

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

Details of Appropriations and Capital Injections

Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2016/17		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Property Portfolio Management (M74) Management, transfer and disposal of Crown-owned property for Treaty settlement purposes.	300	(300)	-
Total Departmental Output Expenses	300	(300)	-
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.	-	15,530	15,530
Claimant Funding (M74) This appropriation is limited to payment of claimant funding related to the settlement of historical Treaty of Waitangi claims.	13,602	(2,803)	10,799
Contribution to Parihaka community engagement with the Crown support package (M74) This appropriation is limited to providing financial support to the Parihaka community to engage in the development and implementation of the Crown support package.	300	150	450
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.	14,400	(12,705)	1,695
Crown Interest in Hauraki Crown Forest Licensed Land (M74) This appropriation is limited to expenses arising from the Crown's participation in holding unsettled iwi's interests in the Hauraki Collective Crown Forest Licensed Land.	-	2,088	2,088
Crown Interest in the Kaweka Gwavas Forestry Company Limited (M74) This appropriation is limited to expenses incurred in the Crown's participation in holding unsettled iwi's interests in the Kaweka and Gwavas Crown Forest Licensed Land.	-	1,410	1,410
Total Non-Departmental Other Expenses	28,302	3,670	31,972
Multi-Category Expenses and Capital Expenditure			
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCA (M74) The overarching purpose of this appropriation is to support the Crown in the negotiation, administration and implementation of historic Treaty of Waitangi settlement claims and the Marine and Coastal Area (Takutai Moana) Act 2011.	28,901	6,779	35,680
<i>Departmental Output Expenses</i>			
<i>Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act</i> This category 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.	1,360	(21)	1,339
<i>Representation - Waitangi Tribunal and Courts</i> This category 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	(28)	2,045
<i>Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act</i> This category 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.	25,468	6,828	32,296
Total Multi-Category Expenses and Capital Expenditure	28,901	6,779	35,680
Total Annual and Permanent Appropriations	57,503	10,149	67,652

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
Historical Treaty of Waitangi Settlements 2016 - 2020 (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 2016 Expires: 30 June 2020	Original Appropriation	1,400,000
	Estimated Actual for 2016/17	379,146
Historical Treaty of Waitangi Settlements 2017 - 2021 (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 2017 Expires: 30 June 2021	Original Appropriation	1,400,000
	Estimated Actual for 2016/17	-

Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts

	2016/17		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual and Permanent Appropriations	57,503	10,149	67,652
Total MYA Non-Departmental Other Expenses Forecasts	350,000	-	350,000
Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts	407,503	10,149	417,652

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2016/17				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	300	(300)	-	(300)	-
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	378,302	-	3,670	3,670	381,972
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	28,901	6,779	-	6,779	35,680
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	407,503	6,479	3,670	10,149	417,652
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	5,392	N/A	(4,374)	(4,374)	1,018
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	5,392	N/A	(4,374)	(4,374)	1,018

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

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	300	(300)	-

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2016/17		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of strategic future Treaty settlement assets acquired in compliance with Cabinet policy	100%	Expired measure	Expired measure
Percentage of Treaty settlement assets disposed on time and in accordance with Cabinet approvals and Treaty settlement legislation	100%	Expired measure	Expired measure

Reasons for Change in Appropriation

The appropriation has decreased by \$300,000 for 2016/17, due to the transfer of Landbank management functions to Land Information New Zealand (LINZ).

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

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	15,530	15,530

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the settlement of Deeds of Agreement signed under the Foreshore and Seabed Act 2004, before it was repealed.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for Deeds of Agreement payments. Performance information relating to what is intended to be achieved with this expenditure is provided under the Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act multi-category appropriation, specifically the Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act category.

Reasons for Change in Appropriation

The appropriation has increased by \$15.530 million for 2016/17, due to an expense transfer from 2015/16 for the expected final resolution and signing of the deed to amend with Ngāti Porou.

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

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	13,602	(2,803)	10,799

Reasons for Change in Appropriation

The appropriation has decreased by \$2.803 million to \$10.799 million for 2016/17, due to a \$4.300 million transfer to the Multi-Category Appropriation Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act, to fund priority negotiations with certain groups in Tai Tokerau / Northland, Bay of Plenty, Waikato, Manawatu-Whanganui and Taranaki. This was partially offset by a \$1.497 million transfer from 2015/16 to align funding with expected levels of claimant applications.

Contribution to Parihaka community engagement with the Crown support package (M74)

Scope of Appropriation

This appropriation is limited to providing financial support to the Parihaka community to engage in the development and implementation of the Crown support package.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	300	150	450

Reasons for Change in Appropriation

The appropriation has increased by \$150,000 to \$450,000 for 2016/17 due to a transfer from 2015/16 to fund demands for contributions which are forecasted to occur in 2016/17.

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

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	14,400	(12,705)	1,695

Reasons for Change in Appropriation

The appropriation has decreased by \$12.705 million to \$1.695 million for 2016/17, due to:

- a transfer of \$9 million to Vote Finance relating to the claims of an Ahu Whenua Trust, and
- a transfer of \$5 million to Vote Māori Development to fund development projects of the Parihaka community.

Offset by:

- a transfer of \$1.295 million from 2015/16 to fund expected applications under the Marine and Coastal Area (Takutai Moana) Act 2011.

Crown Interest in Hauraki Crown Forest Licensed Land (M74)

Scope of Appropriation

This appropriation is limited to expenses arising from the Crown's participation in holding unsettled iwi's interests in the Hauraki Collective Crown Forest Licensed Land.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	2,088	2,088

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the purchase of a Crown share in the Crown Forest Licensed Land for historical Treaty of Waitangi settlements.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the PFA, as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Reasons for Change in Appropriation

This is a new appropriation in 2016/17 for expenses arising from the Crown's participation in holding unsettled iwi's interests in the Hauraki Collective Crown forest licensed land.

Crown Interest in the Kaweka Gwavas Forestry Company Limited (M74)*Scope of Appropriation*

This appropriation is limited to expenses incurred in the Crown's participation in holding unsettled iwi's interests in the Kaweka and Gwavas Crown Forest Licensed Land.

Expenses

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,410	1,410

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve changes to allow the Crown to hold shares in Kaweka Gwavas Forestry Company Limited for historical Treaty of Waitangi settlements.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the PFA, as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Reasons for Change in Appropriation

This is a new appropriation set up for the Crown's shareholding in Kaweka Gwavas Forestry Company Limited.

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

Multi-Category Expenses and Capital Expenditure

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

Overarching Purpose Statement

The overarching purpose of this appropriation is to support the Crown in the negotiation, administration and implementation of historic Treaty of Waitangi settlement claims and the Marine and Coastal Area (Takutai Moana) Act 2011.

Scope of Appropriation

Departmental Output Expenses

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

This category 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 category 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 category 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.

Expenses, Revenue and Capital Expenditure

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	28,901	6,779	35,680
Departmental Output Expenses			
Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	1,360	(21)	1,339
Representation - Waitangi Tribunal and Courts	2,073	(28)	2,045
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	25,468	6,828	32,296

	2016/17		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Funding for Departmental Output Expenses			
Revenue from the Crown	28,683	6,208	34,891
Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	1,348	(21)	1,327
Representation - Waitangi Tribunal and Courts	2,071	(28)	2,043
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	25,264	6,257	31,521
Revenue from Others	218	571	789
Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	12	-	12
Representation - Waitangi Tribunal and Courts	2	-	2
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	204	571	775

How Performance will be Assessed for this Appropriation

	2016/17		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
The satisfaction of the Minister for Treaty of Waitangi Negotiations with progress towards negotiation milestones	At least 80%	At least 8/10	At least 8/10

What is Intended to be Achieved with each Category and How Performance will be Assessed

	2016/17		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act			
Technical quality of policy advice papers assessed by a survey with a methodological robustness of 90% (see Note 1)	At least an average of 80%	At least an average of 8/10	At least an average of 8/10
The satisfaction of the Minister for Treaty of Waitangi Negotiations with the policy advice service, as per the common satisfaction survey	At least 80%	At least 8/10	At least 8/10
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act			
Mandates recognised (see Note 2)	6	2	2

Note 1 - Target updated to ensure consistency with results provided from NZIER.

Note 2 - The Office of Treaty Settlements work programme, which sets performance standards for this area has been revised. The standard for this performance measure has been revised to reflect the updated work programme.

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

The category has decreased by \$21,000 to \$1.339 million for 2016/17, due to the change to the capital charge rate from 8% to 7% for the first half of the year, and to 6% for the remaining financial year.

Representation - Waitangi Tribunal and Courts

The category has decreased by \$28,000 to \$2.045 million for 2016/17, due to the change to the capital charge rate from 8% to 7% for the first half of the year, and to 6% for the remaining financial year.

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

The category has increased by \$6.828 million to \$32.296 million for 2016/17, due to:

- an increase of \$4.300 million owing to a transfer from the non-departmental other expense appropriation Claimant Funding to fund priority negotiations with certain groups in Tai Tokerau / Northland, Bay of Plenty, Waikato, Manawatu-Whanganui and Taranaki
- an increase of \$1.200 million owing to a transfer from 2015/16 to fund negotiation expenses including contractor and legal expenses primarily relating to Ngāpuhi negotiations, which are expected to be incurred in 2016/17
- an increase of \$929,000 owing to a transfer from 2015/16 to fund survey costs relating to settlements expected to be incurred in 2016/17
- an increase of \$491,000 funded from revenue received for employees seconded to other government agencies
- an increase of \$200,000 owing to a transfer from 2015/16 to fund the development of a Marine and Coastal area (MACA) website that will facilitate MACA applications, which is forecasted to be completed in 2016/17
- an increase of \$40,000 funded from costs recovered from other government agencies when notifying the public of the Crown's intention to dispose of surplus properties
- an increase of \$40,000 funded from costs recovered from other government agencies for protection mechanism of surplus Crown properties, and
- an increase of \$15,000 owing to a transfer from the departmental output expenses: Property Portfolio Management to fund Ministry overheads related to Treaty settlements.

Offset by:

- a decrease of \$387,000 for 2016/17, due to the change to the capital charge rate from 8% to 7% for the first half of the year, and to 6% for the remaining financial year.