

Vote Treaty Negotiations

APPROPRIATION MINISTER(S): Minister for Treaty of Waitangi Negotiations (M74)

APPROPRIATION ADMINISTRATOR: Ministry of Justice

RESPONSIBLE MINISTER FOR MINISTRY OF JUSTICE: Minister of Justice

Supplementary Estimates of Appropriations

Details of Appropriations

Annual and Permanent Appropriations

	2013/14		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Departmental Output Expenses			
Property Portfolio Management (M74) Management, transfer and disposal of Crown-owned property for Treaty settlement purposes.	9,527	874	10,401
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCOA (M74)	35,127	1,447	36,574
<i>Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act</i> This output class is limited to the provision of advice to support decision-making by Ministers on government policy matters relating to Treaty Negotiations and the Marine and Coastal Area (Takutai Moana) Act 2011.	651	950	1,601
<i>Representation - Waitangi Tribunal and Courts</i> This output class is limited to Crown representation in the Waitangi Tribunal and in the Courts on matters concerning Treaty claims, and associated research into historical Treaty grievances to support representation.	2,073	(677)	1,396
<i>Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act</i> This output class is limited to the negotiation and implementation of historical Treaty claims, and the administration and implementation of the Marine and Coastal Area (Takutai Moana) Act 2011.	32,403	1,174	33,577
Total Departmental Output Expenses	44,654	2,321	46,975
Non-Departmental Other Expenses			
Agreed Payments for Foreshore and Seabed Deeds of Agreement (M74) This appropriation is limited to agreed payments associated with implementing foreshore and seabed Deeds of Agreement.	1,700	(1,700)	-
Claimant Funding (M74) This appropriation is limited to payment of claimant funding related to the settlement of historical Treaty of Waitangi claims.	8,102	4,921	13,023
Contribution toward Determining Customary Interests in the Marine and Coastal Area (M74) This appropriation is limited to providing financial assistance for the investigation of applicant groups' customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011.	4,450	(3,707)	743
Contribution towards Northland Waitangi Tribunal hearings (M74) This appropriation is limited to providing financial support to enable claimant participation in the Northland Waitangi Tribunal process.	-	635	635
Debt Write-offs (M74) Write-off of Bad Debts from Landbank rental properties.	120	-	120
Depreciation (M74) Depreciation on assets held in the Office of Treaty Settlements Landbank for Treaty settlements.	3,600	-	3,600
Loss on Disposal or Write-off of Landbank Assets (M74) This appropriation is limited to losses incurred on the disposal or write off of Landbank assets.	-	1,000	1,000
Total Non-Departmental Other Expenses	17,972	1,149	19,121

Titles and Scopes of Appropriations by Appropriation Type	2013/14		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Non-Departmental Capital Expenditure			
Land, Stock, Plant Purchases (M74) 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.	10,000	2,655	12,655
Purchase of Assets for Possible Use in Future Treaty of Waitangi Settlements (M74) This appropriation is limited to the purchase of assets for possible use in future Treaty of Waitangi settlements.	-	22,000	22,000
Total Non-Departmental Capital Expenditure	10,000	24,655	34,655
Total Annual and Permanent Appropriations	72,626	28,125	100,751

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
Historical Treaty of Waitangi Settlements 2013 - 2017 (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 2013 Expires: 30 June 2017	Original Appropriation Estimated Actual for 2013/14	1,400,000 542,563
Historical Treaty of Waitangi Settlements 2014 - 2018 (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 2014 Expires: 30 June 2018	Original Appropriation Estimated Actual for 2013/14	1,400,000 -

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2013/14				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	44,654	2,321	-	2,321	46,975
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	367,972	-	1,149	1,149	369,121
Capital Expenditure	10,000	-	24,655	24,655	34,655
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	422,626	2,321	25,804	28,125	450,751
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	15,948	N/A	(1,000)	(1,000)	14,948
Capital Receipts	14,000	N/A	(14,000)	(14,000)	-
Total Crown Revenue and Capital Receipts	29,948	N/A	(15,000)	(15,000)	14,948

Mapping the Layout of the 2013/14 Supplementary Estimates to the Layout of the 2013/14 Estimates

Supplementary Estimates Structure 2013/14		Estimates Structure 2013/14	
Part #	Part Name	Part #	Part Name
2.1	Departmental Output Expenses	2.1	Departmental Output Expenses
2.2	Departmental Other Expenses	5.1	Departmental Other Expenses
2.3	Departmental Capital Expenditure and Capital Injections	6.1	Departmental Capital Expenditure
3.1	Non-Departmental Output Expenses	2.2	Non-Departmental Output Expenses
3.2	Non-Departmental Benefits and Other Unrequited Expenses	3.2	Non-Departmental Benefits and Other Unrequited Expenses
3.3	Non-Departmental Borrowing Expenses	4.2	Non-Departmental Borrowing Expenses
3.4	Non-Departmental Other Expenses	5.2	Non-Departmental Other Expenses
3.5	Non-Departmental Capital Expenditure	6.2	Non-Departmental Capital Expenditure
4	Multi-Category Expenses and Capital Expenditure	N/A	Did not exist in the Estimates

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Property Portfolio Management (M74)

Scope of Appropriation

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

Expenses and Revenue

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,527	874	10,401
Revenue from the Crown	9,501	869	10,370
Revenue from Others	26	5	31

Reasons for Change in Appropriation

The appropriation has increased by \$874,000 to \$10.401 million, due to:

- an increase of \$2.208 million from revenue received from harvesting the Pukeora Forest to fund the demolition of derelict Landbank buildings
- a transfer of \$2 million from the non-departmental capital expenditure for Land, Stock, Plant Purchases to fund the demolition of derelict Landbank buildings
- a transfer of \$438,000 from other appropriations administered by the Ministry of Justice to address cost pressures and priorities identified in the Justice Sector Four-year Plan in the 2013/14 financial year, and
- an increase of \$5,000 from revenue received from the Crown Law sub-lease agreement.

Offset by:

- a transfer of \$3.458 million to 2014/15 to fund the delayed harvesting of the Pukeora Forest, and
- a transfer of efficiency savings of \$319,000 to 2014/15.

Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCOA (M74)

Scope of Appropriation

Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act

This output class is limited to the provision of advice to support decision-making by Ministers on government policy matters relating to Treaty Negotiations and the Marine and Coastal Area (Takutai Moana) Act 2011.

Representation - Waitangi Tribunal and Courts

This output class is limited to Crown representation in the Waitangi Tribunal and in the Courts on matters concerning Treaty claims, and associated research into historical Treaty grievances to support representation.

Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act

This output class is limited to the negotiation and implementation of historical Treaty claims, and the administration and implementation of the Marine and Coastal Area (Takutai Moana) Act 2011.

Explanation for Use of Multi-Class Output Expense Appropriation

The output classes relate to the provision of policy advice and related outputs such as negotiation and implementation of Treaty settlements, implementation of the Marine and Coastal Area (Takutai Moana) Act 2011 and representation in tribunals and courts on these matters within Vote Treaty Negotiations.

Expenses and Revenue

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	35,127	1,447	36,574
Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	651	950	1,601
Representation - Waitangi Tribunal and Courts	2,073	(677)	1,396
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	32,403	1,174	33,577
Revenue from the Crown	35,041	1,217	36,258
Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	646	944	1,590
Representation - Waitangi Tribunal and Courts	2,071	(677)	1,394
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	32,324	950	33,274
Revenue from Others	86	230	316
Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	5	6	11
Representation - Waitangi Tribunal and Courts	2	-	2
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	79	224	303

*Reasons for Change in Appropriation***Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act**

The appropriation has increased by \$950,000 to \$1.601 million, due to:

- a transfer of \$700,000 within the multi-class output appropriation from Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act to align funding with anticipated work programme activity
- a transfer of \$293,000 from other appropriations administered by the Ministry of Justice to address cost pressures and priorities identified in the Justice Sector Four-year Plan in the 2013/14 financial year, and
- an increase of \$6,000 from revenue received from the Crown Law sub-lease agreement.

Offset by a transfer of efficiency savings of \$49,000 to 2014/15.

Representation - Waitangi Tribunal and Courts

The appropriation has decreased by \$677,000 to \$1.396 million, due to:

- a transfer of \$634,000 to other appropriations administered by the Ministry of Justice to address cost pressures and priorities identified in the Justice Sector Four-year Plan in the 2013/14 financial year
- a transfer of \$104,000 within the multi-class output appropriation to Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act to align funding with anticipated work programme activity, and
- a transfer of efficiency savings of \$43,000 to 2014/15.

Offset by a transfer of \$104,000 from 2012/13 to fund remaining inquiries in the Waitangi Tribunal's Historical District Inquiry programme.

Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act

The appropriation has increased by \$1.174 million to \$33.577 million, due to:

- a transfer of \$2.487 million from other appropriations administered by the Ministry of Justice to address cost pressures and priorities identified in the Justice Sector Four-year Plan in the 2013/14 financial year
- a transfer of \$480,000 from 2012/13 to fund survey costs for the Te Hiku and Waikato settlements
- an increase of \$132,000 from revenue received for employees seconded to other government departments
- a transfer of \$104,000 within the multi-class output appropriation from Representation - Waitangi Tribunal and Courts to align funding with anticipated work programme activity
- an increase of \$92,000 from revenue received from the Crown Law sub-lease agreement, and
- an increase of \$9,000 due to baselines being adjusted for revaluation changes as stated in the capital charge rules.

Offset by:

- a transfer of efficiency savings of \$1.030 million to 2014/15
- a transfer of \$700,000 within the multi-class output appropriation to Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act to align funding with anticipated work programme activity, and
- a transfer of \$400,000 to 2014/15 to fund delayed arbitration costs relating to the relativity mechanism dispute resolution.

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Agreed Payments for Foreshore and Seabed Deeds of Agreement (M74)

Scope of Appropriation

This appropriation is limited to agreed payments associated with implementing foreshore and seabed Deeds of Agreement.

Expenses

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,700	(1,700)	-

Reasons for Change in Appropriation

The appropriation has decreased by \$1.700 million to nil, due to the delayed enactment of legislation for the Ngāti Porou Deed of Settlement. This funding has been transferred to 2014/15.

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

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	8,102	4,921	13,023

Reasons for Change in Appropriation

The appropriation has increased by \$4.921 million to \$13.023 million, due to a transfer of \$5.106 million from 2012/13 for processing expected levels of funding applications. This is offset by a transfer of \$185,000 to address cost pressures within the non-departmental other expense appropriation Contribution towards Northland Waitangi Tribunal hearings.

Contribution toward Determining Customary Interests in the Marine and Coastal Area (M74)

Scope of Appropriation

This appropriation is limited to providing financial assistance for the investigation of applicant groups' customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011.

Expenses

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,450	(3,707)	743

Reasons for Change in Appropriation

The appropriation has decreased by \$3.707 million to \$743,000, due to a transfer of \$4.500 million to 2015/16 to align funding with anticipated claimant funding requirements. This is offset by a transfer of \$793,000 from 2012/13 to 2013/14 to address delays in the funding of applications under the Marine and Coastal Area (Takutai Moana) Act.

Contribution towards Northland Waitangi Tribunal Hearings (M74)

Scope of Appropriation

This appropriation is limited to providing financial support to enable claimant participation in the Northland Waitangi Tribunal process.

Expenses

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	635	635

Reasons for Change in Appropriation

This appropriation has increased by \$635,000 to fund costs associated with the Northland Waitangi Tribunal process. Funding was provided by:

- an increase of \$450,000 for the Waitangi Tribunal's Northland Inquiry (Stage 2) hearings, and
- a transfer of \$185,000 from the non-departmental other expense appropriation Claimant Funding.

Historical Treaty of Waitangi Settlements 2013 - 2017 (M74)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Historical Treaty of Waitangi Settlements 2013 - 2017 (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 2013 Expires: 30 June 2017	Original Appropriation	1,400,000
	Estimated Actual for 2013/14	542,563

Note that the Estimated Actual for 2013/14 includes actual and projected settlements from 1 July 2013 to 30 June 2014, based on the Office of Treaty Settlements work programme.

Historical Treaty of Waitangi Settlements 2014 - 2018 (M74)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Historical Treaty of Waitangi Settlements 2014 - 2018 (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 2014 Expires: 30 June 2018	Original Appropriation	1,400,000
	Estimated Actual for 2013/14	-

Reasons for Change in Appropriation

A multi-year appropriation for historical Treaty of Waitangi settlements is established each year in the Appropriation (Supplementary Estimates) Act, and the previous multi-year appropriation is revoked. The reason for this change is to ensure there is sufficient legal authority to finalise agreements in principle negotiated in earlier years and to continue the momentum of settling Treaty of Waitangi claims.

Loss on Disposal or Write-off of Landbank Assets (M74)*Scope of Appropriation*

This appropriation is limited to losses incurred on the disposal or write off of Landbank assets.

Expenses

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,000	1,000

Reasons for Change in Appropriation

This is a new appropriation established to cover losses incurred on disposal or write-off of Landbank assets.

Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision	This appropriation is to cover losses incurred on disposal or write-off of Landbank assets.

3.5 - Non-Departmental Capital Expenditure

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

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	10,000	2,655	12,655

Reasons for Change in Appropriation

The appropriation has increased by \$2.655 million to \$12.655 million. This is due to:

- a transfer of \$26.655 million from 2012/13 due to anticipated delays in the acquisition of protection mechanism assets.

Offset by:

- a transfer of \$2 million to the departmental output expense appropriation Property Portfolio Management to fund the demolition of derelict Landbank buildings, and
- a transfer of \$22 million to the new non-departmental capital expenditure appropriation Purchase of Assets for Possible Use in Future Treaty of Waitangi Settlements.

Purchase of Assets for Possible Use in Future Treaty of Waitangi Settlements (M74)

Scope of Appropriation

This appropriation is limited to the purchase of assets for possible use in future Treaty of Waitangi settlements.

Capital Expenditure

	2013/14		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	22,000	22,000

Reasons for Change in Appropriation

This is a new appropriation which replaces the previous non-departmental capital expenditure appropriation Land, Stock, Plant Purchases. The remaining funding of \$22 million has been transferred from Land, Stock, Plant Purchases to this appropriation.