

Vote Conservation

APPROPRIATION MINISTER(S): Minister of Conservation (M16), Minister for Treaty of Waitangi Negotiations (M74)

APPROPRIATION ADMINISTRATOR: Department of Conservation

RESPONSIBLE MINISTER FOR DEPARTMENT OF CONSERVATION: Minister of Conservation

Details of Appropriations and Capital Injections

Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Conservation with the Community (M16) This appropriation is limited to public awareness and educational services, and growing conservation through building partnerships with others, including iwi, councils, community groups, businesses, and individuals.	33,716	6,316	40,032
Crown Contribution to Regional Pest Management (M16) This appropriation is limited to delivery of services to control weed and animal pests on lands administered by the Department of Conservation to meet statutory good neighbour obligations and negotiated outcomes of regional pest management plans.	3,291	(200)	3,091
Management of Historic Heritage (M16) This appropriation is limited to the protection and conservation management of historic heritage.	6,620	(70)	6,550
Management of Natural Heritage (M16) This appropriation is limited to maintaining, restoring and protecting ecosystems, habitats and species.	173,267	6,664	179,931
Management of Recreational Opportunities (M16) This appropriation is limited to recreational facilities and services, and the management of business concessions.	147,259	16,605	163,864
Total Departmental Output Expenses	364,153	29,315	393,468
Departmental Capital Expenditure			
Department of Conservation - Capital Expenditure PLA (M16) This appropriation is limited to the purchase or development of assets by and for the use of the Department of Conservation, as authorised by section 24(1) of the Public Finance Act 1989.	35,644	-	35,644
Total Departmental Capital Expenditure	35,644	-	35,644
Non-Departmental Output Expenses			
Community Conservation Funds (M16) This appropriation is limited to grants: for community groups and private landowners to undertake work on public and private land; to provide private land managers with information and advice, or assistance with pest and weed control, fencing and other biodiversity management actions; and to support community biodiversity restoration initiatives.	10,737	(5,531)	5,206
Management Services - Natural and Historic Places (M16) This appropriation is limited to management services for properties with historical or natural significance, including maintenance work, access for the public and management advice on covenanted properties.	1,862	(696)	1,166
Moutoa Gardens/Pakaitore (M16) This appropriation is limited to the ongoing management and maintenance of the Moutoa Gardens Reserve.	23	-	23
Stewart Island Infrastructure (M16) This appropriation is limited to assistance to the Southland District Council for additional community infrastructure arising from increased visitor numbers on Stewart Island.	385	-	385
Total Non-Departmental Output Expenses	13,007	(6,227)	6,780

	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Non-Departmental Other Expenses			
Compensation Payments (M16) This appropriation is limited to making obligatory compensation payments: when esplanade reserves are created, and upon vesting of coastal marine areas in the Crown.	60	-	60
Depreciation - Crown Property, Plant and Equipment (M16) This appropriation is limited to the depreciation on Crown property, plant and equipment on Crown land administered by the Department of Conservation.	1,027	(731)	296
Impairment of Public Conservation Land (M74) 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.	50	4,841	4,891
Loss on Disposal of Crown Property, Plant and Equipment (M16) This appropriation is limited to losses incurred on the disposal of Crown property, plant and equipment.	2,913	(1,925)	988
Mātauranga Māori Fund (M16) This appropriation is limited to making grants to support initiatives to protect traditional Māori knowledge relating to NZ's indigenous biodiversity.	766	139	905
Payment of Rates on Properties for Concessionaires (M16) This appropriation is limited to the payment of rates: on reserves; conservation areas that are used for private or commercial purposes; and for services provided by a local authority.	839	-	839
Provision for Bad and Doubtful Debts (M16) This appropriation is limited to the write-off of debts relating to Crown Revenue.	100	-	100
Subscriptions to International Organisations (M16) This appropriation is limited to meeting annual subscriptions to international conservation organisations.	405	-	405
The Pike River Mine Site (M16) This appropriation is limited to management of the Pike River Mine site, commemoration of the deceased men, and matters of collective interest to the Pike River families.	-	592	592
Vesting of Reserves (M16) This appropriation is limited to the costs incurred in vesting Crown reserves in third parties, and Crown contributions towards the purchase of reserves by third parties.	150	4,402	4,552
Waikaremoana Lakebed Lease (M16) This appropriation is limited to payments made under the Lake Waikaremoana Act 1971 for the lease of the lakebed and foreshore for conservation purposes.	241	-	241
Total Non-Departmental Other Expenses	6,551	7,318	13,869
Non-Departmental Capital Expenditure			
Crown Land Acquisitions (M16) This appropriation is limited to the purchase of property for the Conservation Estate.	1,120	3,240	4,360
Pike River Memorial and Museum (M16) This appropriation is limited to the Pike River memorial, the interpretation centre and museum as historic assets.	777	(777)	-
Purchase and Development of Reserves (M16) 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.	1,800	5,078	6,878
Total Non-Departmental Capital Expenditure	3,697	7,541	11,238

	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Multi-Category Expenses and Capital Expenditure			
Identification and Implementation of Protection for Natural and Historic Places MCA (M16) The overarching purpose of this appropriation is to support the protection for natural and historic places.	23,602	(5,405)	18,197
<i>Non-Departmental Output Expenses</i>			
<i>Legal Protection Queen Elizabeth II</i> This category is limited to identification and implementation of protection of biodiversity on private land.	3,812	-	3,812
<i>Nature Heritage Fund</i> This category is limited to the identification and implementation of protection of indigenous ecosystems on private land.	4,621	(1,235)	3,386
<i>Ngā Whenua Rahui</i> This category is limited to the identification and implementation of protection of indigenous ecosystems on Māori land.	8,835	534	9,369
<i>South Island Landless Natives Act</i> This category is limited to the identification and implementation of protection of indigenous ecosystems in Māori ownership on South Island Landless Natives Act (SILNA) land.	6,334	(4,704)	1,630
Policy Advice, Statutory Planning, and Services to Ministers and Statutory Bodies MCA (M16) The overarching purpose of this appropriation is to provide policy advice and other services to Ministers and other parties.	12,296	(3,400)	8,896
<i>Departmental Output Expenses</i>			
<i>Policy Advice</i> This category 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.	8,071	(1,700)	6,371
<i>Statutory Planning, Services to Ministers and Statutory Bodies</i> This category 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.	4,225	(1,700)	2,525
Total Multi-Category Expenses and Capital Expenditure	35,898	(8,805)	27,093
Total Annual and Permanent Appropriations	458,950	29,142	488,092

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Output Expenses		
Predator Free New Zealand (M16) This appropriation is limited to contributions towards activities aimed at controlling and eradicating mammalian pests in New Zealand by 2050. Commences: 01 November 2016 Expires: 30 June 2020	Original Appropriation	23,504
	Adjustments to 2016/17	-
	Adjustments for 2017/18	(188)
	Adjusted Appropriation	23,316
	Actual to 2016/17 Year End	165
	Estimated Actual for 2017/18	1,975
	Estimated Actual for 2018/19	10,588
	Estimated Appropriation Remaining	10,588

Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts

	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual and Permanent Appropriations	458,950	29,142	488,092
Total MYA Non-Departmental Output Expenses Forecasts	7,717	(5,742)	1,975
Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts	466,667	23,400	490,067

Capital Injection Authorisations

	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Department of Conservation - Capital Injection (M16)	39,079	(34,079)	5,000

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2017/18				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	384,877	29,315	(11,969)	17,346	402,223
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	6,551	-	7,318	7,318	13,869
Capital Expenditure	39,341	-	7,541	7,541	46,882
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	35,898	(3,400)	(5,405)	(8,805)	27,093
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	466,667	25,915	(2,515)	23,400	490,067
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	20,815	N/A	439	439	21,254
Capital Receipts	2,800	N/A	1,000	1,000	3,800
Total Crown Revenue and Capital Receipts	23,615	N/A	1,439	1,439	25,054

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Conservation with the Community (M16)

Scope of Appropriation

This appropriation is limited to public awareness and educational services, and growing conservation through building partnerships with others, including iwi, councils, community groups, businesses, and individuals.

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	33,716	6,316	40,032
Revenue from the Crown	29,692	7,601	37,293
Revenue from Others	4,024	(1,285)	2,739

Reasons for Change in Appropriation

This appropriation increased by \$6.316 million to \$40.032 million for 2017/18 due to:

- fiscally neutral adjustments of \$6 million from other Departmental output expenses in 2017/18 to realign budgets with work plans (increase)
- additional funding for Treaty settlement implementation costs of \$992,000 (increase)
- net expense transfers of \$609,000 to 2017/18 as a result of consultation delays on treaty settlements (increase), and
- reduction in third party revenue of \$1.285 million (decrease).

Crown Contribution to Regional Pest Management (M16)

Scope of Appropriation

This appropriation is limited to delivery of services to control weed and animal pests on lands administered by the Department of Conservation to meet statutory good neighbour obligations and negotiated outcomes of regional pest management plans.

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,291	(200)	3,091
Revenue from the Crown	3,191	(200)	2,991
Revenue from Others	100	-	100

Reasons for Change in Appropriation

This appropriation decreased by \$200,000 to \$3.091 million for 2017/18 due to a fiscally neutral adjustment of \$200,000 to other Departmental output expenses in 2017/18 to realign budgets with work plans.

Management of Historic Heritage (M16)

Scope of Appropriation

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

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	6,620	(70)	6,550
Revenue from the Crown	6,145	(70)	6,075
Revenue from Others	475	-	475

Reasons for Change in Appropriation

This appropriation decreased by \$70,000 to \$6.550 million for 2017/18 due to:

- net expense transfers of \$420,000 to 2018/19 as a result of delays in restoration work by specialist contractors (decrease), and
- a fiscally neutral adjustment of \$350,000 from other Departmental output expenses in 2017/18 to align budgets with work plans (increase).

Management of Natural Heritage (M16)

Scope of Appropriation

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

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	173,267	6,664	179,931
Revenue from the Crown	152,016	5,153	157,169
Revenue from Others	21,251	1,511	22,762

Reasons for Change in Appropriation

This appropriation increased by \$6.664 million to \$179.931 million for 2017/18 due to:

- additional funding of \$4.350 million for the Myrtle Rust programme (increase)
- additional third party revenue of \$1.511 million (increase)
- additional funding of \$770,000 for the Conservation Services Programme from industry levies (increase)
- a fiscally neutral adjustment of \$500,000 from other Departmental output expenses in 2017/18 only to realign 2017/18 budgets with work plans (increase)
- capital charge adjustment of \$300,000 relating to asset revaluations (increase), and
- net expense transfers of \$767,000 to 2018/19 as a result of pending enactment of legislation (decrease).

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

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	147,259	16,605	163,864
Revenue from the Crown	118,843	5,116	123,959
Revenue from Others	26,416	11,489	37,905

Reasons for Change in Appropriation

This appropriation increased by \$16.605 million to \$163.864 million for 2017/18 due to:

- additional third party revenue of \$11.489 million (increase)
- additional Crown concessions revenue of \$5.673 million for recreational services (increase)
- net expense transfers of \$1.790 million to 2017/18 as a result of delays in consultation with Treaty partners and obtaining regulatory clearances (increase)
- capital charge adjustment of \$903,000 on asset revaluations (increase), and
- a fiscally neutral adjustment of \$3.250 million to Conservation with the Community expenses in 2017/18 to realign budgets with work plans (decrease).

2.3 - Departmental Capital Expenditure and Capital Injections

Department of Conservation - Capital Expenditure PLA (M16)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Department of Conservation, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Injections and Movements in Departmental Net Assets

Department of Conservation

Details of Net Asset Schedule	2017/18 Main Estimates Projections \$000	2017/18 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2017/18
Opening Balance	599,215	623,754	Supplementary Estimates opening balance reflects the audited results as at 30 June 2017.
Capital Injections	39,079	5,000	The Department has deferred capital injections of \$34.079 million in 2017/18 to 2018/19. A review of the long term capital programme in 2018/19 will inform a restatement of the outyears' capital injection funding.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	(2,000)	(2,000)	
Other Movements	-	-	
Closing Balance	636,294	626,754	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Community Conservation Funds (M16)

Scope of Appropriation

This appropriation is limited to grants: for community groups and private landowners to undertake work on public and private land; to provide private land managers with information and advice, or assistance with pest and weed control, fencing and other biodiversity management actions; and to support community biodiversity restoration initiatives.

Reasons for Change in Appropriation

This appropriation decreased by \$5.531 million to \$5.206 million for 2017/18 due to expense transfers to 2018/19 as a result of the alignment of funding with the timing of grants.

Management Services - Natural and Historic Places (M16)

Scope of Appropriation

This appropriation is limited to management services for properties with historical or natural significance, including maintenance work, access for the public and management advice on covenanted properties.

Reasons for Change in Appropriation

This appropriation decreased by \$696,000 to \$1.166 million for 2017/18 due to the transfer of properties of historical significance to Heritage New Zealand.

Predator Free New Zealand (M16)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Predator Free New Zealand (M16) This appropriation is limited to contributions towards activities aimed at controlling and eradicating mammalian pests in New Zealand by 2050. Commences: 01 November 2016 Expires: 30 June 2020	Original Appropriation	23,504
	Adjustments to 2016/17	-
	Adjustments for 2017/18	(188)
	Adjusted Appropriation	23,316
	Actual to 2016/17 Year End	165
	Estimated Actual for 2017/18	1,975
	Estimated Actual for 2018/19	10,588
	Estimated Appropriation Remaining	10,588

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$188,000 to \$1.975 million in 2017/18 due to a number of science and predator control projects now commencing in 2018/19.

3.4 - Non-Departmental Other Expenses**Depreciation - Crown Property, Plant and Equipment (M16)***Scope of Appropriation*

This appropriation is limited to the depreciation on Crown property, plant and equipment on Crown land administered by the Department of Conservation.

Reasons for Change in Appropriation

This appropriation decreased by \$731,000 to \$296,000 for 2017/18 due to the transfer of properties of historical significance to Heritage New Zealand.

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

This appropriation increased by \$4.841 million to \$4.891 million for 2017/18 due to:

- an expense transfer to 2017/18 for \$2.808 million as a result of the timing of the write-down of land subject to Treaty settlements (increase), and
- additional funding for Treaty settlement costs of \$2.033 million (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

This appropriation decreased by \$1.925 million to \$988,000 for 2017/18 due to an expense transfer of \$1.925 million to 2018/19 pending enactment of relevant legislation.

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

This appropriation increased by \$139,000 to \$905,000 for 2017/18 due to net expense transfers for commitments entered into that cover more than one financial year.

The Pike River Mine Site (M16)

Scope of Appropriation

This appropriation is limited to management of the Pike River Mine site, commemoration of the deceased men, and matters of collective interest to the Pike River families.

Expenses

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	592	592

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve management of the Pike River Mine Site, commemoration of the deceased men, and matters of collective interest to the Pike River families.

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 is less than \$5 million.

Vesting of Reserves (M16)

Scope of Appropriation

This appropriation is limited to the costs incurred in vesting Crown reserves in third parties, and Crown contributions towards the purchase of reserves by third parties.

Reasons for Change in Appropriation

This appropriation increased by \$4.402 million to \$4.552 million for 2017/18 due to:

- the vesting of parcels of public conservation land to third parties of \$3.870 million (increase), and
- an expense transfer for \$532,000 to 2017/18 due to the delay of planned vestings (increase).

3.5 - 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

This appropriation increased by \$3.240 million to \$4.360 million for 2017/18 due to the following:

- Redcliffs Park and School land exchange of \$2.240 million following the Christchurch earthquakes (increase), and
- proposed land exchange regarding the Porter Heights Ski area of \$1 million (increase).

Pike River Memorial and Museum (M16)

Scope of Appropriation

This appropriation is limited to the Pike River memorial, the interpretation centre and museum as historic assets.

Reasons for Change in Appropriation

This appropriation decreased by \$777,000 to \$nil for 2017/18 due to net expense transfers to 2018/19 as a result of unexpected delays.

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

This appropriation increased by \$5.078 million to \$6.878 million for 2017/18 due to the carry forward of the Reserve Trust bank balance.

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

Multi-Category Expenses and Capital Expenditure

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

Overarching Purpose Statement

The overarching purpose of this appropriation is to support the protection for natural and historic places.

Scope of Appropriation

Non-Departmental Output Expenses

Legal Protection Queen Elizabeth II

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

Nature Heritage Fund

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

Ngā Whenua Rahui

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

South Island Landless Natives Act

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

Expenses, Revenue and Capital Expenditure

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	23,602	(5,405)	18,197
Non-Departmental Output Expenses			
Legal Protection Queen Elizabeth II	3,812	-	3,812
Nature Heritage Fund	4,621	(1,235)	3,386
Ngā Whenua Rahui	8,835	534	9,369
South Island Landless Natives Act	6,334	(4,704)	1,630

Reasons for Change in Appropriation

This appropriation decreased by \$5.405 million to \$18.197 million for 2017/18 due to:

- Nature Heritage Fund net expense transfers of \$1.235 million to 2018/19 as a result of commitments by the Fund (decrease)

- Ngā Whenua Rahui net expense transfers to 2017/18 of \$534,000 as a result of expected commitments by the Fund in 2017/18 (increase), and
- South Island Landless Natives Act net expense transfers to 2018/19 of \$4.704 million as a result of delays due to multiple ownership of the land areas involved (decrease).

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

Overarching Purpose Statement

The overarching purpose of this appropriation is to provide policy advice and other services to Ministers and other parties.

Scope of Appropriation

Departmental Output Expenses

Policy Advice

This category 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 category 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.

Expenses, Revenue and Capital Expenditure

	2017/18		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	12,296	(3,400)	8,896
Departmental Output Expenses			
Policy Advice	8,071	(1,700)	6,371
Statutory Planning, Services to Ministers and Statutory Bodies	4,225	(1,700)	2,525
Funding for Departmental Output Expenses			
Revenue from the Crown	11,730	(3,400)	8,330
Policy Advice	7,971	(1,700)	6,271
Statutory Planning, Services to Ministers and Statutory Bodies	3,759	(1,700)	2,059
Revenue from Others	566	-	566
Policy Advice	100	-	100
Statutory Planning, Services to Ministers and Statutory Bodies	466	-	466

Reasons for Change in Appropriation

This appropriation decreased by \$3.400 million to \$8.896 million for 2017/18 due to fiscally neutral adjustments totalling \$3.400 million to other Departmental output expenses in 2017/18 to realign budgets with work plans.