

# VOTE *Conservation*

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# Conservation

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## Overview

### Departmental Appropriations

Departmental appropriations sought for Vote Conservation in 2006/07 total \$277.235 million. This is intended to be spent on purchasing the following services from the Department of Conservation:

- \$129.046 million (47% of the Vote) related to managing natural heritage.
- \$5.430 million (2% of the Vote) related to managing historic heritage.
- \$116.909 million (42% of the Vote) related to the provision of recreational opportunities.
- \$14.906 million (5% of the Vote) related to engaging the community on conservation issues.
- \$6.887 million (2% of the Vote) for the provision of policy advice.
- \$2.000 million (1% of the Vote) for the provision of funding for the review of departmental assets in relation to recreation opportunities.
- \$2.057 million (1% of the Vote) for the delivery of services to control weed and animal pests on land administered by the Department to meet negotiated outcomes of regional pest management strategies.

### Non-Departmental Appropriations

Non-departmental appropriations sought for Vote Conservation in 2006/07 total \$33.743 million. Of these, \$20.427 million is intended to be spent as follows on non-departmental output appropriations:

- \$13.283 million for the purchase of services for identification and implementation of protection for natural and historic places.
- \$2.283 million for the purchase of management services for natural and historic places.
- \$22,000 for the purchase of services for the management of Moutoa Gardens/Pakaitore.
- \$3.609 million for the purchase of services to fund projects for the New Zealand Biodiversity Advice Fund and the New Zealand Biodiversity Condition Fund.
- \$1.230 million for funding assistance to the Southland District Council to meet the costs of additional community infrastructure arising from increased visitor numbers.

Of these non-departmental appropriations, \$13.316 million is intended to be spent as follows on other expenses:

- \$1.900 million on obligatory compensatory payments under section 289 of the Local Government Act 1974 when esplanade reserves were created.
- \$764,000 payment to the Ngati Tuwharetoa Trust Board for public access to Lake Taupo for the purpose of fishing.
- \$554,000 for support initiatives to protect traditional Māori knowledge (mātauranga Māori) relating to New Zealand's indigenous biodiversity.

- \$800,000 for purchasing, taking on leases, managing, administering, maintaining, protecting, improving and developing, the reserves from the Reserves Trust Bank Account and Reserves Act Crown Bank Account. This has no net Crown impact as it is funded by proceeds of the disposal of reserve lands.
- \$124,000 being payment made under the Lake Waikaremoana Act 1971 for the lease of the lakebed and foreshore for conservation purposes.
- \$305,000 for annual subscriptions of New Zealand memberships of: The Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES), Convention on Biodiversity, International Union for the Conservation of Nature and Natural Resources (IUCN), Convention on Wetlands of International Importance Especially as Waterfowl Habitats (RAMSAR), and World Heritage Fund.
- \$1.689 million for the payment of rates on Crown land. In most circumstances these are recoverable from the lessee.
- \$30,000 for compensation payable upon vesting of coastal marine areas in the Crown.
- \$4.350 million for depreciation of fencing assets on the Conservation Estate.
- \$700,000 for depreciation on Crown Buildings: Old Government Building, Turnbull House and Dominion Observatory.
- \$100,000 for write-off of debts relating to Concession Revenue.
- \$2.000 million for the purchases of services required for New Zealand to host the June 2007 meeting of the World Heritage Committee.

## **Crown Revenue and Receipts**

The Department expects to collect \$13.304 million of Crown revenue, mainly from concession fees, rents/leases and licenses from commercial users of Crown-owned land and buildings.

Details of how the appropriations are to be applied appear in Parts B1, C and E. Details of Crown revenue appear in Part F.

## Terms and Definitions Used

BCL	Broadcast Communications Ltd
CITES	Convention on International Trade in Endangered Species of Wild Flora and Fauna
CLE	Compliance and Law Enforcement
CMP	Conservation Management Plan
CMS	Conservation Management Strategy
Conservation Estate	Lands administered by the Department of Conservation for conservation purposes
HPT	Historic Places Trust
IUCN	International Union for the Conservation of Nature and Natural Resources
MoRST	Ministry of Research, Science and Technology
NHF	Nature Heritage Fund
NWR	Nga Whenua Rahui
NZAID	New Zealand International Aid and Development Agency
NZBS	New Zealand Biodiversity Strategy
NZCA	New Zealand Conservation Authority
NZCPS	New Zealand Coastal Policy Statement
PNA	Protected Natural Area
RAMSAR	Convention on Wetlands of International Importance Especially as Waterfowl Habitats
RAP	Recommended Area for Protection
ROR	Recreational Opportunity Review
RPMS	Regional Pest Management Strategy
SILNA	South Island Landless Natives Act 1906
TIES	Trade in Endangered Species Act 1989
VAMS	Visitor Assets Management System

## Minister Portfolio Table

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# Conservation

VOTE MINISTER: Minister of Conservation

ADMINISTERING DEPARTMENT: Department of Conservation

The Minister of Conservation is the Responsible Minister for the Department of Conservation

## Part A - Statement of Objectives and Trends

### Part A1 - Objectives for Vote

#### *Related Government Outcomes*

The department directly and indirectly contributes toward achieving the Government's priorities for the next decade:

- Economic transformation.
- Families - young and old.
- National identity.

Together with its legislation, these themes provide the department with a vision for the overall outcome it is working towards:

"New Zealand's natural and historic heritage is protected; people enjoy it and are involved with the department in its conservation."

"Kei te mahi ngatahi te Papa Atawhai me nga iwi whanui ki te whakaute, te manaaki me te tiaki i nga taonga koiora me nga taonga tuku iho o Aotearoa hei painga mo te katoa."

To help achieve this vision and fulfil its legislated conservation responsibilities, the department has identified two outcomes:

- Protection: New Zealand's natural and historic heritage is protected and restored.
- Appreciation: People enjoy and benefit from our natural and historic heritage and are connected with conservation.

#### **Intermediate outcomes**

There are two major classes of intermediate outcomes that the Department has identified that will assist in achieving the overall outcomes.

The first class relates to the outcome of New Zealand's natural and historic heritage being protected and restored. To achieve this outcome the Department's work is focused on five intermediate outcomes:

- The damage from harmful organisms established in New Zealand is reduced.
- The natural character of managed places is maintained or improved.
- Managed threatened species have lower risk of extinction.
- A representative range of New Zealand's environment is protected.
- A representative range of historic and cultural heritage is protected, restored and interpreted.

The second class of outcomes relates to the achievement of people having opportunities to appreciate and benefit from natural and historic heritage, as well as being involved and connected with conservation. The Department's work is focused on three intermediate outcomes:

- Appropriate business opportunities are allowed.
- A range of quality recreation opportunities is available.
- People are aware of, understand and make valued contributions to conservation.

### *Output Expense Appropriations*

To achieve these objectives, the appropriations are intended to fund a wide range of activities, including policy advice and/or other services relating to:

- Management of natural heritage.
- Management of historic heritage.
- Management of recreational opportunities; including the recreation opportunities review.
- Conservation with the community.

Vote Conservation output classes contribute directly to these key goals by providing:

- Protection of historic and cultural heritage and indigenous biodiversity through identification of conservation values and implementation of protection through a range of statutory and other processes, including input into environmental planning.
- Operational programmes for managing threats to and the restoration, maintenance and enhancement of indigenous ecosystems, threatened species and historic heritage.
- Facilities and services to facilitate the sensitive and sustainable use of the conservation estate by the public.
- Appropriate, timely and high quality policy advice, including public input into policy formulation and conservation planning.
- Advisory and information services to allow landowners, visitors and the public to celebrate, foster and protect our cultural, historic and environmental heritage.

The outputs provided by the Department are set out in Section C1.

## *Links Between Departmental Output Expenses and Outcomes*

The links between the output expenses to be purchased and the particular outcomes for the Department of Conservation are set out below:

Departmental Output Expenses	Output Groups (Key Outputs)	Intermediate Outcomes	Outcomes
Management of Natural Heritage	Biosecurity	The damage from harmful organisms established in New Zealand is reduced	New Zealand's natural and historic heritage is protected and restored
	Pest, weed and fire control		
	Restoration	Managed threatened species have lower risk of extinction	
	Species management		
	Legal protection	A representative range of New Zealand's environments is protected	
	RMA advocacy		
Management of Historic Heritage	Historic site management	A representative range of historic and cultural heritage is protected, restored and interpreted	
Management of Recreational Opportunities	Recreation and business management	Appropriate business opportunities are allowed	People enjoy and benefit from New Zealand's natural and historic heritage and are connected with conservation
Recreational Opportunities Review			
Conservation with Community	Education and communication	A range of quality recreation opportunities is available	
	Participation	People are aware of, understand and make valued contributions to conservation	

## **Part A2 - Trends in Vote**

### *Departmental Output Trends: 2001/02 - 2006/07*

#### **Appropriation Expenditure**

There has been a general increase in gross output appropriations over the period 2001/02 to 2006/07, reflecting changes to both departmental and non-departmental outputs from Crown and other revenue.

With respect to departmental output expenses, significant changes over this period have included:

- The New Zealand Biodiversity Strategy (NZBS) was adopted by the Government in February 2000 (with a funding package approved in that year's budget to assist implementation). It has the goal of halting the decline in New Zealand's indigenous Biodiversity by 2020. This package, which covers a number of Votes including Biosecurity, Conservation, Environment and Fisheries, increased each year over the first five years.
- Funding in 2001/02 for the ongoing costs associated with the recognition of recreational and other assets that were previously undervalued or unrecognised in the Departmental balance sheet. These assets were brought onto the balance sheet by way of capital injection.
- In 2005/06 the transfer of funding within Vote Biosecurity – Conservation to Vote Conservation and Vote Biosecurity - Agriculture and Forestry.

- In 2005/06 new funding for the specific areas of natural and historic heritage, including Fiordland Marine (\$253,000), Auckland Islands (\$161,000), Hauraki Gulf (\$445,000), Thames Coast (\$1.214 million), Resource Management Act and Coastal Marine Area (\$2.711 million), Historic Sites (\$180,000), High Country Objectives (\$167,000), Treaty Settlements (\$264,000), and funding to sustain the Department's operating capability (\$3.782 million).
- In 2006/07 new funding for the specific areas include the following: Department new accommodation arrangement (\$1.132 million), new research funding from the Ministry of Research, Science & Technology (MoRST) (\$750,000), Pacific Whale research funded by New Zealand International Aid and Development Agency (NZAID) (\$148,000), Over-achievement in Crown concession revenue (\$700,000).

### Capital Expenditure

The contribution of \$239.680 million in 2001/02 funded one-off increase to recognise visitor and other assets that were not previously recorded, as part of the compliance with the new Financial Reporting Standard 3 (FRS-3). This amounted to \$235.500 million. The balance was used to fund replacement and maintenance of visitor assets and further systems development for both threatened species management and the terrestrial freshwater biodiversity programme.

The 2002/03 capital expenditure of \$7.304 million was again divided between work to replace and maintain visitor assets (\$6.530 million) and further work on the terrestrial and freshwater biodiversity information system.

In 2004/05 there was a non-cash capital injection related to the value of improvements on Land Tenure properties transferred from Land Information New Zealand.

The 2005/06 significant changes were for a non-cash injection of \$8 million for the Land Tenure Review and \$1.100 million for Preserving our Icon Historic Sites.

In 2006/07 the changes to capital injection include the following: Land Tenure Review of \$2 million (2005/06 \$8 million), New Zealand Icon Centres \$3.500 million.

### *Non-Departmental Expenditure and Revenue Trends: 2001/02 - 2006/07*

There has been a general increase in non-departmental expenditure and revenue over the period 2001/02 to 2006/07.

Significant changes over this period have included:

- Concessions revenue has been increasing over the period.
- The New Zealand Biodiversity Strategy (NZBS). This was adopted by the Government in February 2000. It has the goal of halting the decline in New Zealand's indigenous biodiversity by 2020. This package covers a number of votes including Biosecurity, Conservation, Environment and Fisheries, with increases each year over the first five years.
- Recent changes in the Local Government (Rating) Act 2002 have moved the liability for rates on land administered by the Department, fully to the Department.
- The rent for the Old Government Building was up for review in the first half of the 2005/06 financial year. The outcome was an increase of \$360,000 to \$1.760 million effective from 1 January 2006.
- For 2006/07, funding has been provided for the repainting of the Old Government Building and the hosting of the World Heritage Committee meeting to be held in June 2007.

**Other Crown Expenses**

There are Other Expenses that are not specifically related to the production of outputs. These include compensation payments made under section 289 of the Local Government Act 1974 when esplanade reserves are created, membership fees resulting from government commitments and access fees. These are set out in Part B1 of the Estimates.

Changes to Other Expenses for 2003/04 related primarily to the purchase of reserves. Purchases are limited to revenue earned principally from disposals, for which there were significant one-off disposals in 2000/01 and the revenue carried forward to 2001/02 and shown in that year's appropriations.

In 2005/06, new appropriations for depreciation for Crown buildings and fences were introduced.

**Capital Expenditures**

Changes in funding from 2001/02 to 2006/07 represent purchases or development of Crown lands, including kiwi sanctuaries and vested coastal marine areas.

The amounts spent or required to be spent in this area vary each year depending on requirements.

For 2004/05 this reflected the capital expenditure to the Nature Heritage Fund of \$9 million for the purchase of Birchwood Station.

**Crown revenue and receipts**

The increase in Concessions revenue has been primarily driven by increases in revenue from tourism concessions, especially guiding concessions, reflecting the national increases in international visitor arrivals through the period.

Details of how the appropriations are to be applied appear in Parts B1, C and E. Details of Crown revenue appear in Part F.

## New Policy Initiatives by Appropriation

Initiative	Appropriation as shown in Part B	\$000 increase/(decrease)				
		2005/06	2006/07	2007/08	2008/09	2009/10
Old Government Building Repaint	Non-Departmental Output Expense - Management Services - Natural and Historic Places	-	840	-	-	-
World Heritage Committee - NZ Hosting meeting	Other Expenses to be Incurred by the Crown	-	2,000	-	-	-
<b>Total Initiatives</b>		-	<b>2,840</b>	-	-	-

## Part B - Statement of Appropriations

### Summary of Financial Activity

	2001/02	2002/03	2003/04	2004/05	2005/06		2006/07 Appropriations to be Used				2007/08	2008/09	2009/10	
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		Total \$000	Estimated \$000	Estimated \$000	Estimated \$000
							Annual \$000	Other \$000	Annual \$000	Other \$000				
<b>Appropriations</b>														
Output Expenses	176,151	244,127	268,087	256,244	310,674	310,674	277,235	-	20,427	-	297,662	292,647	298,275	304,636
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-	-	-	-
Other Expenses	1,642	2,952	2,375	6,198	15,475	15,475	-	-	13,316	-	13,316	9,446	9,446	9,446
Capital Expenditure	-	1,763	9,000	-	4,500	4,500	N/A	N/A	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	-	N/A	N/A	-	-	-	-
<b>Total Appropriations</b>	<b>177,793</b>	<b>248,842</b>	<b>279,462</b>	<b>262,442</b>	<b>330,649</b>	<b>330,649</b>	<b>277,235</b>	<b>-</b>	<b>33,743</b>	<b>-</b>	<b>310,978</b>	<b>302,093</b>	<b>307,721</b>	<b>314,082</b>
<b>Crown Revenue and Receipts</b>														
Tax Revenue	-	-	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
Non-Tax Revenue	10,065	11,018	12,196	13,584	12,424	12,424	N/A	N/A	N/A	N/A	13,304	13,304	13,304	13,304
Capital Receipts	167	60	-	-	-	-	N/A	N/A	N/A	N/A	-	-	-	-
<b>Total Crown Revenue and Receipts</b>	<b>10,232</b>	<b>11,078</b>	<b>12,196</b>	<b>13,584</b>	<b>12,424</b>	<b>12,424</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>13,304</b>	<b>13,304</b>	<b>13,304</b>	<b>13,304</b>

**Part B1 - Details of Appropriations**

Appropriations	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
<b>Departmental Output Expenses (General)</b>							
Conservation with the Community (M16)	12,653	-	12,653	-	14,906	-	- This class of outputs covers building partnerships with tangata whenua, provision of public information, community participation and public awareness.  Reason for Change: The movement in appropriation is due to an expense transfer from 2005/06 and funding for the Pacific Whales research project.
Crown Contribution to Regional Pest Management Strategies (M16)	-	-	-	-	2,057	-	- Delivery of services to control weed and animal pests on lands administered by the Department of Conservation to meet negotiated outcomes of regional pest management strategies.  Reason for Change: This is a new output class created to separate this activity from the Department's core conservation activities and to ensure transparency and accountability.
Management of Historic Heritage (M16)	5,483	-	5,483	-	5,430	-	- This class of outputs covers the provision of protection and conservation management of historic heritage, including heritage orders and designations under the Resource Management Act 1991.
Management of Natural Heritage (M16)	122,655	-	122,655	-	129,046	-	- This class of outputs covers the preservation of natural heritage, including the maintenance, restoration and protection of ecosystems, habitats and species.  Reason for Change: The movement in appropriation is due to expense transfers from 2005/06 to 2006/07, research funding transferred from MoRST, NZCPS funding, accommodation costs and the transfer of the funding for the Crown RPMS Contribution to new output class.
Management of Recreational Opportunities (M16)	115,569	-	115,569	-	116,909	-	- This class of outputs covers the provision of recreational opportunities on land administered by the Department. This includes the safety services that support these opportunities and management of the recreational asset base.  Reason for Change: The movement in appropriation is due to increase in revenue Crown from over-achievement in Crown concession revenue and expense transfers from 2005/06.
Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning (M16)	8,135	-	8,135	-	6,887	-	- This class of outputs covers the provision of policy advice and ministerial servicing to the Minister of Conservation. It also includes servicing statutory bodies and statutory planning under the Conservation Act 1987 and the National Parks Act 1980.  Reason for Change: The movement in appropriation is due to expense transfers from 2004/05 to 2005/06.

	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Appropriations							
Recreational Opportunities Review (M16)	3,000	-	3,000	-	2,000	-	- The depreciation and write-off of Visitor Assets to be decommissioned following the review of recreational opportunities. Note this output expense is non-cash.  Reason for Change: The movement in appropriation is in line with the expected decommissioning costs.
<b>Total Departmental Output Expenses (General)</b>	<b>267,495</b>	<b>-</b>	<b>267,495</b>	<b>-</b>	<b>277,235</b>	<b>-</b>	
<b>Non-Departmental Output Expenses</b>							
Identification and Implementation of Protection for Natural and Historic Places (M16)	32,887	-	32,887	-	13,283	-	- Purchasing identification, registration and associated promotion of the conservation, protection and care of historic places, implementation of legal protection of natural and historic resources on private or leasehold land; and the protection of indigenous ecosystems on private land or in Māori ownership through the use of contestable funds.  Reason for Change: The budget for 2005/06 includes an expense transfer of committed but unspent funds from 2004/05 and funding brought forward from future years.
Management Services - Natural and Historic Places (M16)	1,443	-	1,443	-	2,283	-	- Purchasing management services for properties with historical or natural significance, including maintenance work, access for the public and management advice on covenanted properties.  Reason for Change: The change in the current year reflects new funding approved for the repainting of the Old Government Building in 2006/07.
Moutoa Gardens/Pakaitore (M16)	22	-	22	-	22	-	- To fund the ongoing management and maintenance of the Moutoa Gardens Reserve.
NZ Biodiversity Advisory Fund (M16)	7,557	-	7,557	-	3,609	-	- NZ Biodiversity Advisory Fund will focus on provision of information and advice to private land managers, whereas the NZ Biodiversity Condition Fund will provide assistance with costs of pest and weed control, fencing and other management actions aimed at improving the condition of biodiversity outside of public conservation lands.  Reason for Change: The budget for 2005/06 includes an expense transfer of committed but unspent funds from 2004/05.
Stewart Island Infrastructure (M16)	1,270	-	1,270	-	1,230	-	- Funding assistance to the Southland District Council to meet the costs of additional community infrastructure arising from increased visitor numbers.
<b>Total Non-Departmental Output Expenses</b>	<b>43,179</b>	<b>-</b>	<b>43,179</b>	<b>-</b>	<b>20,427</b>	<b>-</b>	

	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Appropriations							
<b>Other Expenses to be Incurred by the Crown</b>							
Depreciation - Crown Buildings (M16)	700	-	700	-	700	-	Depreciation on Crown Buildings: Old Government Building, Turnbull House and Dominion Observatory.
Depreciation on Fencing Assets (M16)	4,350	-	4,350	-	4,350	-	Depreciation of fencing assets on the Conservation Estate.
Esplanade Reserve Compensation (M16)	130	-	130	-	1,900	-	Obligatory compensatory payments made under section 289 of the Local Government Act 1974 when esplanade reserves are created.  Reason for Change: The movement in appropriation is due to increase in the compensation provision.
Lake Taupo Access Fee (M16)	864	-	864	-	764	-	Payment made to the Ngati Tuwharetoa Trust Board for public access to Lake Taupo for the purpose of fishing.
Mātauranga Māori Fund (M16)	1,297	-	1,297	-	554	-	Support initiatives to protect traditional Māori knowledge (mātauranga Māori) relating to New Zealand's indigenous biodiversity.  Reason for Change: The budget for 2005/06 included an expense transfer of committed but unspent funds from 2004/05.
Payment of Rates on Properties for Concessionaires (M16)	1,361	-	1,361	-	1,689	-	Under the Local Government (Rating) Act 2002 the owner, not the lessee is liable for rates on Crown land. In most circumstances these are recovered from the lessee.
Provision for Bad and Doubtful Debts (M16)	100	-	100	-	100	-	Write-off of debts relating to Concession Revenue.
Purchase and Development of Reserves (M16)	5,886	-	5,886	-	800	-	Provision for purchasing, taking on leases, managing, administering, maintaining, protecting, improving, and developing the reserves from the Reserves Trust Bank Account and Reserves Act Crown Bank Account. No net Crown impact as it is funded by proceeds of the disposal of reserve lands.  Reason for Change: The 2005/06 appropriation includes the opening balance of Reserves Act Crown Bank Account.
Subscriptions to International Organisations (M16)	305	-	305	-	305	-	Annual Subscriptions for New Zealand membership of: CITES, Convention on Biodiversity, IUCN, Ramsar, and World Heritage Fund.
Vested Coastal Marine Areas Compensation (M16)	30	-	30	-	30	-	Obligatory compensation payable upon vesting of coastal marine areas in the Crown.
Waikaremoana Lakebed Lease (M16)	124	-	124	-	124	-	Payment made under the Lake Waikaremoana Act 1971 for the lease of the lakebed and foreshore for conservation purposes.

	2005/06				2006/07		Scope of 2006/07 Appropriations
	Budget		Estimated Actual		Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Appropriations							
World Heritage Committee - NZ Hosting Meeting and Assuming Chairmanship (M16)	328	-	328	-	2,000	-	Purchase of services required for New Zealand to host the June 2007 meeting of the World Heritage Committee and take on the Chairmanship for one year from July 2006.  Reason for Change: The 2005/06 funding was for the preparatory stage of this project.
<b>Total Other Expenses to be Incurred by the Crown</b>	15,475	-	15,475	-	13,316	-	
<b>Capital Expenditure</b>							
Crown Land Acquisitions (M16)	4,500	-	4,500	-	-	-	To purchase land for reserve purposes.  Reason for Change: The 2005/06 appropriation represented one-off funding for the purchase of a specific land parcel.
<b>Total Capital Expenditure</b>	4,500	-	4,500	-	-	-	
<b>Total Appropriations</b>	330,649	-	330,649	-	310,978	-	

## Part C - Explanation of Appropriations for Output Expenses

### Part C1 - Departmental Output Expenses

#### *Management of Natural Heritage*

This class of outputs covers the preservation of natural heritage including the maintenance, restoration and protection of ecosystems, habitats and species.

This includes:

- Halting any further decline of parks and other protected areas, especially from the adverse effects of human activity such as fire, land clearance and harvest.
- Preventing the loss of indigenous species, particularly from pests that compete with or kill them.
- Ensuring the protected area network includes a representative range of natural, historic and cultural heritage - especially those currently under-represented.
- Establishing a minimum level of protection through legal status, to prevent certain types of damage occurring.
- Protecting and enhancing populations and ranges of native species most threatened with extinction, including international obligations.
- Protection and enhancement of populations and ranges of native species most threatened with extinction, including international obligations (Species Conservation Programmes).

Also included in this output class is:

- All work associated with undertaking and enforcing obligations under the Convention on the International Trade in Endangered Species (CITES) and the Trade in Endangered Species (TIES) Act 1989.

#### *Management of Historic Heritage*

This class of outputs covers the provision of protection and conservation management of historic heritage, including heritage orders and designations under the Resource Management Act 1991. This includes historic place investigations and related iwi consultation, management appraisals, assessments of significance, archaeological investigations, conservation plans, remedial and maintenance work, and interpretation advice.

#### *Management of Recreational Opportunities*

This class of outputs covers the provision of recreational opportunities on land administered by the Department, the safety services that support these opportunities and management of the recreational asset base.

This includes:

- Providing a range of facilities and services, information, and monitor satisfaction with the range of recreational opportunities provided (Visitor Facilities and Services).
- Monitoring the effects of people and concessions at selected visitor sites.

This output class also includes the maintenance and management by the Department of visitor and information centres.

It also covers the provision of safety services and hazard management programmes, visitor monitoring and recreation planning and the management, maintenance and enhancement of sports fishing within the Taupo Fishing District.

### *Recreational Opportunities Review*

This class of outputs records the cost of depreciation of surplus visitor assets and the write offs that result from the Recreational Opportunity Review (ROR) project. This class is unfunded.

The Department is implementing the outcome of the review of the recreational opportunities available to the public. This review identified the range of facilities that will be provided to deliver recreational opportunities to New Zealanders. Those facilities deemed to be surplus, will be removed, closed or managed under a minimal maintenance programme until the end of their functional life.

### *Conservation with the Community*

This class of outputs includes:

- Providing community relationship services including volunteer programmes, partnerships and support for others' conservation initiatives (Community Relations).
- Providing community relationship services including information, communication and education services, events, awareness programmes and creative projects, and the Department's international advocacy (Community Relations).
- Supporting new opportunities to work together with tangata whenua for conservation outcomes and enhancing mātauranga Māori (Working with Tangata Whenua).

Overall it focuses on working with communities and local government to protect natural and historic resources outside of lands managed by the Department.

### *Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning*

This class of outputs covers the provision of policy advice and ministerial servicing to the Minister of Conservation on specific reviews of legislation or specific Government policies affecting conservation. This includes legislative reviews or policy initiatives involving other government departments or agencies and/or managed by Ministers other than the Minister of Conservation.

This output class also covers the provision of policy advice relating to implementation of section 4 of the Conservation Act 1987.

Also included is the provision of a correspondence reply, coordinating and information service to the Minister of Conservation, and a co-ordination and editing service to the Department in relation to the production of its accountability documents. It also includes servicing statutory bodies and statutory planning under the Conservation Act 1987 and the National Parks Act 1980.

### *Crown Contribution to Regional Pest Management Strategies*

Delivery of services to control weed and animal pests on lands administered by the Department of Conservation to meet negotiated outcomes of regional pest management strategies. Ensuring the Crown meets its agreed exacerbator costs under the Biosecurity Act for lands administered by the Department of Conservation.

## Part C2 - Non-Departmental Output Expenses

### *Identification and Implementation of Protection for Natural and Historic Places*

This output class covers:

- The implementation of legal protection of natural and historic resources on private or leasehold land through the Queen Elizabeth the Second National Trust.
- The protection of indigenous ecosystems on private land or in Māori ownership through the use of contestable funds.

#### Performance measures

##### **Legal Protection**

The Queen Elizabeth the Second National Trust expects the following areas will be approved for protection and formally protected by registered open space covenants (based on previous performance):

		Covenant Approvals	Covenant Registrations
<b>Priority One</b>	Recommended Areas for Protection or similar quality	250	200
	Number Hectares	6,250	5,000

The quality of proposals for protection is assessed against the Board's set of criteria. These criteria assess the ecological, landscape and other values inherent in each application.

#### Provider

Queen Elizabeth the Second National Trust

##### **Protection of indigenous ecosystems on private land**

- It is expected that 20 negotiations will be undertaken, resulting in 7 purchases and 2 covenants protecting 2000 hectares.
- The quality of proposals for protection is assessed against the Nature Heritage Fund's (NHF) set of criteria. These criteria assess the ecological, landscape and other values inherent in each application.
- The NHF committee will make recommendations on proposals for the Minister of Conservation to approve.

#### Provider

Nature Heritage Fund (NHF)

##### **Protection of indigenous ecosystems in Māori ownership on South Island Landless Natives Act (SILNA) land**

It is expected that approval will be given to 3 trusts to protect indigenous ecosystems on 47 blocks of SILNA lands.

- The quality of proposals for protection is assessed against the NHF's set of criteria and the approval criteria set by Cabinet. These criteria assess the ecological, landscape and other values inherent in each application.
- The NHF committee will make recommendations on proposals for the Minister of Conservation to approve.

**Provider**

Nature Heritage Fund (NHF)

***Protection of indigenous ecosystems in Māori ownership***

Protection of indigenous ecosystems in Māori ownership is achieved through the Nga Whenua Rahui (NWR) Fund which was established in 1991 following the Government's announcement of its Indigenous Forest Policy. This policy arose from the widespread concern at the continued loss of indigenous forest throughout the country.

Since inception the NWR Fund has protected 230,000 hectares made up of indigenous forests, wetlands, dune-lands, and tussock lands. The NWR Fund has performed pest operations on 40,000 hectares.

The NWR Fund successfully translocated 19 kokako, the largest translocation of this kind ever undertaken. This was only possible because of the successful completion of a mainland island project undertaken in the Eastern Bay of Plenty.

The initiatives by the Fund complement the Department of Conservation's own public awareness work and its statutory advocacy for biodiversity protection.

- It is expected that the appropriation will be fully committed to formally protect conservation on Māori owned land.
- It is expected that 15 of the 30 Kawenata/management agreements that are in various stages of completion from previous years, will be completed. The quality of proposals for protection is assessed against the NWR set of criteria. These criteria assess the ecological, cultural, spiritual and other values inherent in each application and can be found at this website: [www.biodiversity.govt.nz/land/nzbs/pvtland/contestable.html](http://www.biodiversity.govt.nz/land/nzbs/pvtland/contestable.html)
- The NWR committee will make recommendations on proposals, with final approval being given by the Minister of Conservation.
- It is expected that the appropriation for Mātauranga Kura Taiao will be committed. The quality of proposals will be assessed against the Mātauranga Kura Taiao set of criteria.

**Provider**

Nga Whenua Rahui (NWR)

**Cost**

	2005/06 \$000	2006/07 \$000
Total output class expenses	32,887	13,283
Total output class revenues	32,887	13,283

Funding is allocated to providers for 2006/07 as follows:

	2005/06 \$000	2006/07 \$000
Queen Elizabeth II National Trust	2,012	2,012
Nature Heritage Fund	14,399	6,805
SILNA forests (through NHF)	9,440	1,000
Nga Whenua Rahui	7,036	3,466
Total	32,887	13,283

### *Management Services: Natural and Historic Places*

This output class covers management services for properties with historical or natural significance, including maintenance work, access for the public and management advice on covenanted properties.

#### **Performance measures**

	Number of Properties	Area (hectares)	Other Performance Information
Queen Elizabeth the Second National Trust Properties	27	1,582	Managed in accordance with approved operative management plans
Perpetual trustee role for registered open space covenant	1,160	29,000	Registered covenants monitored not less than once every 24 months

#### **Cost**

	2005/06 \$000	2006/07 \$000
Total output class expenses	1,443	2,283
Total output class revenues	1,443	2,283

Funding is allocated to providers as follows:

	2005/06 \$000	2006/07 \$000
Queen Elizabeth II National Trust	862	862
Old Government Building and Turnbull House operating expenses	581	1,421
Total	1,443	2,283

### *Moutoa Gardens/Pakaitore*

This output class covers the administration of the Moutoa Gardens Historic Reserve by the Reserve Board, the maintenance of the grounds and historic resources and the capital items needed to improve or maintain the key assets of the reserve.

#### **Cost**

	2005/06 \$000	2006/07 \$000
Total output class expenses	22	22
Total output class revenues	22	22

## *NZ Biodiversity Advisory Fund*

This output class covers the NZ Biodiversity Advice Fund and NZ Biodiversity Condition Fund. The Advice Fund focuses on the provision of information and advice to private land managers in order to encourage and facilitate greater protection of biodiversity outside of public conservation lands. The Condition Fund provides assistance with the costs of pest and weed control, fencing and other management actions aimed at improving the condition of biodiversity outside of public conservation lands. These two funds were classified as part of the output class Identification and Implementation of Protection for Natural and Historic Places in previous years.

### **Performance measures**

- It is expected that the NZ Biodiversity Advice Fund will fund 40 advice projects.
- It is expected that the NZ Biodiversity Condition Fund will fund 120 condition projects.
- The quality of applications to both the Advice Fund and the Condition Fund is assessed against set guidelines. These guidelines can be found at this website:  
[www.biodiversity.govt.nz/land/nzbs/pvtland/condition.html](http://www.biodiversity.govt.nz/land/nzbs/pvtland/condition.html)

### **Cost**

	2005/06 \$000	2006/07 \$000
Total output class expenses	7,557	3,609
Total output class revenues	7,557	3,609

## Part E - Explanation of Capital Flows

### Part E1 - Explanation of Movements in Departmental Net Asset Schedules

Details of Net Asset Schedule for Department of Conservation	Estimated Actual 2005/06 \$000	Projected 2006/07 \$000	Explanation of Projected Movements in 2006/07
Opening Balance	373,745	380,634	
Capital Injections	14,182	9,274	The changes are due to a reduction in the Land Tenure Review non-cash injection to \$2 million from \$8 million, offset by an increase of \$3.500 million for the New Zealand Icon Centres.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	(3,000)	(2,000)	The deficit incurred is due to the unfunded write-offs of recreational assets identified by the Recreational Opportunity Review.
Other Movements	(4,293)	5,000	This is a non cash movement to cover the forecast output deficits. The 2005/06 Estimated Actual includes an adjustment to the Revaluation Reserve.
Closing Balance	380,634	392,908	

## Part F - Crown Revenue and Receipts

### Part F1 - Current and Capital Revenue and Capital Receipts

	2005/06		2006/07	Description of 2006/07 Crown Revenue
	Budgeted \$000	Estimated Actual \$000	Budget \$000	
<b>Non-Tax Revenue</b>				
Concessions, Leases and Licences	8,900	8,900	9,600	Revenue received from commercial use of Crown owned Land.
Disposal of Reserves	800	800	800	Proceeds of disposal from the sale of reserves to be transferred to the Reserves Trust Account.
Old Government Building Rental	1,580	1,580	1,760	Rental received from lessee.
Rates Recovery from Concessionaires	964	964	964	Rates recovered from Concessionaires on Crown land. Under the Local Government (Rating) Act 2002 the Owner, not the Lessee is liable for rates on Crown land. In most circumstances these are recovered from the lessee.
Turnbull House Revenue	180	180	180	Receipt from room hire and from Parliamentary Services for the use of subsoil below Turnbull House for an access tunnel.
<b>Total Non-Tax Revenue</b>	<b>12,424</b>	<b>12,424</b>	<b>13,304</b>	
<b>Total Crown Revenue and Receipts</b>	<b>12,424</b>	<b>12,424</b>	<b>13,304</b>	