2.600</b>	<b>2.000</b>	<b>1.400</b>	<b>1.400</b>

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General):					
Environmental Policy Advice (funded by Revenue Crown)	-	2.600	2.000	1.400	1.400
<b>Total Operating</b>	-	<b>2.600</b>	<b>2.000</b>	<b>1.400</b>	<b>1.400</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Environment

**Title:** Households Sustainable Living Programme

**Description:** A sustainability programme with a specific focus on promoting the uptake of sustainable behaviour and actions in the home, particularly energy efficiency, travel, waste and water.

**Theme:** Economic Transformation

**Theme Objective:** Sustainable, natural resources

## Performance Information

### Performance Text

The programme aims to inform and assist households to change things that they do as part of their everyday household activities to become more sustainable. It will collate, coordinate and magnify the wide range of current national, regional and local based programmes as well as encouraging people to participate as part of a national effort to make New Zealand truly sustainable.

### Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Operating Balance Impact	-	2.000	2.000	2.000	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>2.000</b>	<b>2.000</b>	<b>2.000</b>	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Departmental Output Expenses (General):					
Environmental Policy Advice (funded by Revenue Crown)	-	2.500	2.000	2.000	-
Non-Departmental Output Expenses:					
Development and Implementation of Sustainable Management	-	(0.250)	-	-	-
Other Expenses to be Incurred by the Crown:					
Legal and Environment Centre Grants	-	(0.250)	-	-	-
<b>Total Operating</b>	-	<b>2.000</b>	<b>2.000</b>	<b>2.000</b>	-
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Environment

**Title:** Business Partnerships for Sustainability

**Description:** Accelerating New Zealand's transformation to a sustainable economy by aligning benefits and addressing barriers to sustainable business development.

**Theme:** Economic Transformation

**Theme Objective:** Sustainable, natural resources

## Performance Information

### Performance Text

New Zealand firms that are responsive to changing markets and regulations with regard to environmental issues can capture opportunities for growth. By working in partnership with business, government can help provide leverage that firms or sectors cannot easily create for themselves. This bid helps firms adopt more sustainable business practices and use them for competitive advantage, e.g. improved market intelligence and acceleration of current work in sectors such as tourism.

## Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	1.000	1.000	1.000	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General): Environmental Policy Advice (funded by Revenue Crown)	-	1.000	1.000	1.000	-
<b>Total Operating</b>	-	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	-
<b>Total Capital</b>	-	-	-	-	-



**Vote:** Environment

**Title:** Public Space Recycling

**Description:** To partner with local government to construct a nationally consistent network of public space recycling bins located throughout New Zealand. This initiative will enable the general public to do the “right thing” and recycle when they are away from home.

**Theme:** Economic Transformation

**Theme Objective:** Sustainable, natural resources

## Performance Information

### Performance Text

This initiative will see a network of public space recycling bins located in high foot traffic and tourist flow areas across New Zealand. About 630 bins are likely to be installed by mid 2010, with first installations in late 2007. An extension to current recycling services, this will support the objectives of the New Zealand Waste Strategy.

## Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	1.000	1.000	1.000	-
Debt Impact	-	0.500	0.525	0.550	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.500</b>	<b>1.525</b>	<b>1.550</b>	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General):					
Environmental Policy Advice (funded by Revenue Crown)	-	1.000	1.000	1.000	-
Net Asset Schedule:					
Capital Investment	-	0.500	0.525	0.550	-
<b>Total Operating</b>	-	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	-
<b>Total Capital</b>	-	<b>0.500</b>	<b>0.525</b>	<b>0.550</b>	-

**Vote:** Environment

**Title:** Implementing the Sustainable Water Programme of Action

**Description:** To implement a staged package of actions to improve the sustainable management of New Zealand's freshwater resources.

**Theme:** Economic Transformation

**Theme Objective:** Sustainable, natural resources

## Performance Information

### Performance Text

Conduct a Board of Inquiry for a National Policy Statement for freshwater management; undertake analyses of costs and benefits, and of regulatory impact (for the National Policy Statement and for National Environmental Standards for environmental flows) and for nitrogen emissions.

## Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Operating Balance Impact	-	1.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.000</b>	-	-	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Departmental Output Expenses (General): Environmental Policy Advice (funded by Revenue Crown)	-	1.000	-	-	-
<b>Total Operating</b>	-	<b>1.000</b>	-	-	-
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Environment

**Title:** Sustainable New Zealand - Supporting Government's Leadership Role

**Description:** The Sustainable New Zealand initiative comprises two key components: monitoring progress towards sustainability (indicators and targets) and the Auckland Urban Development/Sustainability Framework.

**Theme:** Economic Transformation

**Theme Objective:** Sustainable, natural resources

## Performance Information

### Performance Text

Confirm sustainability indicators/measures and reporting framework for New Zealand and support Central Government partnership contribution to Auckland urban development/sustainability framework.

## Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Operating Balance Impact	-	0.650	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.650</b>	-	-	-

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
Departmental Output Expenses (General): Environmental Policy Advice (funded by Revenue Crown)	-	0.650	-	-	-
<b>Total Operating</b>	-	<b>0.650</b>	-	-	-
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Environment

**Title:** EnergyWise Package: Rebranding and information campaigns

**Description:** Rebranding of existing energy efficiency-related government initiatives, as desirable, in a way that complements the broader 'sustainable households' brand; and targeted information campaigns, building from the sustainable households programme.

**Theme:** Economic Transformation

**Theme Objective:** Improving security of energy supply and efficiency

## Performance Information

### Performance Text

Householders are provided with information on how to improve the energy efficiency of their homes, in a co-ordinated way across agency work programmes.

## Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	1.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	1.700	2.000	2.400
<b>Total</b>	<b>-</b>	<b>1.000</b>	<b>1.700</b>	<b>2.000</b>	<b>2.400</b>

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General): Environmental Policy Advice (funded by Revenue Crown)	-	1.000	1.700	2.000	2.400
<b>Total Operating</b>	<b>-</b>	<b>1.000</b>	<b>1.700</b>	<b>2.000</b>	<b>2.400</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Additional Recommendation

*[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials].*