

# The Treasury

## Budget 2016 Information Release

### Release Document July 2016

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[33]	to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials	9(2)(f)(iv)
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[s18(c)(i)]	that the making available of the information requested would be contrary to the provisions of a specified enactment	
[40]	Not in scope	

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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) and section 18 of the Official Information Act.

## Treasury Report: Transfer of residual appropriations from Vote Canterbury Earthquake Recovery to Vote Finance

<b>Date:</b>	15 April 2016	<b>Report No:</b>	T2016/626
		<b>File Number:</b>	DH-50-0

### Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Bill English)	<p><b>Agree</b> to transfer residual anchor project funding from Vote Canterbury Earthquake Recovery to Vote Finance</p> <p><b>Agree</b> to transfer residual funding relating to the management and ownership of Land from Vote Canterbury Earthquake Recovery to Vote Lands</p> <p><b>Approve</b> other technical changes associated with Votes Finance, Lands, Canterbury Earthquake Recovery and Prime Minister and Cabinet related to CERA's disestablishment.</p>	Monday 18 April 2016
Minister supporting Greater Christchurch Regeneration (Hon Gerry Brownlee)	<p><b>Agree</b> to transfer residual anchor project funding from Vote Canterbury Earthquake Recovery to Vote Finance</p> <p><b>Agree</b> to transfer residual funding relating to the management and ownership of Land from Vote Canterbury Earthquake Recovery to Vote Lands</p> <p><b>Approve</b> other technical changes associated with Votes Finance, Lands, Canterbury Earthquake Recovery and Prime Minister and Cabinet related to CERA's disestablishment.</p>	Monday 18 April 2016

### Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
[34]			✓
Elizabeth Scurr	Team Leader, Fiscal and State Sector Management	04 917 6190 (wk)	[23]

### Actions for the Minister's Office Staff (if required)

**Return** the signed report to Treasury.

**Refer** a copy of the report to the Minister for Land Information.

Note any feedback on the quality of the report

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**Enclosure:** No

# Treasury Report: Transfer of residual appropriations from Vote Canterbury Earthquake Recovery to Vote Finance

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## Executive Summary

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This report follows previous changes to appropriations in Vote Canterbury Earthquake Recovery (CER) and Vote Finance agreed by joint Ministers on 31 March 2016 [T2016/508 refers]. The Canterbury Earthquake Recovery Authority (CERA) will be disestablished on 18 April and joint Ministers have agreed to transfer all anchor project funding to Vote Finance effective from 1 April 2016.

Some funding in 2015/16 was left in Vote CER to cover any outstanding expenditure up to 31 March 2016. March actuals are now available and this report seeks approval from joint Ministers to transfer any residual amounts to the Greater Christchurch Anchor Projects MCA in Vote Finance.

It also seeks agreement to other technical changes across Votes Finance, CER, Lands and Prime Minister and Cabinet before CERA is disestablished. This includes:

- Establishing new categories in the Vote Finance Greater Christchurch Anchor Projects MCA to reflect contributions from the Christchurch City Council for anchor projects.
- Reimbursement of Otago establishment costs to Vote CER.
- Amendments to scope statements of appropriations in both Vote Lands and Vote Prime Minister and Cabinet associated with Canterbury Earthquake Recovery and Regenerate Christchurch.
- Establishing new categories in the Vote Lands MCA relating to land acquisition and disposal to identify acquisition and disposal costs incurred and to enable management of the anchor project properties.
- The transfer of residual funding related to management and ownership of land and to facilitate property acquisitions to Vote Lands.

**These changes are technical in nature and have no fiscal implications.** Most of these movements involve shifting existing appropriations to other Votes to reflect the transfer of functions and the expiry of Vote CER from 2016/17 onwards. All of these changes will need to be reflected in the 2015/16 Supplementary Estimates and 2016/17 Estimates.

## Recommended Action

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We recommend that:

### **A. The Minister of Finance and the Minister supporting Greater Christchurch Regeneration jointly:**

*Vote Finance: transfer of residual funding and establishment of new categories*

- a **agree** to the fiscally neutral transfer of residual anchor project funding in 2015/16 from Vote Canterbury Earthquake Recovery to the Greater Christchurch Anchor Projects MCA in Vote Finance as set out in part 1 of Annex 1

*Agree/disagree*

*Minister of Finance*

*Agree/disagree*

*Minister supporting Greater Christchurch*

*Regeneration*

- b **agree** to the establishment of new categories in the Greater Christchurch Anchor Projects MCA in Vote Finance to reflect funding contributions from the Christchurch City Council for specified anchor projects, as set out in part 2 of Annex 1

*Agree/disagree*

*Agree/disagree*

[38]

- f **agree** that expenses can be incurred against the categories established in (b) above only to the extent contributions are received from the Christchurch City Council

*Agree/disagree*

*Agree/disagree*

*Vote Lands: amendments to scopes and transfer of residual funding from Vote CER*

- g **agree** to amend the scope of categories in the Canterbury Earthquake Recovery Land Ownership and Management MCA in Vote Lands to better align funding with the functions inherited by Land Information New Zealand, with these changes first applying in 2015/16 except the change to the category Management and Clearance of Land which first applies in 2016/17, as set out in part 1 of Annex 2

*Agree/disagree*

*Agree/disagree*

h **agree** to the establishment of new categories in the Canterbury Earthquake Recovery Land Ownership and Management MCA in Vote Lands to reflect costs that will be incurred in relation to acquiring and disposal of property and managing anchor project properties, as set out in part 2 of Annex 2

*Agree/disagree*

*Agree/disagree*

i **agree** to the fiscally neutral transfer of any residual funding related to land ownership and management from Vote Canterbury Earthquake Recovery to Vote Lands, consistent with the functions to be carried out by Land Information New Zealand and as set out in part 3 of Annex 2

*Agree/disagree*

*Agree/disagree*

j **agree** to the fiscally neutral transfer of funding from Vote Canterbury Earthquake Recovery to Vote Lands to allow Land Information New Zealand to manage anchor project assets not transferred to Otakaro Limited, as set out in part 4 of Annex 2

*Agree/disagree*

*Agree/disagree*

k **agree** to the fiscally neutral adjustment to enable the operation of the compensation panel, as set out in part 5 of Annex 2

*Agree/disagree*

*Agree/disagree*

l **agree** to the establishment of categories in the Canterbury Earthquake Recovery Land Ownership and Management MCA in Vote Lands that are likely to be required in relation to the write-down to fair value of properties and purchase of land and improvements, as set out in part 6 of Annex 2

*Agree/disagree*

*Agree/disagree*

m **agree in principle** to the transfer to 2016/17 of any underspend in Vote Lands in 2015/16 relating to acquisition of properties affected by the earthquakes, with the amount of this transfer to be confirmed in the October Baseline Update once audited accounts for 2015/16 are available

*Agree in principle/disagree*

*Agree in principle/disagree*

*Vote Prime Minister and Cabinet: amendments to scopes and transfer of residual funds*

n **agree** to amend the scopes of appropriations related to Regenerate Christchurch in Vote Prime Minister and Cabinet to reflect both operating and establishment costs, as set out in part 1 of Annex 3

*Agree/disagree*

*Agree/disagree*

o **agree** to the fiscally neutral transfer of residual funding for Regenerate Christchurch from Vote Canterbury Earthquake Recovery to Vote Prime Minister and Cabinet, as set out in part 2 of Annex 3

*Agree/disagree*

*Agree/disagree*

- p **agree in principle** to the transfer to 2016/17 of any underspend in Vote Prime Minister and Cabinet in 2015/16 relating to Regenerate Christchurch, with the amount of this transfer to be confirmed in the October Baseline Update once audited accounts for 2015/16 are available

*Agree in principle/disagree*

*Agree in principle/disagree*

*Vote Canterbury Earthquake Recovery: reimbursement by Otakaro*

- q **agree** to the fiscally neutral change in the Managing the Recovery departmental output expense appropriation in Vote CER to reflect the reimbursement of establishment costs from Otakaro Limited, as set out in Annex 4

*Agree/disagree*

*Agree/disagree*

- r **agree in principle** to the transfer to 2016/17 of any underspends in Vote Canterbury Earthquake Recovery, departmental output expenses in 2015/16, with the amounts for transfer to be confirmed in the October Baseline Update once audited accounts for 2015/16 are available

*Agree in principle/disagree*

*Agree in principle/disagree*

*Supplementary Estimates and Imprest*

- s **agree** that the proposed changes to appropriations for 2015/16 set out in Annex 1, Annex 2, Annex 3 and Annex 4 be included in the 2015/16 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply, and

*Agree/disagree*

*Agree/disagree*

**B. The Minister supporting Greater Christchurch Regeneration:**

- a **direct** Land Information New Zealand to use the Vote Finance multi-category appropriation Greater Christchurch Anchor Projects for expenses, any debt expenses and capital expenditure on anchor project assets not transferred to Otakaro Limited and held on the portion of the Crown balance sheet managed by Land Information New Zealand.

*Agree/disagree*

*Agree/disagree*

Elizabeth Scurr

**Team Leader, Fiscal and State Sector Management**

Hon Bill English  
**Minister of Finance**

Hon Gerry Brownlee  
**Minister supporting Greater Christchurch  
Regeneration**

## **Treasury Report: Transfer of residual appropriations from Vote Canterbury Earthquake Recovery to Vote Finance**

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### **Purpose of Report**

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1. This report seeks agreement from joint Ministers to transfer any residual anchor project funding from Vote Canterbury Earthquake Recovery (CER) to Vote Finance.
2. Ministers have agreed to transfer Christchurch anchor project funding from Vote CER to Vote Finance effective from 1 April 2016 [T2016/508 refers]. However, some funding was deliberately left in Vote CER to cover any outstanding expenditure up to 31 March 2016. March actuals are now available and any unspent funds can be transferred and reflected in Supplementary Estimates.
3. This report also seeks approval for technical changes required across Vote Finance, Vote CER, Vote Lands and Vote Prime Minister and Cabinet related to CERA's disestablishment. As CERA winds down, officials have identified several changes to appropriations that are required across Votes to ensure departments have sufficient funding and authority to carry out key functions.

### **Changes to Vote Finance**

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#### **Transfer of residual anchor project funding to Vote Finance**

4. Ministers have previously agreed to transfer all appropriations related to Christchurch anchor projects from Vote CER to Vote Finance and expire Vote CER from 2016/17 onwards [T2016/508 refers]. This is consistent with the disestablishment of the Canterbury Earthquake Recovery Authority (CERA) on 18 April 2016 and the role of Treasury in monitoring the newly established Crown company (Otakaro Limited) who will be taking over the delivery of these projects.
5. Following consultation with CERA officials, conservative amounts were transferred to the new anchor projects MCA in Vote Finance given expenditure up to 31 March 2016 still needed to be finalised. The unaudited March actuals are now available and any unspent funding can be transferred over and reflected in the Supplementary Estimates.
6. The transfer of residual funding from Vote CER to Vote Finance is set out in part 1 of Annex 1 in a financial recommendations table. This includes the transfer of any remaining funding in the Bad and Doubtful Debts multi-year appropriation (MYA) to the Pre-development Holding Costs - Operating category in the MCA. The receivables associated with land will be managed by LINZ so Vote Finance officials propose that LINZ be granted authority to draw down on Vote Finance appropriations for bad debts under administration and use.
7. CERA can still draw on funding in Vote Finance for these projects up to their disestablishment date under the administration and use provision of the Public Finance Act, as directed by the Minister for Canterbury Earthquake Recovery on 30 March 2016 [T2016/508 refers].

## Changes to Vote Canterbury Earthquake Recovery

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### **Reimbursement of Otakaro establishment costs**

12. Otakaro's initial establishment costs were funded through the Vote CER departmental baseline with a view to reimbursing CERA for any costs incurred. On 15 February 2016, Cabinet agreed to appropriate \$6.1 million in working capital to Otakaro for start-up costs which has been drawn down by the Company. CERA will need to be reimbursed for any establishment costs incurred not paid directly by Otakaro. The required changes to appropriations are set out in part 3 of Annex 1.
13. An in-principle expense transfer to 2016/17 of any remaining underspends in Vote CER departmental output expenses in 2015/16 is also proposed.

## Changes to Vote Lands

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### **Changes to scope statements for existing MCA categories and establishment of new MCA categories**

14. Land Information New Zealand (LINZ) now has the responsibility of managing properties affected by the Canterbury Earthquakes, including completing any demolitions and clearances required on the land. The funding for these functions was agreed by joint Ministers in the 2015 October Baseline Update (OBU).
15. In OBU Ministers agreed to set up a new MCA in Vote Lands to reflect these functions, with the Minister supporting Greater Christchurch Regeneration the responsible Minister for the appropriation. The scope statement of the MCA categories made specific reference to residential red zone properties when in fact the functions to be carried out were intended to be much broader than this.



16. LINZ have not spent against all but one of the MCA categories which means there is an opportunity to amend the scope statements in 2015/16 to provide flexibility. The proposed amended categories are outlined in part 1 of Annex 2. For the category that already has spending against it, changes to the scope will be effective from 1 July 2016. In the interim, we propose a new category be established to facilitate the management of the anchor project properties. The new categories are set out in part 2 of Annex 2.
17. There is still uncertainty surrounding the use of the “Initial write-down to the value of Land” and the “Purchase of Land and Improvements – Operational” categories within the Canterbury Earthquake Recovery Land Ownership and Management MCA. However, if the new categories are likely to be used in 2015/16, they should be included in the 2015/16 Supplementary Estimates so their scopes can be authorised by Parliament. This requires at least notional amounts to be included for each of these categories, as reflected in part 6 of Annex 2.

### **Transfer of residual Vote CER appropriations to Vote Lands**

18. At OBU LINZ did not take over responsibility for the acquisition of properties affected by the earthquakes and it was agreed that these functions would transfer to LINZ at a later stage if there was any residual work. The transfer of funding to Vote Lands to purchase any remaining properties is set out in part 3 of Annex 2 in a financial recommendations table. This also includes the transfer of funding for vendor legal fees and departmental acquisition and disposal expenses. A new category needs to be established for the latter.
19. Officials propose an in-principle expense transfer into 2016/17 for any residual funds in Vote Lands related to acquisition of properties affected by the earthquakes. This will be confirmed at the 2016 October Baseline Update following a report back from LINZ to joint Ministers/Treasury on actual expenditure. This will help inform decisions around whether the funding should stay with LINZ or be used for other related activities such as the future use of the residential red zone.

### **Management of anchor project land not transferring to Otakaro Limited**

20. Assets that are not transferred to Otakaro Limited will be retained by the Crown and managed by LINZ in the interim. Otakaro will still be responsible for doing the project management but will not own the land pending further negotiations. Part 4 of Annex 2 agrees to a fiscally neutral transfer of funding from Vote CER to Vote Lands to allow LINZ to carry out this function in 2015/16.
21. LINZ will also hold the Crown assets on its non-departmental balance sheet and any expenditure from Otakaro which increases the value of these assets will need to be reimbursed. As the anchor project funding (both capital and operating) is currently under Vote Finance officials propose that LINZ be granted authority to draw down on Vote Finance appropriations for these particular assets under administration and use.
22. LINZ will also be taking over responsibility for the Compensation Panel and funding for this currently sits within Vote Finance. Officials propose an increase in the Managing the Recovery category within the Canterbury Earthquake Recovery Land Ownership and Management MCA that sits within Vote Lands. This is to be funded by an increase in revenue department and is fiscally neutral. LINZ can then invoice the Crown for these costs to be accounted for through Vote Finance appropriations. Changes to the appropriation are set out in part 5 of Annex 2.

## Changes to Vote Prime Minister and Cabinet

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### **Amendments to scope statement for Regenerate Christchurch appropriations**

23. Joint Ministers have agreed to transfer any appropriations related to 'Regenerate Christchurch' from Vote CER to Vote Prime Minister and Cabinet [T2016/508 refers]. These appropriations reflect the Crown's share of the operating expenses of the Company for the next five years. The Christchurch City Council is expected to fund the remaining costs under the joint venture.
24. Cabinet agreed that up to \$2 million of the establishment costs for Regenerate Christchurch should be funded from Vote CER departmental baselines. At the time it was expected that funding would be drawn down before CERA is disestablished. However the establishment process has been slower than anticipated and there is a risk that it may carry on into the 2016/17 year.
25. Officials propose that, for the 3 months up to 30 June 2016, reimbursement payments related to establishment continue to be made under Vote CER and an in-principle expense transfer approved for any unspent Vote CER funding in 2015/16 to transfer to Vote Prime Minister and Cabinet. The transfer will only be in relation to any unspent portions of the \$2 million allocation.
26. This requires an amendment to the scope statements of the appropriations in Vote Prime Minister and Cabinet agreed by joint Ministers. Currently, the scope statements only reflect the operating expenses of Regenerate Christchurch and therefore need to be broadened to include establishment costs. The amendment to scope statements is set out in part 1 of Annex 3.
27. Officials also propose an in-principle expense transfer for any unspent operating funding in 2015/16 in Vote Prime Minister and Cabinet. Delays in establishment mean that Regenerate Christchurch may not become fully operative by the end of the financial year and draw down the \$2 million that has been set aside for operating costs in 2015/16. Any transfers will be confirmed at the 2016 October Baseline Update once audited actuals for 2015/16 are available.
28. Lastly, residual funding for Regenerate Christchurch operating costs in Vote CER need to be transferred to Vote Prime Minister and Cabinet. Not all of the funding was transferred in the last joint Ministers paper. This is set out in part 2 of Annex 3.

## Annex 1: Vote Finance

### Part 1: Transfer of residual funding from Vote CER to Vote Finance

	\$m – increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Vote Canterbury Earthquake Recovery</b>					
<b>Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Development of Central City Anchor Projects</b>	<b>(24.606)</b>				
Non-Departmental Other Expenses:					
Christchurch Bus Interchange and associated Transport Infrastructure – Operating	(7.145)				
Christchurch Stadium - Operating	-				
Metro Sports Facility - Operating	-				
Public Space - Operating	(7.088)				
Christchurch Convention Centre - Operating	(1.871)				
Earthquake Memorial - Operating	(0.008)				
Non-Departmental Capital Expenditure:					
Christchurch Bus Interchange and associated Transport Infrastructure - Capital	(1.692)				
Christchurch Convention Centre - Capital	-				
Earthquake Memorial - Capital	(0.248)				
Metro Sports Facility - Capital	-				
Public Space – Capital	(6.554)				
<b>Multi-Category Appropriation: Ownership and Divestment of Anchor Projects</b>	<b>(12.871)</b>				
Non-Departmental Other Expenses:					
Christchurch Bus Interchange and associated Transport Infrastructure	(2.476)				

Christchurch Convention Centre	-				
Leasing Anchor Project Land	(0.500)				
Metro Sports Facility	-				
Public Space	(7.799)				
Sale of Land	(0.250)				
Financial Impact of Valuations	(1.846)				
<b>Multi-Category Appropriation: Procurement and Preparation of Land and Other Assets for the Development of Anchor Projects</b>	<b>(119.219)</b>				
Non-Departmental Other Expenses:					
Pre-Development Holding Costs – Operating	(0.699)				
Procurement of Land and Assets – Operating	(22.783)				
Non-Departmental Capital Expenditure:					
Land and Asset Acquisition – Capital	(95.384)				
<b>Non-departmental other expenses:</b>					
Bad and Doubtful Debts MYA	(0.353)				
<b>Total</b>	<b>(156.696)</b>				
<b>Vote Finance Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Greater Christchurch Anchor Projects</b>					
Non-Departmental Other Expenses:					
Christchurch Bus Interchange and associated Transport Infrastructure – Operating	9.621				
Christchurch Stadium - Operating	-				
Metro Sports Facility - Operating	-				

Public Space – Operating	14.887				
	1.871				
Christchurch Convention Centre - Operating	0.008				
Earthquake Memorial - Operating	-				
Residential Housing – Operating	0.500				
Leasing Anchor Project Land	0.250				
Sale of Land	1.846				
Financial Impact of Valuations	1.052				
Pre-Development Holding Costs – Operating	22.783				
Procurement of Land and Assets – Operating					
Non-Departmental Capital Expenditure:					
Christchurch Bus Interchange and associated Transport Infrastructure - Capital	1.692				
	-				
Christchurch Convention Centre - Capital	0.248				
Earthquake Memorial - Capital	-				
Metro Sports Facility - Capital	6.554				
Public Space – Capital	95.384				
Land and Asset Acquisition – Capital					
<b>Total</b>	<b>156.696</b>				

Part 2: establishment of new MCA categories to reflect council contributions

Category	Scope Statement
<i>Non-Departmental Other Expenses</i>	
Metro Sports Facility – contributions from third parties	This category is limited to the development, operations and divestment of the Metro Sports Facility funded by contributions from parties other than the Crown.
Christchurch Stadium – contributions from third parties	This category is limited to the development, operations and divestment of the Christchurch Stadium funded by contributions from parties other than the Crown.
Christchurch Bus Interchange and associated transport infrastructure – contributions from third parties	This category is limited to the development, operations and divestment of the Christchurch bus interchange and associated transport infrastructure funded by contributions from parties other than the Crown.
The Square – contributions from third parties	This category is limited to the development, operations and divestment of the square funded by contributions from parties other than the Crown.
Public Space – contributions from third parties	This category is limited to the development, operations and divestment of the Crown owned public space funded by contributions from parties other than the Crown.

	\$m – increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Vote Finance</b>					
<b>Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Greater Christchurch Anchor Projects</b>	<b>0.500</b>				
Non-Departmental Other Expenses:					
Metro Sports Facility – contributions from third parties	0.100	-	-	-	-
Christchurch Stadium - contributions from third parties	0.100	-	-	-	-
Christchurch Bus Interchange and associated transport infrastructure – contributions from third parties	0.100	-	-	-	-
The Square – contributions from third parties	0.100	-	-	-	-
Public Space – contributions from third parties	0.100	-	-	-	-
<b>Total</b>	<b>0.500</b>				

	\$m – increase/(decrease)				
<b>Vote Finance Minister supporting Greater Christchurch Regeneration</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20 &amp; Outyears</b>
Non-Tax Revenue:					
Other Current Revenue	(0.500)	-	-	-	-
<b>Total Operating</b>	<b>0.500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Annex 2: Vote Lands

### Part 1: Amendments to existing MCA categories related to Canterbury Earthquake Recovery

Category	Scope	Amended Category	Amended Scope	Type
		<i>Non-Departmental Other Expenses</i>		
Initial write-down in the value of Land in the residential red zone	This category is limited to the write-down to fair value on the acquisition of land purchased in the residential red zone.	Initial write-down in the value of Land	This category is limited to the write-down to fair value on the acquisition of land and improvements in Canterbury.	Non-Departmental Other Expense
Purchase of Improvements – Operational	This category is limited to the purchase of improvements in the Canterbury residential red zone.	Purchase of Land and Improvements - Operational	This category is limited to the purchase of land and improvements and other associated operating costs relating to properties affected by the Canterbury earthquakes.	Non-Departmental Other Expense
Vendor Legal Fees	This category is limited to contributions towards vendor legal fees when selling land and buildings in the Canterbury residential red zone to the Crown.	Vendor Legal Fees	This category is limited to contributions towards vendor legal fees when buying or selling land and improvements affected by the Canterbury earthquakes.	Non-Departmental Other Expense
Purchase of Land – Capital	This category is limited to the purchase of land in the Canterbury residential red zone.	Purchase of Land and Improvements - Capital	This category is limited to the purchase of land and improvements and other capital costs relating to properties affected by the Canterbury earthquakes.	Non-Departmental Capital Expenditure
Demolition and Making Structures Safe	This category is limited to the removal of structures and making structures safe on Crown-owned land in the Residential Red Zone.	Clearance of built structures and associated works	This category is limited to the clearance of built structures and other works deemed necessary on land affected by the Canterbury earthquakes.	Non-Departmental Other Expenses
Management and Clearance of Land*	This category is limited to costs arising from the management of Crown-owned land in the Residential Red Zone.	Management and Clearance of Land*	This category is limited to costs arising from the management of properties affected by the Canterbury earthquakes and anchor projects.	Non-Departmental Other Expense

\*As this category has spending against it for 2015/16, the amendments to this category will be effective 1 July 2016.



Part 2: Establishment of new MCA categories

Category	Scope Statement	Type of Appropriation
Acquisition and Disposal Expenses	This category is limited to the costs incurred in acquiring and disposing of land and buildings in Canterbury.	Departmental Output Expense
Management and Clearance of Land – anchor projects	This category is limited to costs arising from the management of properties held for anchor projects.	Non-Departmental Other Expense

Part 3: Transfer of residual funding from Vote CER

	\$m – increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Vote Canterbury Earthquake Recovery Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Canterbury Earthquake Recovery Land Ownership and Management</b>	<b>(15.457)</b>				
Departmental Output Expense:					
Acquisition and Disposal Expenses	(0.926)	-	-	-	-
Non-Departmental Other Expense:					
Vendor Legal Fees	(1.719)	-	-	-	-
Purchase of Land and Buildings – operating	(12.812)	-	-	-	-
<b>Total</b>	<b>(15.457)</b>				
<b>Vote Lands Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Canterbury Earthquake Recovery Land Ownership and Management</b>	<b>15.457</b>				
Departmental Output Expense:					
Acquisition and Disposal Expenses	0.926				
Non-Departmental Other Expenses:					
Vendor Legal Fees	1.719				

Non-Departmental Capital Expenditure:					
Purchase of Land and Improvements – Capital	12.812				
<b>Total</b>	15.457				

*Part 4: Management of anchor project land not transferring to Otakaro Limited*

	\$m – increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Vote Canterbury Earthquake Recovery Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Development of Central City Anchor Projects</b>	(0.457)				
Non-Departmental Other Expenses:					
Christchurch Bus Interchange and associated Transport Infrastructure – Operating	(0.010)				
Pre-Development Holding Costs – Operating	(0.300)				
<b>Multi-Category Appropriation: Canterbury Earthquake Recovery Land Ownership and Management</b>					
Non-Departmental Other Expense:					
Payments to Affected Canterbury Residents	(0.147)				
<b>Vote Lands Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Canterbury Earthquake Recovery Land Ownership and Management</b>	0.457				
Non-Departmental Other Expense:					
Management and Clearance of Land – anchor projects	0.457	-	-	-	-

Part 5: Compensation panel costs

	\$m – increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Vote Lands Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Canterbury Earthquake Recovery Land Ownership and Management</b>					
Departmental Output Expense:					
Managing the Recovery (funded by revenue department)	0.500	1.000	-	-	-

Part 6: Establishment of MCA Categories that currently have no funding against them

	\$m – increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Vote Lands Minister supporting Greater Christchurch Regeneration</b>					
<b>Multi-Category Appropriation: Canterbury Earthquake Recovery Land Ownership and Management</b>					
Non-Departmental Other Expenses:					
Initial write-down in the value of Land	0.001	-	-	-	-
Purchase of Land and Improvements – Operational	0.001	-	-	-	-
Management and Clearance of Land	(0.002)	-	-	-	-

### Annex 3: Vote Prime Minister and Cabinet

#### Part 1: Amendments to scope statements for Regenerate Christchurch

Vote	Appropriation Minister	Title	Type	Amended Scope	Period
Prime Minister and Cabinet	Minister supporting Greater Christchurch Regeneration	Regenerate Christchurch	Non-Departmental Output Expense	This appropriation is limited to establishment costs and the development of strategies and planning activities, with communities, stakeholders and decision-makers, for the regeneration of areas in Christchurch.	Annual appropriation
Prime Minister and Cabinet	Minister supporting Greater Christchurch Regeneration	Regenerate Christchurch MYA	Non-Departmental Output Expense Multi-Year Appropriation	This appropriation is limited to establishment costs and the development of strategies and planning activities, with communities, stakeholders and decision-makers, for the regeneration of areas in Christchurch.	1 July 2016 to 30 June 2021

#### Part 2: Transfer of residual funding from Vote CER

	\$m – increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & 2020/21
<b>Vote Canterbury Earthquake Recovery</b> <b>Minister supporting Greater Christchurch Regeneration</b>					
Non-Departmental Output Expense: Regenerate Christchurch	(0.775)	-	-	-	-
<b>Vote Prime Minister and Cabinet</b> <b>Minister supporting Greater Christchurch Regeneration</b>					
Non-Departmental Output Expense: Regenerate Christchurch	0.775	-	-	-	-

## Annex 4: Vote Canterbury Earthquake Recovery

### Reimbursement of Otakaro Establishment Costs

	\$m – increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
<b>Vote Canterbury Earthquake Recovery</b> <b>Minister supporting Greater Christchurch Regeneration</b>  Departmental Output Expense: Managing the Recovery (funded by revenue other)	1.063	-	-	-	-