

# The Treasury

## Landcorp Farming Ltd: Independent Review Information Release

December 2021

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Where this is the case, the relevant sections of the Act that would apply have been identified.

Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to sections of the Act under which information has been withheld:

- [23] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] Not in scope

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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## T2020/2465: Commercial Performance State of Play as at 22 July 2020

**To:** Minister for State Owned Enterprises (Rt Hon Winston Peters)  
Minister of Finance (Hon Grant Robertson)  
Associate Minister of Finance (Hon David Parker)  
Associate Minister for State Owned Enterprises (Hon Shane Jones)

**From:** Shelley Hollingsworth, Manager, Commercial Performance  
Juston Anderson, Acting Manager, Commercial Performance

This report provides an update on current issues in relation to commercial entities and multiple objective entities within the Crown portfolio. Please tick a box if you would like more information on a topic.

### 1. New and notable issues

#### Crown portfolio – Commercial entities

More info?	Entity / Issue	Update
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[40]

- |                          |  |   |
|--------------------------|--|---|
| <input type="checkbox"/> | <b>Landcorp – independent review</b><br><i>(Amanda Wilson)</i> | Following shareholding Ministers' meeting with Landcorp on 17 June 2020, the Treasury has been considering options for an independent review. Landcorp has yet to produce the projected results from its current strategy. A review would therefore be useful to further understand the reasons for this (which may have been outside Landcorp's control), the effectiveness of |
|--------------------------|--|---|

More  
info?

Entity / Issue

Update

Landcorp's strategy and its ability to deliver sustainable returns given its vulnerabilities to commodity prices [25]. We are yet to engage with Landcorp on the prospect of a review.

As noted in the Statement of Corporate Intent briefing (T2020/1584 refers), we have been engaging with Landcorp to build our understanding of the assumptions underpinning its current strategy and the 'pathway' in terms of performance targets to improve performance to desired levels over time.

Because of the expertise required to develop this understanding, we believe it would be beneficial for an independent review of the variances between projections and actual results of the strategic plans (or plan revisions) in the first instance. This would consider the extent to which variances are attributable to:

- Landcorp's core on-farm performance
- Robustness of assumptions used in business cases
- Fundamental issues around markets
- other underlying factor(s).

In conjunction to this review, we will also be reviewing our ways of working with Landcorp.

Following the completion of this initial review, we believe that Ministers will have a better understanding of the drivers of the lower than anticipated performance and be able to target a further strategic review (or 'deep dive'), if required, in a focused way to the area that will have the most impact.

Should you be comfortable with this approach, we will discuss the proposal with Landcorp, and work with your offices to prepare a list of suitable reviewers for consideration.

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Pages 3-8 have been removed from this document as they are out of scope