



# Cabinet Business Committee

Sensitive

CBC Min (07) 10/12

Copy Number:

## Minute of Decision

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### South Island High Country: Landscape, Biodiversity and Access Issues

On 5 June 2007, the Cabinet Business Committee:

#### Background

- 1 **noted** that the Crown owns two million hectares of land in the South Island high country, which is leased or (in a few cases) licensed for pastoral farming;
- 2 **noted** that in August 2003, the Cabinet Policy Committee (POL) approved ten South Island high country objectives (the government's high country objectives), which set out the wide range of things that the government wants to achieve in the high country – environmental, economic, social and financial [POL Min (03) 19/7];
- 3 **noted** that the tenure review process for Crown pastoral leases, under the Crown Pastoral Land Act 1998 (CPLA), divides leases into land being returned to full Crown ownership and control (as public conservation land), and land being freeholded to leaseholders;
- 4 **noted** that Land Information New Zealand (LINZ) runs the tenure review process, and that statutory responsibility for tenure review decisions lies with the Commissioner of Crown Lands (CCL);
- 5 **noted** that tenure review has delivered important gains for conservation, public access and recreational opportunities, and that diversified economic use has occurred on freeholded land;
- 6 **noted** that, where all or most of a property should become conservation land, a whole lease purchase has on occasion been made instead by LINZ or the Nature Heritage Fund, and that partial property purchases have also been made by the National Heritage Fund;
- 7 **noted** that in February 2005, POL noted that:
  - 7.1 there are additional statutory tools that could be used or considered to achieve the government's high country objectives, including tools under the CPLA, the Land Act 1948, and the Resource Management Act 1991;
  - 7.2 the government is willing for the Crown to be a high country pastoral lessor indefinitely in cases where doing so is consistent with all of the high country objectives, including the objective of obtaining a fair financial return to the Crown;

7.3 tenure review for lowland areas within the high country is not delivering outcomes consistent with the New Zealand Biodiversity Strategy;

[POL Min (05) 2/9]

8 **noted** that in October 2006, Cabinet considered a paper on pastoral lease valuation reviews, which noted that there are concerns as to whether tenure review is sufficiently addressing landscape values, especially around lakesides [CAB (06) 415];

### **Protective effect of pastoral leasehold tenure**

9 **noted** that pastoral leasehold tenure has the effect of providing a degree of protection to land with landscape, lakeside, biodiversity and other values and, in particular, has prevented subdivision and subsequent intensive development;

10 **noted** that other land use changes have been constrained because non-pastoral land uses require the consent of the CCL;

### **Crown withdrawal from tenure review**

11 **agreed** that high country pastoral lease properties with highly significant lakeside, landscape, biodiversity or other values<sup>1</sup> that are unlikely to be protected to the satisfaction of the Crown by the tenure review process be excluded from the process;

12 **agreed** that, where it is considered necessary to withdraw a pastoral lease from the tenure review process at any time prior to the acceptance by the lessee of a substantive proposal, the CCL can exercise the CCL's power under section 33 of the CPLA to discontinue a tenure review at any time;

13 **directed** LINZ (lead) and the Department of Conservation (DOC) to identify properties within the following categories where the Crown should withdraw from the tenure review process or not enter into it:

13.1 properties currently in tenure review;

13.2 lakeside properties, whether in tenure review or not;

13.3 such other properties as may be revealed in the course of identifying properties in the previous two categories;

14 **agreed** that the default assumption for lakeside properties is that they should be excluded from tenure review and that other means should be used to protect their landscape, biodiversity, access and other values, unless it is clear now or in the future that tenure review would:

14.1 not significantly impact on those values;

14.2 demonstrably be in the public interest;

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<sup>1</sup> The term 'values' covers lakeside, landscape, biodiversity, ecological, amenity, recreational and other inherent values associated with Crown owned lands.

- 15 **invited** the Minister for Land Information and the Minister of Conservation to report to POL by 31 August 2007 on the results of the property identification exercise referred to in paragraph 13 above;
- 16 **agreed** that the Minister for Land Information:
- 16.1 ask the CCL to report to the Minister on all new properties due to enter into tenure review before the CCL makes a decision about whether or not to undertake the review;
- 16.2 consult with the Minister of Conservation before providing comment to the CCL;

### **Managing pastoral lease land and discretionary consents**

- 17 **agreed** that pastoral lease land be managed (in accordance with the CPLA and the Land Act) in a way that protects values and ensures that they are not undermined by the issuing of discretionary consents;
- 18 **noted** that detailed information on the issuing of discretionary consents is not centrally held and that a project is underway to remedy this;
- 19 **directed** LINZ (lead) and DOC to:
- 19.1 review whether:
- 19.1.1 pastoral lease land is being managed and good husbandry being practised in accordance with the provisions of the Land Act;
- 19.1.2 discretionary consents are being issued in accordance with the relevant provisions of the CPLA and the Land Act;
- 19.2 report to the Minister for Land Information and Minister of Conservation on the results of that review, and any recommendations for change, by 30 November 2007;

### **Tenure review process improvements and funding approval**

- 20 **noted** that LINZ and DOC have improved their quality assurance processes for tenure review by establishing a senior managers group to advise the CCL on preliminary and substantive proposals before the CCL reports them to the Minister for Land Information for comment and presents them to leaseholders;
- 21 **noted** that the CCL is now reporting to the Minister for Land Information on all tenure review proposals (preliminary and substantive) before they proceed, thereby enabling the Minister to comment on proposed outcomes, and to request any further information;
- 22 **agreed** that, before any tenure review proposal can proceed:
- 22.1 it must receive funding approval from the Minister for Land Information, whose consent will be:
- 22.1.1 sought in principle at the preliminary proposal stage;
- 22.1.2 confirmed at the substantive proposal stage;

- 22.2 this approval will be sought at the same time as the CCL reports to the Minister for Land Information on the proposed outcomes of the tenure review;
- 22.3 the Minister for Land Information will consult the Minister of Conservation on both the proposed outcomes and funding;
- 23 **directed** LINZ to give effect to the funding approval requirement referred to in paragraph 22 for appropriations in Vote Lands to be expended (or in some cases revenue received) on the financial settlement for a tenure review;
- 24 **noted** that in April 2007, Cabinet agreed to a reporting process for the disposal of Crown land that is 'sensitive' land or has a value of \$1.0 million or more [CAB Min (07) 11/3B];
- 25 **noted** that tenure review land will need to go through the land disposal reporting process before the Minister for Land Information comments on and approves funding for tenure review proposals relating to the land;

### High country parks and reserves

- 26 **noted** that significant progress has been made towards the establishment of a network of high country parks and reserves, and that to date:
- 26.1 five new high country parks have been opened with land obtained through tenure review and lease purchases being combined with already existing public conservation land;
- 26.2 Molesworth station has become a high country park, through a separate process;
- 27 **noted** that five further high country parks are currently being progressed through tenure review and/or lease purchase;
- 28 **agreed** that priority be given to completing the establishment of these five high country parks, and to making desirable additions to existing parks;
- 29 **directed** DOC (lead) and LINZ to report to the Minister of Conservation and the Minister for Land Information by 31 July 2007 on how to progress the high country park network in this manner by the end of 2008;
- 30 **noted** that, whether or not pastoral lease land has been excluded from tenure review, LINZ, the National Heritage Fund or both could purchase an entire pastoral lease for use as high country park or reserve, with parts that are of limited significance being available to trade for further conservation gains or for sale on the open market (with or without protective covenants and easements, as appropriate);
- 31 **agreed** that acquisition through tenure review of land needed to establish new parks must not unduly compromise the protection of significant values on other land, and that such values can often be best protected by establishing new high country reserves;

### Pastoral lease access issues

- 32 **noted** that the Minister for Land Information has directed LINZ to ensure that all marginal strips are identified and recorded before any tenure review outcome is finalised, and that work is underway to give effect to this requirement;

- 33 **directed** LINZ (lead) and DOC to report to the Minister for Land Information and Minister of Conservation by 31 July 2007 on how Land Act provisions might be used to provide public access through pastoral lease land;
- 34 **directed** LINZ (lead) and DOC, in consultation with the Ministry of Agriculture and Forestry, to ensure that any proposals as to how Land Act provisions might be used to provide public access through pastoral lease land are then integrated with the government response to the Walking Access Consultation Panel report and work to address the implications of rent increases for pastoral lease land;

### Reporting on government's high country objectives

- 35 **noted** that in December 2003, the Cabinet Business Committee directed officials to report to POL on progress and issues each year in October against the government's objectives for the high country, and to specifically report on:

- 35.1 stakeholder responses to progress;
- 35.2 lessee participation in tenure review;
- 35.3 socio-economic effects on specific park proposals;

[CBC Min (03) 10/3]

- 36 **noted** that the report to POL in October 2007 will be a combined report for the years ending 30 June 2006 and 30 June 2007.

Fleur Gaston  
Secretary

Reference: CBC (07) 86

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**Present:**

Rt Hon Helen Clark (Chair)  
Hon Dr Michael Cullen  
Hon Jim Anderton  
Hon Steve Maharey  
Hon Phil Goff  
Hon Pete Hodgson  
Hon Parekura Horomia  
Hon Mark Burton  
Hon Ruth Dyson  
Hon Chris Carter  
Hon David Benson-Pope  
Hon Damien O'Connor  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Clayton Cosgrove

**Officials present from:**

Office of the Prime Minister  
Department of the Prime Minister and Cabinet

**Copies to: (see over)**

