

Information Supporting the Supplementary Estimates

Vote Conservation

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Conservation (M16), Minister for Treaty of Waitangi Negotiations (M74)

ADMINISTERING DEPARTMENT: Department of Conservation

MINISTER RESPONSIBLE FOR DEPARTMENT OF CONSERVATION: Minister of Conservation

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2012/13				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	368,148	12,695	(16,086)	(3,391)	364,757
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	14,379	368	1,061	1,429	15,808
Capital Expenditure	62,427	-	3,147	3,147	65,574
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	444,954	13,063	(11,878)	1,185	446,139
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	17,411	N/A	150	150	17,561
Capital Receipts	2,800	N/A	3,800	3,800	6,600
Total Crown Revenue and Capital Receipts	20,211	N/A	3,950	3,950	24,161

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Conservation with the Community (M16)

Scope of Appropriation

This appropriation is limited to educational and public awareness services, and facilitation of community involvement and community-led conservation activities.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	15,116	6,638	21,754
Revenue from Crown	14,010	6,638	20,648
Revenue from Other	1,106	-	1,106

Reasons for Change in Appropriation

The increase in this appropriation of \$6.638 million from \$15.116 million to \$21.754 million is due:

- Crown concessions revenue over-achievement from 2011/12 of \$1.698 million (increase)
- \$926,000 expense transfer from 2012/13 to 2013/14 (decrease) partially offset by an expense transfer of \$260,000 from 2011/12 to 2012/13 (increase) due to delays in various projects
- fiscally neutral reallocation of output costs from other output classes of \$4.500 million (increase), and
- Treaty settlement implementation costs of \$1.106 million (increase).

Crown Contribution to Regional Pest Management Strategies (M16)

Scope of Appropriation

This appropriation is limited to controlling weed and animal pests on lands administered by the Department of Conservation to meet negotiated outcomes of regional pest management strategies.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,073	400	3,473
Revenue from Crown	3,073	300	3,373
Revenue from Other	-	100	100

Reasons for Change in Appropriation

The increase in this appropriation of \$400,000 from \$3,073 million to \$3,473 million is due to:

- \$100,000 for expenses transfers (increase) from 2011/12 to 2012/13
- fiscally neutral allocation of output costs from other output classes of \$200,000 (increase), and
- \$100,000 for third party revenue (increase).

Management of Historic Heritage (M16)*Scope of Appropriation*

This appropriation is limited to the protection and conservation management of historic heritage.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	5,955	88	6,043
Revenue from Crown	5,535	88	5,623
Revenue from Other	420	-	420

Reasons for Change in Appropriation

The increase in this appropriation of \$88,000 from \$5.955 million to \$6.043 million is due to:

- \$254,000 expense transfer from 2011/12 to 2012/13 (increase), and
- \$166,000 expense transfer from 2012/13 to 2013/14 (decrease).

Management of Natural Heritage (M16)*Scope of Appropriation*

This appropriation is limited to maintaining, restoring and protecting ecosystems, habitats and species.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	156,339	5,930	162,269
Revenue from Crown	145,705	(1,346)	144,359
Revenue from Other	10,634	7,276	17,910

Reasons for Change in Appropriation

The increase in this appropriation of \$5.930 million from \$156.539 million to \$162.269 million is due to:

- expense transfer of \$8.058 million (decrease) from 2012/13 to 2013/14 due to delay of a number of key longer term projects
- an expense transfer of \$7.303 million (increase) from 2011/12 to 2012/13
- fiscally neutral reallocation of output costs to other output classes of \$1.700 million (decrease)
- conservation service plan adjustment of \$414,000 (increase)
- additional \$7.276 million of third party revenue (increase)
- capital charge adjustment from assets recognised in 2011/12 of \$23,000 (increase), and
- reprioritisation of \$672,000 biodiversity capital to operating expenses (increase).

Management of Recreational Opportunities (M16)

Scope of Appropriation

This appropriation is limited to recreational facilities and services, and the management of business concessions.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	145,731	2,684	148,415
Revenue from Crown	122,017	2,684	124,701
Revenue from Other	21,714	-	21,714

Reasons for Change in Appropriation

The increase in this appropriation of \$2.684 million from \$145.731 million to \$148.415 million is due to:

- \$2.815 million expense transfer from 2011/12 to 2012/13 (increase), and
- \$175,000 expense transfer from 2012/13 to 2013/14 (decrease).

Policy Advice, Statutory Planning, and Services to Ministers and Statutory Bodies MCOA (M16)

Scope of Appropriation

Policy Advice

This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to conservation.

Statutory Planning, Services to Ministers and Statutory Bodies

This output class is limited to statutory planning and the provision of services to Ministers (other than policy decision making responsibilities) and statutory bodies to enable them to discharge their portfolio and responsibilities.

Explanation for Use of Multi-Class Output Expense Appropriation

The output classes have been grouped under the one Departmental MCOA for policy advice as they share a focus relating to policy and the provision of other services to Ministers and other parties. The output classes contribute to the outcome that New Zealanders gain environmental, social and economic benefits from healthy functioning ecosystems, from recreation opportunities, and from living our history.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,073	(3,045)	6,028
Policy Advice	5,073	(3,045)	2,028
Statutory Planning, Services to Ministers and Statutory Bodies	4,000	-	4,000
Revenue from Crown	8,601	(3,145)	5,456
Policy Advice	5,073	(3,145)	1,928
Statutory Planning, Services to Ministers and Statutory Bodies	3,528	-	3,528
Revenue from Other	472	100	572
Policy Advice	-	100	100
Statutory Planning, Services to Ministers and Statutory Bodies	472	-	472

Reasons for Change in Appropriation

The decrease in this appropriation of \$3.045 million from \$9.073 million to \$6.028 million is due to:

- an expense transfer of \$175,000 (decrease) from 2012/13 to 2013/14 partially offset by an expense transfer of \$30,000 (increase) from 2011/12 to 2012/13, due to delays in various projects
- fiscally neutral reallocation of output costs to other output classes of \$3 million (decrease), and
- \$100,000 for third party revenue (increase).

Part 2.2 - Non-Departmental Output Expenses

Identification and Implementation of Protection for Natural and Historic Places MCOA (M16)

Scope of Appropriation

Legal Protection Queen Elizabeth II

This output class is limited to identification and implementation of protection of biodiversity on private land.

Nature Heritage Fund

This output class is limited to the identification and implementation of protection of indigenous ecosystems on private land.

Ngā Whenua Rāhui

This output class is limited to the identification and implementation of protection of indigenous ecosystems on Māori land.

South Island Landless Natives Act

This output class is limited to the identification and implementation of protection of indigenous ecosystems in Māori ownership on South Island Landless Natives Act (SILNA) land.

Explanation for Use of Multi-Class Output Expense Appropriation

The output classes have been grouped under the one Non-Departmental MCOA as they share a focus relating to the identification and implementation of protection for natural and historic places.

Expenses

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	19,765	(8,773)	10,992
Legal Protection Queen Elizabeth II	2,412	-	2,412
Natural Heritage Fund	2,532	716	3,248
Ngā Whenua Rāhui	5,757	(425)	5,332
South Island Landless Natives Act	9,064	(9064)	-

Reasons for Change in Appropriation

The decrease in this appropriation of \$8.773 million from \$19.765 million to \$10.992 million is due to an expense transfer of \$11.878 million from 2012/13 to 2013/14 (decrease) partially offset by the expense transfer of \$3.105 million from 2011/12 to 2012/13 (increase), due to the commitment of funds to other financial periods.

NZ Biodiversity Funds (M16)

Scope of Appropriation

This appropriation is limited to the payment of grants: to provide private land managers with information and advice, or assistance with costs of pest and weed control, fencing and other biodiversity management actions; and to support community biodiversity restoration initiatives.

Reasons for Change in Appropriation

The decrease in this appropriation of \$6.868 million from \$10.516 million to \$3.648 million is due to an expense transfer of \$7.203 million from 2012/13 to 2013/14 (decrease) partially offset by an expense transfer of \$335,000 from 2011/12 to 2012/13 (increase).

Stewart Island Infrastructure (M16)

Scope of Appropriation

This appropriation is limited to assistance to the Southland District Council for additional community infrastructure arising from increased visitor numbers on Stewart Island.

Reasons for Change in Appropriation

The decrease in this appropriation of \$445,000 from \$585,000 to \$140,000 is due to an expense transfer from 2012/13 to 2013/14, reflecting the delays in progressing this work.

Part 5 - Details and Expected Results for Other Expenses

Part 5.1 - Departmental Other Expenses

Recovery from February 2011 Christchurch Earthquake (M16)

Scope of Appropriation

This appropriation is limited to writing off, or making good damage to, departmental assets and re-establishing departmental operations in Christchurch following the 22 February 2011 earthquake.

Expenses

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	368	368

Reasons for Change in Appropriation

The increase of \$368,000 in this appropriation is due to an expense transfer from 2011/12 to 2012/13. The magnitude of repairs required and the time needed to assess and undertake repairs has delayed work on repairing assets and re-establishing operations.

Part 5.2 - Non-Departmental Other Expenses

Impairment of Public Conservation Land (M74)

Scope of Appropriation

This appropriation is limited to the impairment in value of Public Conservation land to be transferred to iwi as part of Treaty of Waitangi Settlements.

Reasons for Change in Appropriation

The increase of \$1.004 million from \$9.561 million to \$10.565 million is due to:

- \$954,000 expenses transfers from 2011/12 to 2012/13 (increase), and
- fiscally neutral allocation of \$50,000 from the Loss on Disposal appropriation to allow for minor impairments (increase).

Loss on Disposal of Crown Property, Plant and Equipment (M16)

Scope of Appropriation

This appropriation is limited to losses incurred on the disposal of Crown property, plant and equipment.

Reasons for Change in Appropriation

The decrease in this appropriation of \$50,000 from \$650,000 to \$600,000 is due to fiscally neutral transfer of \$50,000 to the Impairment of Public Conservation Land appropriation to allow for minor impairments.

Mātauranga Māori Fund (M16)

Scope of Appropriation

This appropriation is limited to making grants to support initiatives to protect traditional Māori knowledge relating to NZ's indigenous biodiversity.

Reasons for Change in Appropriation

The increase in this appropriation of \$27,000 from \$939,000 to \$966,000 is due to:

- expense transfer of \$313,000 from 2011/12 to 2012/13 (increase), and
- expense transfer of \$286,000 from 2012/13 to 2013/14 (decrease)

Redress Payments for Marine and Coastal Areas (M16)

Scope of Appropriation

This appropriation is limited to redress payments to local authorities for marine and coastal areas.

Expenses

	2012/13		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	-	80	80

Reasons for Change in Appropriation

The increase of \$80,000 in this appropriation is due to expense transfer of \$310,000 from 2011/12 to 2012/13 (increase), partly offset of by an expense transfer of \$230,000 from 2012/13 to 2013/14 (decrease), reflecting the uncertainty over the timing of redress payments.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.2 - Non-Departmental Capital Expenditure

Crown Land Acquisitions (M16)

Scope of Appropriation

This appropriation is limited to the purchase of property for the Conservation Estate.

Reasons for Change in Appropriation

The increase of \$3.950 million from \$1.561 million to \$5.511 million in this appropriation is due to the following:

- fiscally neutral adjustment of \$300,000 for minor land swaps with neighbours as a result of boundary changes (increase)
- fiscally neutral adjustment of \$150,000 to recognise the contributions received from a third party towards a land purchase (increase), and
- an increase of \$3.500 million to account for a land exchange.

Purchase and Development of Reserves (M16)

Scope of Appropriation

This appropriation is limited to the purchase of conservation land, including the purchase of reserves, and any associated administration costs as provided for under the Reserves Act 1977.

Reasons for Change in Appropriation

The decrease of \$803,000 from \$1.800 million to \$997,000 in this appropriation is due to:

- the remaining Reserve Trust balance brought forward from 2011/12 to 2012/13 of \$1.197 million (increase), and
- \$2 million expenses transfers (decrease) from 2012/13 to 2013/14