Performance Information for Appropriations

Vote Treaty Negotiations

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Treaty of Waitangi Negotiations (M74)

ADMINISTERING DEPARTMENT: Ministry of Justice

MINISTER RESPONSIBLE FOR MINISTRY OF JUSTICE: Minister of Justice

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

The Minister for Treaty of Waitangi Negotiations is responsible for appropriations in Vote Treaty Negotiations for the 2011/12 financial year including a multi-year appropriation and a range of annual appropriations.

Vote Treaty Negotiations contains a multi-year appropriation of $1,400 million for the five year period 2011 to 2015. This appropriation is for the settlement of historical Treaty of Waitangi claims and provides for the payment of redress through the transfer of assets (cash and property) from the Crown to claimant groups, and for the payment of interest on settlement redress.

In addition, annual appropriations sought for Vote Treaty Negotiations in 2011/12 total $56.447 million. This is intended to be spent as follows:

- $20.127 million (36% of the Vote) for the purchase of policy advice, negotiation, settlement and implementation of historical Treaty claims from the Ministry of Justice.
- $8.898 million (16% of the Vote) for the purchase of property management services from the Ministry of Justice.
- $2.972 million (5% of the Vote) for the purchase of Crown representation at Waitangi Tribunal hearings of historical claims.
- $10 million (18% of the Vote) for claimant funding to support the settlement of historical Treaty claims.
- $120,000 (less than 1% of the Vote) for debt write-off of rentals owing from Landbank properties.
- $4 million (7% of the Vote) for depreciation on assets held in a Landbank.
- $10.330 million (18% of the Vote) for the purchase of property by the Ministry of Justice for historical Treaty of Waitangi settlement purposes.

The Ministry of Justice expects to collect $8.130 million of revenue on behalf of the Crown from Landbank property operations.

Details of these appropriations are set out in Parts 2-6 below.

Part 1.2 - High-Level Objectives of the Vote

Government Priorities and Outcomes - Links to Appropriations

Minister's Priorities	Ministry's Outputs	Ministry's Outcomes
Progressing the aspirational goal of settling historical Treaty of Waitangi claims by 2014	Policy Advice - Treaty Negotiations (M74) Property Portfolio Management (M74) Representation - Waitangi Tribunal (M74)	Maintain the civil and democratic rights of New Zealanders

Part 2.1 discusses the link between the Ministry's outputs and outcomes in more detail.

The Ministry of Justice Statement of Intent 2011-2014 discusses the Ministry's outputs and outcomes in more detail.

Part 1.3 - Trends in the Vote

Summary of Financial Activity

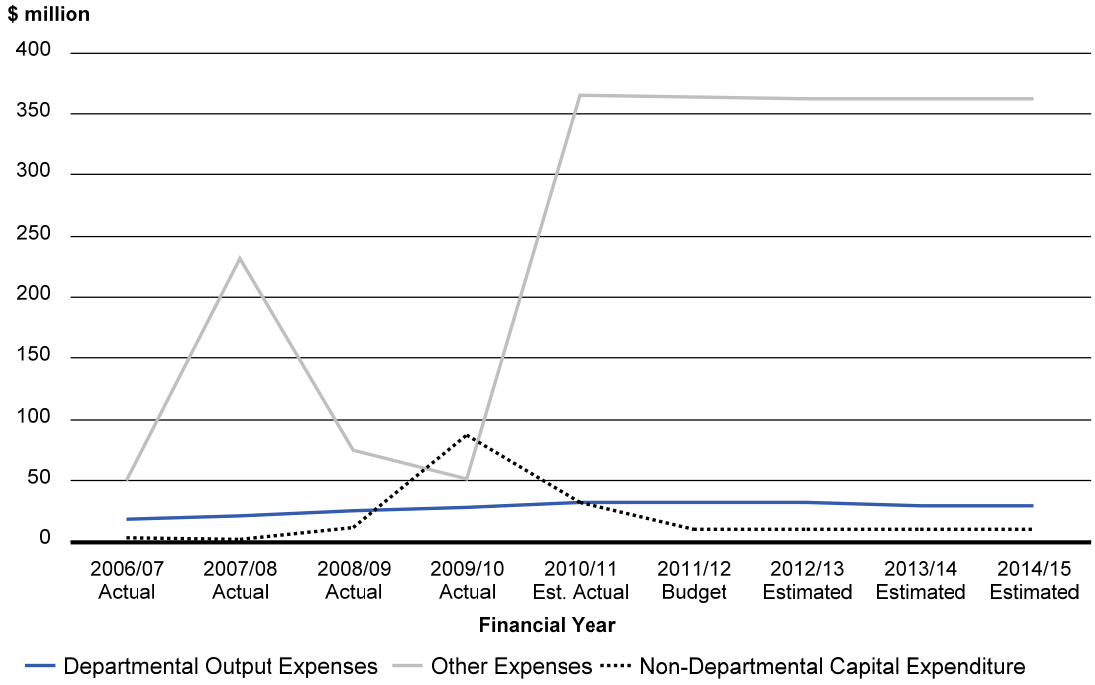
	2006/07	2007/08	2008/09	2009/10	2010/11		2011/12			2012/13	2013/14	2014/15
	Actual $000	Actual $000	Actual $000	Actual $000	Budgeted $000	Estimated Actual $000	Departmental Transactions Budget $000	Non-Departmental Transactions Budget $000	Total Budget $000	Estimated $000	Estimated $000	Estimated $000
Appropriations												
Output Expenses	17,644	20,788	24,642	27,710	31,741	31,741	31,997	-	31,997	31,426	29,616	28,276
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	49,376	231,494	74,252	51,602	365,200	365,200	-	364,120	364,120	362,222	362,222	362,222
Capital Expenditure	2,613	961	11,356	87,348	32,060	32,060	-	10,330	10,330	10,330	10,000	10,000
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	69,633	253,243	110,250	166,660	429,001	429,001	31,997	374,450	406,447	403,978	401,838	400,498
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	6,472	-	6,467	6,710	7,200	7,200	N/A	8,130	8,130	8,130	8,130	7,200
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	14,000	-
Total Crown Revenue and Capital Receipts	6,472	-	6,467	6,710	7,200	7,200	N/A	8,130	8,130	8,130	22,130	7,200

New Policy Initiatives

Policy Initiative	Appropriation	2010/11 Budgeted $000	2011/12 Budget $000	2012/13 Estimated $000	2013/14 Estimated $000	2014/15 Estimated $000
Cost Pressures Associated with Landbank Assets	Property Portfolio Management	-	1,850	1,850	1,840	-
	Non-Departmental Capital Injection	-	330	330	-	-

Analysis of Significant Trends

Figure 1 - Vote trends in actual expenses and capital expenditure by appropriation type



Source: Ministry of Justice

Departmental Output Expense Trends

The trend in this appropriation in 2011/12 and outyears reflects the increased funding approved for resourcing the settlement of historical Treaty claims in order to progress the Government's aspirational goal of completing historical Treaty settlements by 2014.

Other Expense Trends

This appropriation is expected to remain relatively constant over the next four years, as Treaty Settlements are reached.

Non-Departmental Capital Expenditure

The increase in 2009/10 was for the purchase of additional properties for the Landbank. Landbank funding returns to close to historic appropriation levels in 2011/12.

Performance Trends

The Ministry of Justice expects 16 initial deeds of settlement to have been achieved in 2010/11, continuing a trend of increased settlement momentum over previous years. In 2009/10, six deeds of settlement were signed. This trend is expected to continue as progress towards the Government's aspirational goal of completing Treaty settlements by 2014 continues.

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: Maintain the civil and democratic rights of New Zealanders Impact: Durable settlement of historical Treaty of Waitangi claims	Policy Advice - Treaty Negotiations (M74)
	Property Portfolio Management (M74)
	Representation - Waitangi Tribunal (M74)

The Ministry of Justice Statement of Intent 2011-2014 discusses the Ministry's outputs, impacts and outcomes in more detail.

Policy Advice - Treaty Negotiations (M74)

Scope of Appropriation

Advice on generic Treaty issues and specific historical Treaty claims. Negotiation of historical Treaty claims. Where appropriate, the preparation of settlement legislation, property valuation, disclosure and preparation and execution of legal documentation required to enable the transfer of settlement assets to claimants.

Expenses and Revenue

	2010/11		2011/12
	Budgeted $000	Estimated Actual $000	Budget $000
Total Appropriation	22,345	22,345	20,127
Revenue from Crown	22,231	22,231	20,005
Revenue from Other	114	114	122

Reasons for Change in Appropriation

For the three years beginning 2010/11 this appropriation was increased, in order to support the government's aspirational goal of settling all historical claims by 2014. The increase in 2011/12 was a smaller increase than that for 2010/11, hence the reduction in appropriation between 201/0/11 and 2011/12.

Output Performance Measures and Standards

	2010/11		2011/12
Performance Measures	Budgeted Standard	Estimated Actual Standard	Budget Standard
The quality and nature of advice will be agreed with the Minister for Treaty of Waitangi Negotiations	Achieved	Achieved	Achieved
The Minister will be requested to indicate his/her level of satisfaction with the quality of advice and services provided by the Ministry	Satisfactory or better	Satisfactory or better	Good
The Minister will be requested to indicate his/her level of satisfaction with progress towards negotiation milestones in priority regions	Satisfactory or better	Satisfactory or better	Good

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2010/11 Budgeted $000	2011/12 Budget $000	2012/13 Estimated $000	2013/14 Estimated $000	2014/15 Estimated $000
Current Government						
Increased Negotiation and Settlement Activity	2010/11	3,400	1,800	1,300	-	1,300
Historical Treaty of Waitangi Settlements - Tāmaki Makaurau Negotiations	2009/10	-	-	-	(500)	-
Previous Government						
Resourcing the Settlement of Historical Treaty Claims	2009/10	5,628	5,628	5,628	5,628	5,628
Identity Verification Service Levy Adjustment	2009/10	-	-	-	-	-
Waikato River Co-management Implementation	2008/09	500	500	500	500	500
Increased Negotiation Activity	2008/09	1,467	1,467	1,467	1,467	1,467
National Office Accommodation	2007/08	748	748	748	748	748

Property Portfolio Management (M74)

Scope of Appropriation

Management, transfer and disposal of Crown-owned property for Treaty settlement purposes.

Expenses and Revenue

	2010/11		2011/12
	Budgeted $000	Estimated Actual $000	Budget $000
Total Appropriation	7,335	7,335	8,898
Revenue from Crown	7,301	7,301	8,864
Revenue from Other	34	34	34

Reasons for Change in Appropriation

The increase in this appropriation is to meet the cost of maintaining the increased number of properties that are held in the Landbank after additional purchases were made in 2010/11.

Output Performance Measures and Standards

	2010/11		2011/12
Performance Measures	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of property acquisitions, transfers and disposals where all Cabinet policies, legal and Deed of Settlement requirements are complied with	100%	100%	100%
Percentage of property acquisitions where price agreed is based on criteria approved by Ministers and/or specified in a settlement agreement	100%	100%	100%

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2010/11 Budgeted $000	2011/12 Budget $000	2012/13 Estimated $000	2013/14 Estimated $000	2014/15 Estimated $000
Current Government						
Cost Pressures Associated With Landbank Assets	2011/12	-	1,850	1,850	1,840	-
Landbank Purchases	2009/10	72	72	-	-	-
Previous Government						
Taranaki Whānui Land Banking Properties	2008/09	299	-	-	-	-
National Office Accommodation	2007/08	314	314	314	314	314

Representation - Waitangi Tribunal (M74)

Scope of Appropriation

Allows the Crown to undertake research into historical Treaty grievances and ensures the Crown is represented with well prepared documentation and evidence at Waitangi Tribunal hearings.

Expenses and Revenue

	2010/11		2011/12
	Budgeted $000	Estimated Actual $000	Budget $000
Total Appropriation	2,061	2,061	2,972
Revenue from Crown	2,047	2,047	2,958
Revenue from Other	14	14	14

Reasons for Change in Appropriation

In 2010/11, $900,000 was transferred from Representation - Waitangi Tribunal to Policy Advice - Treaty Negotiations, reflecting lower caseloads in the Waitangi Tribunal and to support Government's aspirational goal to settle historical Treaty of Waitangi claims by 2014.

Output Performance Measures and Standards

	2010/11		2011/12
Performance Measures	Budgeted Standard	Estimated Actual Standard	Budget Standard
Participate in district and urgent enquiries of the Waitangi Tribunal	100%	100%	100%
Participation satisfies Waitangi Tribunal timeframes	100%	100%	100%
Evidence is peer reviewed and meets agreed standards	100%	100%	100%

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2010/11 Budgeted $000	2011/12 Budget $000	2012/13 Estimated $000	2013/14 Estimated $000	2014/15 Estimated $000
Previous Government						
National Office Accommodation	2007/08	165	165	165	165	165

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Objective: To meet Crown liabilities and manage Crown assets efficiently	Debt Write-offs (M74) Depreciation (M74)
Outcome: Durable Settlement of Treaty Claims	Claimant Funding (M74) Historical Treaty of Waitangi Settlements (M74)

Claimant Funding (M74)

Scope of Appropriation

This appropriation is limited to payment of claimant funding related to the settlement of historical Treaty of Waitangi claims.

Expenses

	2010/11		2011/12
	Budgeted $000	Estimated Actual $000	Budget $000
Total Appropriation	10,000	10,000	10,000

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2010/11 Budgeted $000	2011/12 Budget $000	2012/13 Estimated $000	2013/14 Estimated $000	2014/15 Estimated $000
Current Government						
Establishing Separate Appropriation for Claimant Funding	2010/11	10,000	10,000	5,700	5,700	5,700

Debt Write-offs (M74)

Scope of Appropriation

Write-off of Bad Debts from Landbank rental properties.

Expenses

	2010/11		2011/12
	Budgeted $000	Estimated Actual $000	Budget $000
Total Appropriation	200	200	120

Depreciation (M74)

Scope of Appropriation

Depreciation on assets held in the Office of Treaty Settlements Landbank for Treaty settlements.

Expenses

	2010/11		2011/12
	Budgeted $000	Estimated Actual $000	Budget $000
Total Appropriation	4,000	4,000	4,000

Historical Treaty of Waitangi Settlements 2010-2014 (M74)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	$000
Non-Departmental Other Expenses	
Historical Treaty of Waitangi Settlements 2010-2014 (M74) This appropriation is limited to the settlement of historical Treaty of Waitangi claims, including redress through the transfer of assets (cash and property) from the Crown to the claimant groups, and any simple interest payable on settlements between the date specified in the Deed of Settlement and the Settlement Date. Commences: 30 June 2010 Expires: 30 June 2014	1,400,000
Historical Treaty of Waitangi Settlements 2011-2015 (M74) This appropriation is limited to the settlement of historical Treaty of Waitangi claims, including redress through the transfer of assets (cash and property) from the Crown to the claimant groups, and any simple interest payable on settlements between the date specified in the Deed of Settlement and the Settlement Date. Commences: 30 June 2011 Expires: 30 June 2015	1,400,000

Reasons for Change in Appropriation

A multi-year appropriation for historical Treaty of Waitangi settlements is established each year in the Supplementary Estimates Act, and the balance of the previous multi-year appropriation is cancelled. The amount of the current multi-year appropriation is $1,400 million over five years. The reason for the change is to ensure there is sufficient legal authority to finalise agreements in principle negotiated in earlier years and to continue the momentum in settling Treaty of Waitangi settlements.

Reporting Mechanisms

Appropriation	Reporting Mechanism
Claimant Funding (M74)	Annual Report of the Ministry of Justice
Debt Write-offs (M74)	Annual Report of the Ministry of Justice
Depreciation (M74)	Annual Report of the Ministry of Justice
Historical Treaty of Waitangi Settlements 2010 - 2014 (M74)	Annual Report of the Ministry of Justice

The above table indicates the mechanisms to be used for reporting actual performance for each non-departmental other expenses appropriation.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.2 - Non-Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Objective: To meet Crown liabilities and manage Crown assets efficiently	Land, Stock, Plant Purchases (M74)

Land, Stock, Plant Purchases (M74)

Scope of Appropriation

The purchase of surplus Crown property is held in the Office of Treaty Settlements Landbank to protect it for possible use in future Treaty of Waitangi settlements.

Capital Expenditure

	2010/11		2011/12
	Budgeted $000	Estimated Actual $000	Budget $000
Total Appropriation	32,060	32,060	10,330

Reasons for Change in Appropriation

Several opportunities to purchase additional properties were taken in 2009/10 and 2010/11. For the 2011/12 year the appropriation returns to similar levels as in the past.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2010/11 Budgeted $000	2011/12 Budget $000	2012/13 Estimated $000	2013/14 Estimated $000	2014/15 Estimated $000
Current Government						
Capital Transfer	2009/10	6,260	-	-	-	-

Reporting Mechanisms

Appropriation	Reporting Mechanism
Land, Stock, Plant Purchases (M74)	Annual Report of the Ministry of Justice

The above table indicates the mechanisms to be used for reporting actual results for each non-departmental capital expenditure appropriation.