

# **Briefing for the Incoming Minister**

**September 2005**

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# Introduction

This Briefing introduces Land Information New Zealand (LINZ), sets out the main issues that the department will face over the next few years and highlights the issues that will require the Minister for Land Information's attention in the next 3 and 6 months.

This Briefing should be read in conjunction with the:

- *LINZ Statement of Intent 2005-2006*;
- *LINZ Annual Report 2004-2005*.

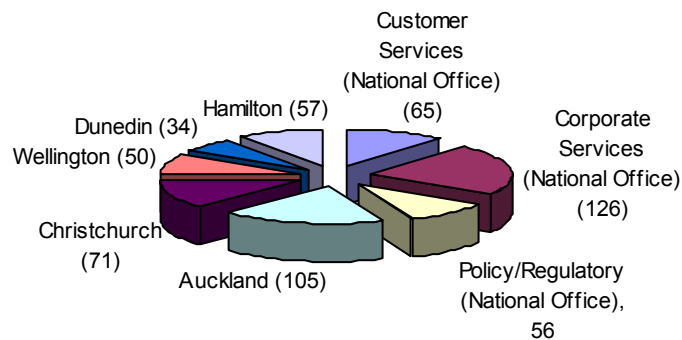
Further information can also be found on the LINZ website – <http://www.linz.govt.nz> and on the Landonline website – <http://www.landonline.govt.nz>.

## Purpose

Land Information New Zealand was established on 1 July 1996 and is responsible for the policy and regulation of, and service delivery of, New Zealand's authoritative land information.

## People

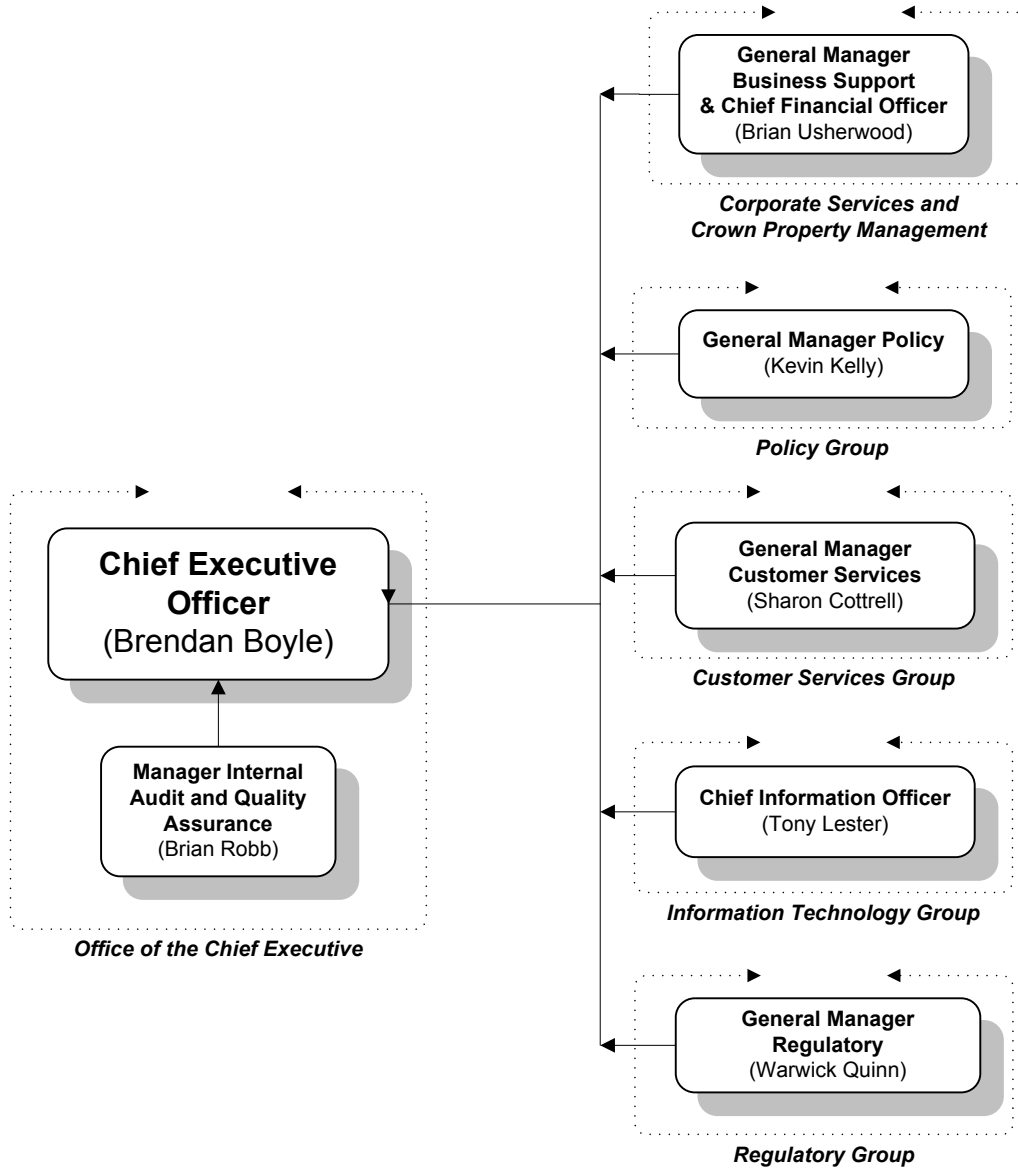
At 1 September 2005, LINZ had 564 full time equivalent staff members located in six offices (National Office and five processing centres) around New Zealand. A breakdown of staff numbers by location is shown in the following figure.



43.2% of the staff of LINZ are women and just over 7.2% identify themselves as Māori. The turnover rate of staff for LINZ for the 2004/05 financial year was 9%, compared with 12% for the state sector.

## Structure

LINZ's management structure is detailed in the diagram below.



## Part One – LINZ’s Roles and Strategic Direction

### LINZ Statement of Intent

The *Land Information New Zealand Statement of Intent 2005-06* presents the department’s plans for the next three years (i.e. 2005-2008). The Statement of Intent indicates how LINZ will contribute to Government outcomes. This is summarised below.

### Government Outcomes

LINZ contributes to the following Government outcomes:

- *New Zealand has a growing, inclusive and innovative economy; and*
- *New Zealand is safe and secure*

LINZ’s land information services form part of New Zealand’s economic infrastructure – LINZ enables the effective specification and protection of land related property rights, and the efficient management of Crown land assets. The information provided by LINZ is also used for defence, emergency services and electoral purposes.

### LINZ Outcomes

The outcomes LINZ aims to achieve to contribute to the Government outcomes above are:

- *Certainty of New Zealand property rights and interests;*
- *Land information is available to enable New Zealand’s economy to function effectively and for New Zealander’s safety and security; and*
- *Crown assets are put to their best use.*

### LINZ Intermediate Outcomes

LINZ will achieve these outcomes by delivering:

- *An effective system for defining and transacting land;*
- *Convenient access to integrated land information; and*
- *Effective and efficient management of Crown land and liabilities.*

### Strategic Goals

In light of these outcomes, LINZ has identified strategic goals and capability improvement initiatives for the next three years. The strategic goals are:

- *Optimal Regulation* – An outcome focus that promotes self-regulation and the public interest with the least intervention.
- *e-Delivery Excellence* – LINZ’s primary customers exclusively use electronic channels, consistent with the e-Government strategy.

- *All-of-Government Leadership* – LINZ is a strategic leader and co-ordinator of land information initiatives across government.

While delivering these outcomes, the department must take account of Government’s expectations of the public service and ownership interests in LINZ.

*LINZ’s Vision*

LINZ’s vision is that *LINZ is valued as Government’s centre of electronic land information and expertise.*

**LINZ’s Responsibilities**

LINZ is responsible for maintaining New Zealand’s authoritative land information. LINZ’s core activities are as follows.

*Land Titles*

LINZ authorises and records changes in rights to land. This includes creating new titles, recording changes of ownership and interests in land (e.g. mortgages) and providing access to these records. The system LINZ maintains provides an accurate and up-to-date picture of legal ownership of land in New Zealand. Titles products and services are provided via the Internet (for Landonline subscribers) and through LINZ’s five Processing Centres. Bulk digital data is also made available through resellers.

*Geodetic and Cadastral Survey System*

LINZ maintains the geodetic<sup>1</sup> and cadastral systems, which work together to provide definition of the dimensions (parcels) of property in land.

Geodetic Reference System

The geodetic reference system involves a network of primary survey marks in the ground. The positions of these marks are recorded in terms of a New Zealand datum, which is compatible with the international global satellite positioning system.

The geodetic reference system provides the spatial referencing framework for the cadastral survey system. It also enables the compatible positioning of all other spatial information, such as topographic and geological mapping. Geodetic data is available via the Internet.

Cadastral Survey System

The cadastral survey system consists of a framework which includes all survey reference points, land surveys and boundary marks, and the spatial definition of cadastral records provided by LINZ-approved survey plans. This information enables the identification and definition of land parcels for registration and recording of interests under the

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<sup>1</sup> Technical terms are explained on page 45.

Torrens land title, Māori land and Crown land systems. It also provides the national property framework for use in geographic information systems (GIS) operated by local authorities and utility companies.

Cadastral survey products and services are provided via the Internet (for Landonline subscribers) and through LINZ's five Processing Centres. Bulk digital survey data is also made available to resellers at the cost of dissemination.

#### *Topographic Information*

LINZ is responsible for national topographical mapping at 1:50,000 and larger scales. LINZ undertakes this mapping for defence and emergency services and national constitutional purposes (i.e. electoral purposes). LINZ makes its topographical data and mapping available via the Internet and in printed form through retailers. Bulk digital topographical data is available from LINZ or provided to resellers at the cost of dissemination.

#### *Hydrographic Information*

LINZ is responsible for maintaining and providing authoritative hydrographic information for navigation. It produces this information which includes charts, nautical almanacs and 'Notices to Mariners' (announcements of corrections to charts in the New Zealand area, including notes of dangers to navigation) in accordance with the standards of the International Hydrographic Organisation for the purpose of safety of life at sea. LINZ's hydrographic charts are provided to users for a fee via the Internet and through chart retailers.

#### *Rating Valuation*

LINZ ensures that property valuations for rating purposes are provided to a consistent standard. It sets standards for rating valuations and undertakes compliance audits of local authorities.

#### *Crown Property*

LINZ regulates the management and disposal of the Crown's interest in land and property in accordance with the Public Works Act 1981 and the Land Act 1948. Government agencies undertake acquisitions and disposals for their own purposes. LINZ ensures that correct statutory decisions are made and that government agencies comply with the statutory requirements in a consistent manner.

LINZ also manages almost 3 million hectares of Crown land or 11% of New Zealand's land area. It manages this land on its balance sheet in accordance with the regulatory framework, including the control of pest plants and animals on its lands and on Crown-owned river and lake beds. Two major components of Crown property management are the administration of the Tenure Review process under the Crown

Pastoral Land Act 1998 for South Island high country pastoral leases, and the administration of Crown Forest Licences under the Crown Forest Assets Act 1989.

*Continental Shelf*

LINZ is responsible for obtaining seabed data, determining the furthestmost extent of the legal continental shelf and assisting with developing New Zealand's submission with the United Nations Commission on the Continental Shelf. This will enable the Government to lodge New Zealand's submission by 2009.

*Electoral Support*

LINZ provides technical support to the Representation Commission (which determines electoral boundaries), the Chief Electoral Office, the Electoral Enrolment Centre, and Statistics New Zealand. LINZ's primary functions are the provision of an Index to Places and Streets for use on polling day, mapping support, the collation of street addresses for enrolment purposes, and the spatial definition of meshblocks.

*Overseas Investment*

Through the Overseas Investment Office (previously the Overseas Investment Commission) LINZ is responsible for processing applications by overseas persons wanting to acquire interests in New Zealand and ensuring compliance with the Overseas Investment Act 2005.

## Part Two – Statutory Boards

LINZ administers three statutory boards – the Cadastral Surveyors Licensing Board of New Zealand, the Valuers Registration Board and the New Zealand Geographic Board.

### *Cadastral Surveyors Licensing Board of New Zealand*

The Cadastral Survey Act 2002 was enacted on 1 June 2002, replacing the Survey Act 1986. The Cadastral Surveyors Licensing Board's key functions are to:

- issue licences for cadastral surveyors;
- maintain a register of licensed cadastral surveyors;
- set fees for the issue and renewal of licences;
- issue and update standards that persons applying for licences, or the renewal of licences must meet;
- investigate complaints about cadastral surveyors and take disciplinary action in appropriate cases; and
- provide statistical information to the Minister about cadastral surveyors as requested.

The first Cadastral Surveyors Licensing Board of New Zealand was appointed under the new Act on 2 December 2002 for a term of three years. This board comprises the Surveyor-General, five full and two substitute members appointed by the Minister for Land Information.

The current Members of the Board are listed below:

- Brian John Coutts (Chair);
- Dr Don Grant, Surveyor-General (Ex Officio);
- Gary David Clark;
- Brett Douglas Gawn (on recommendation of the body representing licensed cadastral surveyors);
- Jenny Kirk;
- Marton David Sinclair (on recommendation of the body representing licensed cadastral surveyors);
- Frances Helen Russell (substitute member);
- Peter Michael Smidt (substitute member).

LINZ will provide recommendations for appointment before the members' terms expire.

### *Valuers Registration Board*

The Valuers Act 1948 provides for the registration of land valuers and constitutes the Valuers Registration Board to administer the registration process. The Board's key functions are to:

- set standards of education and practical experience for

registration;

- register valuers of land, maintain a register of those valuers who meet the required standards and issue practising certificates (once graduates have completed their three year practical experience, the Board holds an oral examination and then determines whether the applicant is competent to be registered as a valuer under the Act); and
- exercise disciplinary powers where a registered valuer is charged with incompetent, improper or unethical conduct – in certain circumstances, the Board may remove a valuer from the Register of Valuers.

The Board arranges for the investigation of any complaints received from the public about unsatisfactory property valuations carried out by registered valuers and holds disciplinary hearings where appropriate.

The Board comprises the Valuer-General (Chair) and four members, all of whom must be registered valuers, appointed by the Minister for Land Information. Two of the four appointees are appointed on the recommendation of the New Zealand Institute of Valuers (NZIV).

The current Members of the Board are listed below:

- Neill Sullivan, Valuer-General (Chair – Ex Officio);
- Timothy Allan Crighton (on recommendation of the NZIV);
- Michael Evan Leigh Gamby (on recommendation of the NZIV);
- Bethia Margaret Gibson; and
- Hekiara James Puketapu.

LINZ will provide recommendations for appointment before the members' terms expire.

### *New Zealand Geographic Board*

The New Zealand Geographic Board, established by the Geographic Board Act 1946, is responsible for place naming in New Zealand, including the Kermadec, Chatham, Auckland and Campbell Islands and within the territorial waters of New Zealand.

The Act provides for seven members on this board and the Ngai Tahu Claims Settlement Act 1998 added one further member for a total of eight. The current Members of the Board are listed below:

- Dr Don Grant, Surveyor-General (Chair – Ex Officio);
- Dr Sir Tipene O'Reagan (on recommendation of Te Runanga o Ngai Tahu);
- Professor James Wharehuia Milroy (on recommendation of the Minister of Māori Affairs);
- John Lockwood Wheeler (on recommendation of the Federated Mountain Clubs of New Zealand);
- Brian Cameron McLay (on recommendation of the Minister for Land Information);
- Sylvia Jane Allan (on recommendation of the Minister for Land Information);
  
- Vacant – recommended appointment by Minister of Māori Affairs;
- Vacant – recommended appointment by NZ Geographical Society.

A paper is being prepared for the Minister on a proposed process to renew Board membership and appoint members to fill vacant positions.

## Part Three – Key Upcoming Issues

The key issues coming up in the next three and six months are outlined below.

1 October 2005	
Cabinet decision on items for inclusion in ROLD Bill (p.19)	OCT
Cabinet decision on work programme for Ocean Survey 20/20 (p.13)	NOV
Cabinet decision on Landonline Strategy (p.11)	DEC
Cabinet decision on draft legislation from review of NZ Geographic Board Act (p.18)	
<b>Before 31 December 2005</b>	
	JAN
Cabinet decision on policy proposals from review of Public Works and Land Acts (p.16)	FEB
	MAR
<b>Before 31 March 2006</b>	
Minister signs off Estimates and Statement of Intent	APR
	MAY
Minister and CE LINZ agree to Output Plan	JUNE
<b>Before 30 June 2006</b>	

October Baseline Update to Minister

Report back on South Island high country review of valuations and rentals (p.22)

Report back to Cabinet on progress achieved under tenure review programme

Cabinet decision on policy proposals from Geospatial Information Discussion document (p.12)

New Budget Initiative Bids to Minister

March Baseline Update to Minister

Report back on access to Geospatial Information held by government (p.33)

Statement of Intent tabled in Parliament

## **Part Four – Anticipated Changes to the Environment**

A number of key strategies, legislative reviews and other upcoming issues will affect the way that LINZ provides its services.

### **Key Strategies**

The following key strategies will affect the department's future direction. These strategies will be developed and implemented within the next twelve months.

#### *Landonline Strategy*

With the introduction of electronic survey lodgement in November 2003, the original vision for Landonline has largely been achieved. Landonline delivers a secure, reliable electronic means of disseminating digital land information and end-to-end electronic processing for the bulk of survey and title transactions.

While the rate of adoption of electronic lodgement functionality in Landonline by the surveying and conveyancing communities has been slower than expected, a solid foundation has been successfully implemented upon which further growth in usage and further electronic capabilities can be accommodated.

LINZ has developed a strategy for Landonline going forward which is intended to:

- set the direction for Landonline to build on and enhance the original vision; and
- apply the learnings derived from Landonline to date to create further value for LINZ, its customers and government.

The strategy outlines a number of activities that would assist in migrating customers to the electronic channel and thereby achieve the economic benefits of the investment already made in Landonline. In the medium-term, however, LINZ's baseline appropriation for the provision of survey and title services will not be sufficient for LINZ to continue to maintain both paper and electronic channels and provide services at the current level.

LINZ obtained additional baseline appropriation for 2005/06 to maintain both channels and current service levels. Funding was appropriated on the expectation that a full business case for the future role of the Landonline service was considered prior to next financial year.

LINZ intends to consult the Minister on the content of the business case in the near future. The business case outlines a timeframe for the introduction of mandatory electronic lodgement for survey and title transactions.

### *Geospatial Strategy*

Geospatial information is information concerning objects or phenomena that are directly or indirectly associated with a location relative to the Earth. Geospatial information supports a wide range of government activities, including emergency services response, defence planning, transport and environmental management and the provision of health services.

In October 2004, Government noted its increasing reliance on geospatial information for a wide range of activities and at the same time noted there were concerns raised about the lack of coordination in managing the government's geospatial resources. Problems include duplication of geospatial information and databases, poor quality or inadequate geospatial information, and the inability to find and share geospatial information across government.

As a result, in November 2004, Government approved the release of a discussion document on government geospatial information issues. This was followed by a programme of consultation, including workshops in the four main centres attended by participants from central and local government, Crown entities, academia, Māori and the private sector. There was widespread support from those directly consulted and those who made submissions for the development of a coordinated approach and strategy for government geospatial information. A Summary of Submissions Report was developed and the major themes from the feedback provided to Cabinet in May 2005.

LINZ has sought feedback from the various stakeholders on a draft Geospatial Strategy for Government. This feedback will be used to develop a proposed strategy and associated Cabinet paper, which is planned to be presented to Government by November 2005.

### *Ocean Survey 20/20 Strategy*

In November 2004 Cabinet approved a fifteen-year initiative for surveying New Zealand's total ocean area to be known as Ocean Survey 20/20 (OS20/20). The project covers the economic zone, the continental shelf and the Ross Sea Region with the South Pacific islands as a secondary focus. Within these geographic areas, attention was directed to the subsurface, seabed, water column and atmosphere. It was

anticipated that the survey activity would support minerals exploration, fisheries, maritime safety, oceanographic science, geological hazards, conservation, biosecurity, resource management, recreation and tourism.

OS20/20 recognises that the nation's future prosperity will have an increasing marine orientation, that the accumulation of comprehensive knowledge about the marine environment lags behind knowledge of our land environment by some 100 years and that there is increasing international attention to marine matters, both globally and within individual jurisdictions.

The initiative jointly reports to the Ministers for Land Information and Research, Science and Technology. A Chief Executives' Group and an Advisory and Coordinating Group have been established. LINZ chairs and carries out secretariat functions for both groups. Organisations involved include government agencies with marine and science interests, Treasury and Department of the Prime Minister and Cabinet, Crown Research Institutes, and universities. The groups have been meeting regularly since March 2005.

In March 2005, the NZ Defence Force and the Crown Company Monitoring United reported on opportunities for leveraging Defence and Crown Research Institute resources respectively to help achieve the OS20/20 vision.

In June 2005, the groups reported their progress towards establishing a 15 year programme to achieve the vision. Cabinet agreed that there would be a further report at November 1, 2005 to:

- provide options for a 15 year programme;
- provide options for funding the programme;
- make proposals to achieve appropriate coordinated management of and access to publicly funded marine data; and
- propose appropriate links between the OS20/20 initiative and the developing Oceans Policy led by the Ministry for the Environment.

It has been recognised that some of the most urgent needs exist in coastal areas. Planning is being carried out in parallel for both coastal and off-shore areas to ensure that data needs for each are adequately assessed.

MoRST has been developing options for the better management of science information generally, and the OS20/20 agencies are developing an approach to marine data

which is consistent with this wider thinking and with e-government strategies.

### *Topographic Information Strategy*

LINZ (or its predecessors) has been responsible for national topographic mapping in New Zealand for over a century. The major change over this period has been driven by the ability of new technologies to more effectively maintain, disseminate and use topographic data.

A Topographic Information Strategy outlining LINZ's vision and goals for topographic information through to 2010 was published in June 2005. The focus is now on ensuring that LINZ has a topographic information infrastructure that enables primary customer groups to exploit the information efficiently to meet their needs. First-mover projects include the development of a map series that reflects the new geodetic datum (NZGD2000) and new map projection and a review of the core topographic data that LINZ collects and maintains. Both projects will be undertaken in close consultation with LINZ's primary customers – emergency services agencies and the NZ Defence Force.

### *Māori Land Strategy*

Land ownership in the Torrens land system is premised on having 'title' to land. The ability of Māori to utilise their multiple-owned land assets, in turn, is based on a number of factors including title improvement. For this reason, in the case of Māori land, s 123 of Te Ture Whenua Māori Act 1993 requires the Māori Land Court Registrar to send all orders to the Registrar-General of Land (at LINZ) for registration.

The benefit of registration is that Māori land owners obtain a registered title which gives them the same benefits and opportunities for use of land as owners of general land enjoy.

Almost half of all Māori land blocks are currently unsurveyed and therefore unregistered in the Land Transfer System. A reliable definition of land parcels, as provided by a survey, is integral to the registration of land and the issue of title under the Land Transfer Act 1952.

Another factor affecting the ability of Māori to use their land is the provision of good quality information which will allow landowners to make informed decisions about developing their land.

In 2003/04, LINZ undertook a *National Māori Land Information Project* with funding from the Ministry of Research, Science and Technology. The research revealed

that information about Māori land should be viewed as consisting of two distinct types of information; definitional and developmental. The findings show that definitional information is neither fragmented nor inaccessible (as previously considered). Developmental information about management capacity, the physical characteristics of the land, and access to finance, however, is fragmented and is not readily available to all landowners.

These initiatives have highlighted the need for the development of an overarching Māori land strategy. LINZ is contributing as required to a project led by Te Puni Kōkiri to develop and implement a government strategy for removing impediments to Māori land development. LINZ is a member of the TPK-led Maori Land Senior Officials Group.

#### Title Improvement

In respect of title improvement, in 2004/05 the Ministry of Justice and LINZ received funding for a *Māori Land Registration Project* to register some 55,000 unregistered Māori Land Court orders. The Ministry of Justice and LINZ are implementing this project over 5 years from 2004/05.

## **Legislative Reviews**

Legislative reviews have been undertaken for the Public Works Act 1981, the Land Act 1948, and is underway for the Valuers Act 1948 and the New Zealand Geographic Board Act 1946. A scoping study for a review of the Land Transfer Act 1952 is proposed and LINZ is working with the Department of Building and Housing and the Ministry of Justice on a review of the Unit Titles Act 1972. A paper has also been submitted to the Cabinet Office setting out proposals for a new Reserves and Other Lands Disposal Bill.

### *Review of the Public Works Act 1981*

The Public Works Act 1981 provides powers for the Crown, local authorities and ‘requiring authorities’ (i.e. utility companies) to take property from landowners for “public works”. It also has provisions for the disposal of land once it is no longer required for the public work.

The origins of this legislation are based in the law of England and New Zealand’s 1882 and 1928 Public Works Acts, which were designed for the construction of public utilities essential to the infrastructure development of a new country. That infrastructure is now largely established and in today’s environment, private providers and utility companies carry out many of the services that were formerly funded and undertaken by central government.

The review has been undertaken against this background, and in response to Waitangi Tribunal recommendations and having regard to fiscal liability issues arising from claims relating to disposals. The disposal process has become contentious over time and subject to much litigation.

Proposals for consideration include:

- restricting compulsory acquisition of both general and Māori land to works that meet specified criteria relating to the essential nature of the public work and the public interest;
- clear, unambiguous disposal provisions;
- a time limit for offering general land back to former owners;
- arrangements for offer-back of former Māori land;
- provisions for consistent administration of the legislation by all of its users; and
- provisions for improved compliance and enforcement.

Extensive public, stakeholder and Māori consultation in 2001 has helped identify and address the issues, risks and options for change. In the early stages, Māori consultation involved

representatives from pan-Māori organisations and 17 hui were undertaken. Policy development involved an expert group, *Te Rōpu Arataki*, which produced an independent report. The historical use of public works legislation to dispossess Māori of their land has resulted in numerous claims to the Waitangi Tribunal, which has made recommendations to review the Act.

There is an inherent tension between users of the legislation and affected landowners. Consequently, trade-offs will be necessary when addressing acquisition, compensation, disposal, administration and enforcement issues. Since not all of the parties can be satisfied by the policy outcomes of the review, debate can be expected in the lead up to the Select Committee stage.

Consideration of the policy proposals was deferred pending policy work on other land-related issues and legislation.

### *Review of the Land Act 1948*

The Land Act 1948 provides the mechanism by which the Crown grants (and dissolves) ownership interests in land, and under which land that has no owner reverts to the Crown<sup>2</sup>.

The period of land settlement and development that the Land Act supported has passed. Since 1948, there have been changes in public administration and a substantial reduction in the amount of Crown land. Consequently, some of the provisions and principles underpinning the Act are no longer relevant.

In May 2001 Cabinet agreed that LINZ should proceed with a review and this has since been carried out in consultation with government departments and organisations with an interest in and knowledge of Crown land. The policy proposals for new legislation include:

- providing for flexible empowering legislation;
- principles based decision-making about Crown land;
- making the Minister for Land Information and the Chief Executive of Land Information New Zealand the principal decision-makers; and
- options for recognising the Treaty of Waitangi; and
- removing redundant sections from the Act.

A draft Cabinet paper setting out the policy proposals has been prepared and submitted to the Cabinet Office. The proposals are not expected to be controversial.

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<sup>2</sup> All rights of land ownership are derived from the Crown.

The policy proposals arising from the review of the Land Act can be considered together with those arising from the review of the Public Works Act because of the links between them. Because of this they can be addressed together. Consideration of these papers was deferred pending policy work on other land-related issues and legislation.

*Review of the Valuers Act 1948*

The Valuers Act 1948 establishes the role of the Valuer-General, and the New Zealand Institute of Valuers (NZIV) and Valuers Registration Board (VRB). The VRB manages the registration, conduct, and discipline of “registered” valuers under the oversight of the Minister for Land Information and the Valuer-General as set out in the Act. In 1998, when the NZIV was merging with two other institutes to form the Property Institute of New Zealand (PINZ) it requested that the Government review the Valuers Act to enable this to occur more easily.

LINZ has completed its review of the Act but the proposals are the subject of ongoing consultation with the NZIV. In particular, the NZIV has convened a working party to consider the issue of valuation reform. In July 2004, the then Minister for Land Information, Hon John Tamihere invited the NZIV to submit proposals for a draft Valuers Amendment Bill to him for consideration, and that once he had received this he would take advice on its suitability and implications. LINZ is currently waiting on the NZIV working party to submit its proposal for consideration.

*Review of the New Zealand Geographic Board Act 1946*

The New Zealand Geographic Board Act 1946 is now over 50 years old and LINZ has conducted a comprehensive policy review. The concept of a central official place naming entity has been endorsed internationally and is accepted as established by the existing Act. In June 2005, Cabinet agreed on policy to:

- extend the jurisdiction of the New Zealand Geographic Board to include undersea feature naming on the continental shelf and geographic naming within the Ross Dependency;
- devolve official suburb and locality naming to territorial authorities with a concurrence role for the Board;
- clarify procedures for public participation and consultation in the place naming process;
- align the provisions of the Act with respect to the Treaty of Waitangi;
- add two new members to the Board, related to hydrographic standards and local government expertise;

and

- modernise the Act's administrative and procedural provisions including the effective use of digital technology aligned with e-government policy objectives.

Drafting instructions for new legislation are expected to be sent to the Parliamentary Counsel Office in October 2005. Implementation of the policy decisions is, however, subject to a new initiative bid for increased Board funding being successful in the 2006 budget process.

### *Proposed Review of the Land Transfer Act 1952*

The Land Transfer Act 1952 (LTA) regulates the registration and transfer of land (the Torrens System).

The LTA was amended as part of the implementation of Landonline (to ensure it enabled electronic transactions). The original intention was to review the Act in its entirety, however, a comprehensive review was not possible due to time constraints.

The LTA is now over 50 years old and has been amended on many occasions. It is still largely prescriptive in nature rather than enabling and it is desirable to carry out a complete review.

Following the implementation of Landonline, LINZ has gained experience of how the electronic environment operates. The proposed review of the governing legislation will allow the department to amend elements of the legislation to better provide for existing uses and future developments. This work will be scoped in 2005/06.

### *Proposed Reserves and Other Lands Disposal (ROLD) Bill*

Reserves and Other Lands Disposal (ROLD) legislation is advanced on an ad hoc basis in order to effect changes to land status that:

- deals only with authorisations, transfers and validations of matters relating to Crown land, reserves and other land held for public or private purposes; or
- amend earlier ROLD legislation.

Only matters that are non-controversial qualify for inclusion in omnibus ROLD legislation. The last ROLD Act was passed in 2003. In February 2005 Cabinet approved a ROLD Bill proceeding to a Select Committee in 2005 as part of the 2005 legislative programme.

LINZ received twelve applications for inclusion in the 2005 ROLD Bill. Following assessment and analysis of the applications, eleven are proposed to be included in the ROLD Bill.

A draft Cabinet paper seeking approval to proceed with the ROLD Bill and to issue drafting instructions to the Parliamentary Counsel Office has been prepared and submitted to the Cabinet Office. The paper also provides detailed information on all of the applications.

### *Unit Titles Act 1972*

The Unit Titles Act 1972 governs the development and ownership of apartments, flats, townhouses, office blocks, shopping centres and other building developments where multiple-owners hold a “unit title”. It is administered jointly by LINZ and the Ministry of Justice.

A unit title includes individual ownership of a defined unit, such as an apartment, plus shared ownership of “common property”, such as a lobbies, lifts or driveways. The Act covers the technical and legal aspects of creating and dealing with a unit title, and the rights and responsibilities of its governing body (the body corporate).

The Act is outdated and very prescriptive in nature. It is the primary mechanism for developers when creating apartment and terrace style housing in New Zealand, and, given the increasing incidence of those types of developments, it is desirable to review this legislation.

The Department of Building and Housing is leading the review in consultation with LINZ and the Ministry of Justice. The review will build on work already done by the Law Commission and the Auckland Regional Council. A discussion document was released for public consultation in November 2004. After public consultation meetings and reviewing the submissions, officials have now identified and clarified the key issues and are in the process of developing a package of policy proposals to address the issues. These proposals for reform will be the subject of further public consultation led by the Department of Building and Housing in early 2006.

### *External Legislative Reviews that may affect LINZ*

LINZ is involved in a number of reviews of legislation that other departments administer or new legislation that other departments are proposing because they relate to land and land information (in the broadest sense) or they relate to property rights, safety and general functioning of the economy.

The “all of government” emphasis has been a particularly prominent development seen in the review of the Resource Management Act 1991 and, especially, the non-legislated improvements such as the proposed integrated government response to planning issues. Likewise, local-central government collaboration on developing and implementing regulatory regimes will require LINZ involvement in future.

Further policy will need to be developed as a result of policy decisions taken in respect of historic heritage and the restructuring of New Zealand’s biosecurity management arrangements.

## Other Issues

### *High Country Issues*

LINZ currently manages 282 pastoral leases in the South Island high country. These leases are perpetually renewable and have formed the backbone of the merino industry in New Zealand.

Under the Crown Pastoral Land Act 1998, LINZ operates the process of Tenure Review which seeks to determine what land should be retained by the Crown for conservation purposes and what should be disposed of as freehold land to lessees.

In 2003 the Government agreed to ten objectives for the South Island High Country. The objectives include conservation, social, and economic outcomes. The High Country objectives and their implementation are of significant importance to both high country lessees and environmental groups.

In February 2005 Cabinet directed LINZ to review the valuation methodology used in tenure reviews and the rental regime for pastoral leases (including an assessment of the implications of introducing market rents). An assurance is sought that the payments being made on the completion of tenure reviews, particularly given increasing land values in the South Island, are delivering accurate and fair outcomes consistent with the Government's high country objectives (notably a fair financial return to the Crown on its high country assets).

Cabinet also noted that it is willing for the Crown to be a high country pastoral lessor indefinitely in cases where doing so is consistent with the high country objectives. The review of the rental regime for pastoral leases will ascertain whether the government's objective of obtaining a fair financial return to the Crown on its high country assets is being achieved.

An independent team of experienced valuers is undertaking this work for LINZ. An initial draft report is expected in October 2005.

### *Access to Land*

In August 2003 Cabinet received a report from the *Land Access Ministerial Reference Group on Walking Access in the New Zealand Outdoors*. The report reflected a concern that the social conventions around access are becoming less stable and proposed a *New Zealand Access Strategy* with five core objectives:

- **strengthen leadership** and to provide direction for, and coordination of, access arrangements nationwide;
- **provide greater clarity and certainty** of access by locating and publicising what is acceptable and where it may occur;
- **embrace the ethos of the Queen's Chain** by providing mechanisms for its promotion and enhancement;
- **encourage negotiated solutions**; and
- **improve current legislation** provisions for access.

Officials from the Ministry of Agriculture and Forestry (MAF), the Department of Conservation (DoC) and LINZ have been considering ways to identify the location and extent of existing public access rights, including a MAF-led pilot project to map existing public access.

LINZ and DoC have also jointly been investigating the feasibility of introducing a new process for identifying and depicting marginal strips under the Conservation Act 1987 to better identify the location and extent of marginal strips. Marginal strip are strips of land (normally 20 metres wide) retained by the Crown along a waterway when the surrounding Crown land is sold or otherwise disposed of (see Part IVA Conservation Act 1987). The identification of land subject to marginal strips provisions is one element (albeit a very important one), in the context of other types of legal access.

## Part Five– Business Issues

### Information Capture, Authorisation and Management

#### *Landonline*

The following outlines the significant business issues associated with Landonline.

#### Transitioning customers to electronic lodgement

In January 2004 LINZ established a Customer Initiatives Programme for Landonline, which aims to smooth customers' transition to electronic title and survey plan lodgement. The key elements of the programme have included:

- a new website for Landonline, sporting new branding and associated customer events held around the country through 2004 and 2005, to promote the Landonline services and the support LINZ provides;
- the introduction of on-site face to face training for both survey and titles customers to supplement the computer-based training previously available;
- enhancing back-office support with dedicated *e-lodgement* support specialists available through the LINZ 0800 number to provide advice and assistance to customers as they undertake their transactions;
- the development of online practice tools to enable *e-dealing* customers to practice their new learnings;
- developing tools to make it easier for customers to sign up to Landonline and download and install their digital certificates;
- implementing a strategy for banks to promote the use of *e-dealing* to their legal clients; and
- provision of training seminars to territorial authorities to encourage their use of *TA e-certification*.

Looking ahead, the following initiatives will continue to encourage firms to use Landonline electronic services:

- introduction of group *e-dealing* training for smaller law firms;
- provision of a Landonline *e-dealing* handbook and teaching guide to enable the teaching institutions that provide legal executive courses to include this component in their 2006 course syllabus; and
- improvements to the Landonline website for ease of searching (in response to customer feedback).

#### Enhancements

The Landonline application has received regular upgrades since it went live, continuously improving the system for both customers and staff. There are usually two releases a year. The next scheduled release (version 2.7) will occur in stages

from mid-September 2005 through to May 2006.

The purpose of a release is to make changes to Landonline and can include enhancements or fix bugs. This usually requires the release of a new version as the software resides on both the server and desktop PC.

There is an established process for prioritising enhancements, which involves consultation with user group stakeholders.

#### Support Contracts

LINZ has a contract with EDS New Zealand Ltd to house and operate the hardware for Landonline. This contract was renegotiated earlier this year and is due to expire in December 2007.

LINZ outsources the development and maintenance of the Landonline application to IBM New Zealand. The current contract is due to expire in October 2005 and negotiations are currently underway to extend this to December 2007 as well.

In addition to the contract negotiation for the support and maintenance of the application software, an internal LINZ study is currently underway to determine how best to support the Landonline application post December 2007.

#### *Hydrographic and topographic information*

LINZ is responsible for official hydrographic information for navigation and national topographic mapping.

#### Hydrographic Information

Following Cabinet agreements in 2004 LINZ recently renewed its 7 year contract with the NZ Defence Force for the provision of hydrographic services, this being focused in hydrographic surveys of shipping lanes by the Navy vessel *HMNZS Resolution*. LINZ is also entering into a more limited 7-year contract with NIWA for the use of its vessel RV *Tangaroa* as required to ensure the viability of the Crown's only deep-water research vessel. The *Tangaroa* will be used to undertake bathymetric surveys, but under the OS20/20 programme this work will be displaced as required by higher priority science surveys.

#### Topographic Information

LINZ's role includes providing publicly available core geographic information that supports the constitutional framework, national security and emergency services responses. This information is important for national preparedness and responses to natural and man-made disasters and to biosecurity events.

LINZ currently maintains national databases of location information (place and road names and street addresses) for

topographical and electoral purposes. The majority of this information comes from the 74 territorial local authorities. Private sector providers purchase this data, reprocess and add other information not held by LINZ (e.g. motorway off-ramps). They then supply it, at commercial rates, to government agencies, including emergency services, and the public.

Under current arrangements, government agencies individually source and maintain street address, road and place name data to varying standards (including data formats, data quality and completeness). Data additions and corrections applied by the agencies or the private sector do not flow back to the authoritative LINZ databases and so the original omissions reoccur the next time data is supplied. The overall process is inefficient.

The various agencies involved in emergency services have been concerned at the adequacy of the location information data and the use of differing information (including maps) by the interacting agencies and affected members of the public.

LINZ, in conjunction with agencies, developed the Emergency Services and Government Administration (ESA) standard which is now a recommended standard in the e-government Interoperability Framework (e-GIF).

The focus of key government agencies is now to obtain address, road and place name data that complies with the standard. LINZ is exploring implementation and funding options that could meet this requirement, including the establishment of a National Address Register (NAR) to serve as a central authoritative record of this data. As part of this work, in 2004/05 LINZ sought information from the private sector as to the solutions on the market that could meet government's requirements.

LINZ has established an Advisory Committee to work with the key government agencies and, if a NAR is considered appropriate, LINZ will develop a business case for consideration by Cabinet.

## Geospatial Metadata Standard

LINZ has developed a Geospatial Metadata Standard. This provides a consistent way of describing all location data held by central and local government, state-owned enterprises and Crown Research Institutes. Overseas experience indicates that 80% of all government information is related to location and geospatial metadata is a critical component of e-government. When implemented, the standard will assist organisations and

the public to identify and access government location information.

The new standard has been formally adopted as a recommended standard under the e-GIF (E-government Interoperability Framework) with a proposal to make standard mandatory in the near future.

### *Tsunami Preparedness – Sea Level Gauges*

Following the 26 December 2004 tsunami in the Indian Ocean the government examined New Zealand's response to the event and New Zealand's national preparedness for the management of tsunami risk. As part of a series of initiatives, Government directed LINZ, in consultation with the Ministry of Research, Science and Technology (MoRST) to report to the Ministers for Land Information and Research, Science and Technology on ways to improve the ability of the system of sea level monitoring gauges to detect tsunamis.

Officials have identified a possible configuration of gauges around the coast and in the open sea, using existing and new sea level gauges. Further detailed work will be undertaken before officials report back (including funding implications) with a proposed final configuration of sea level gauges for NZ tsunami warning system.

### *Determining the limit of the Continental Shelf*

In July 1996, New Zealand ratified the United Nations Convention on the Law of the Sea (UNCLOS) Treaty and has until August 2009 to lodge a submission to the United Nations for claiming its legal continental shelf. By doing so New Zealand will be recognised as having sovereign rights over the living and non-living resources of its continental shelf and underlying strata. LINZ is responsible for obtaining seabed data, determining the furthestmost extent of the legal continental shelf and assisting with developing New Zealand's submission. The Ministry of Foreign Affairs and Trade (MFAT) leads the project.

The required programme of bathymetric surveys, seismic surveys and data analysis that is required for delimiting the shelf is now virtually complete.

New Zealand has completed boundary negotiations with Australia in the three areas of Lord Howe, Norfolk and Macquarie Islands. New Zealand is still to delimit its boundaries with Australia in the Antarctic and with Fiji and Tonga.

MFAT has reported to Cabinet on the delimitation of the

continental shelf of the Ross Dependency. If international negotiations fail to exempt the determination of the limit of Antarctica's continental shelf from existing UNCLOS deadlines, then LINZ may be required to undertake additional work acquiring data in the Ross Sea region of Antarctica. If this eventuates, there will be costs outside the original continental shelf budget and more funding will need to be sought.

MFAT will be advising the Government on progress in the negotiations and on any matters relating to the determination of the limit of the Antarctic continental shelf.

### *Ross Dependency, Antarctica*

LINZ's responsibilities for the provision of geodetic, topographic and hydrographic information services include the Ross Dependency. The geodetic survey and topographic mapping programmes are managed in conjunction with the United States Geological Survey (USGS). This cooperation was undertaken in accordance with an Arrangement agreed in 1999, which expired in August 2004. LINZ is, in conjunction with MFAT, seeking to renew this arrangement and expects to do so late this year.

Topographic mapping focused initially on the ice-free Dry Valleys area and then on Ross Island. LINZ is currently investigating strategic options for future topographic mapping. This is to support New Zealand programmes and to ensure a continuance of the joint United States/New Zealand naming of features on the topographic maps produced by both countries. Geodetic surveys are closely coordinated with surveys to monitor deformation of the Earth's crust and changes in ice sheet cover.

The National Water and Atmospheric Research (NIWA) vessel *RV Tangaroa* was used to undertake two hydrographic surveys (2001/02 and 2003/04) in the Ross Sea Region in conjunction with the science programmes of other agencies. These surveys enabled the completion of charts in the outer approaches to McMurdo Station. LINZ continues to evaluate options for acquiring the hydrographic information that is needed for shipping closer to McMurdo Station where ice conditions preclude the use of *RV Tangaroa*.

New Zealand's place-naming activities in Antarctica have been considered as part of the review of the Geographic Board Act (see page 18).

## *Foreshore and Seabed*

The Foreshore and Seabed Act (the Act) was enacted in November 2004. LINZ does not have any administrative responsibilities under the Act, however, several sections may require LINZ to undertake additional work, as set out below.

### Existing certificates of title, and raising new titles

Under section 16 of the Act, the Minister of Conservation has the discretion to cancel any certificate of title that exists within the area designated “public foreshore and seabed”. Any titles with registered interests may be memorialised and cancelled on the expiration of that interest. Section 17 provides for the Minister of Conservation to lodge survey plans and raise title to land on the foreshore and seabed.

LINZ, as administrator of the land title system, will be required to actually cancel or create titles on the foreshore.

### Territorial Customary Rights, Customary Rights Orders

Under the Act, the Māori Land Court and the High Court will be able to award Customary Rights Orders. In addition, the High Court may find that had it not been for the vesting of full legal and beneficial ownership of the public foreshore and seabed in the Crown, some people would have held territorial customary rights to a particular area of the foreshore and seabed. Applicants must be able to demonstrate they have had uninterrupted use of the foreshore and seabed since 1840. It is expected that applicants may require information held by LINZ to support their applications. Due to the fragility of older records, LINZ may have to make more records available in electronic form.

While it may not be necessary to image all of its paper records, LINZ would need to assess and prioritise records for imaging. LINZ expertise may also be called upon to locate and interpret land records associated with these applications. The demand for this work by LINZ is difficult to estimate as it is not yet known what the applications may entail, or what extent of land may be involved.

### Delimiting the boundaries for customary rights orders

Under the Act, Māori Land Court orders must include a plan identifying the area of the public foreshore and seabed to which the order applies. The Māori Land Court Rules require that such plans must also be able to be registered in the Land Transfer System. This requirement may mean that LINZ will have to set standards for recording the boundaries of customary rights orders. In the longer term, LINZ may be required to record customary rights boundaries in the Landonline system. However there is insufficient information or certainty to make estimates of cost impacts at this stage.

## **Regulatory Functions**

LINZ administers legislation, sets standards and ensures compliance for:

- the delivery of Crown property management, acquisition and disposal services;
- property valuation for rating purposes;
- the investment in New Zealand by overseas persons; and
- the collection, authorisation, management and dissemination of information associated with the:
  - land rights registration system;
  - place naming system;
  - geodetic and cadastral survey reference systems; and
  - topographic and hydrographic information systems.

LINZ's regulatory officers (Regulators), some of who are statutory officers, are responsible for the quality of certain core data or that processes associated with legislative requirements are met. The Regulators are often required to regulate through standards and in the Regulatory Group they are responsible for determining the minimum standard that must be achieved.

LINZ wishes to ensure an "optimal" regulatory environment so that regulation occurs at a level that is the minimum intervention required to manage the risk posed by a particular activity. Efforts will also be made to obtain consistency in philosophy and approach to intervention and assurance across the Regulators.

To achieve this goal, the Regulatory Group has two specialist teams. One develops and integrates generic processes for the Regulators to use to determine the optimal level of intervention required. The second team provides assurance to the Regulators that the standards have been complied with (using best practice auditing, monitoring and reporting techniques).

## ***Transfer of Overseas Investment Functions***

The Overseas Investment Commission was disestablished in August 2005, and its functions transferred to LINZ. These functions include receiving and processing applications; consultation with relevant government departments and other agencies as appropriate; and providing information to applicants and the public generally. The Overseas Investment Office (as it is now called) sits within LINZ's Regulatory Group though the policy advice function of the OIC remains with the Treasury.

The Overseas Investment Act 2005 enabled the move to LINZ and changed the way that overseas investment is regulated in New Zealand, modifying aspects of the previous overseas investment regime. Significant changes included:

- raising the threshold for non-land business asset acquisition from \$50 million to \$100 million;
- screening purchases of all foreshore and seabed land, regardless of the size of the land parcel and giving the Crown the right of first refusal over foreshore and seabed land that would otherwise have been sold to an overseas person;
- no longer requiring consent for the purchase of land by overseas persons with an unimproved value of more than \$10 million (where the land is not screened for other reasons);
- removing land adjoining some non-sensitive reserves, for example drainage and hospital reserves, from coverage; and
- requiring land purchasers to submit a management plan taking account of any of economic development, natural heritage, historic heritage features, or walking access, as appropriate (as a condition of consent).

## **Access to and Dissemination of Information**

LINZ information is integral to the delivery of information and services provided by other agencies. Many government agencies, such as Crown Research Institutes, the Police, the New Zealand Defence Force, local government and private businesses, access and share LINZ geospatial information. A considerable amount of LINZ's geospatial information is also available on the Internet for the public.

## *E-Government and use of the Internet*

LINZ actively promotes use of the Internet to manage information and provide integrated, transactional services. The Landonline website is the primary channel for access to the land title and survey systems.

LINZ has several initiatives underway to identify ways to improve the use of electronic channels to deliver other services. This will improve access to more timely and accurate information. At the same time LINZ recognises that some will continue to prefer paper transactions. LINZ aims to ensure that its services and products closely match primary customers' needs.

LINZ is currently leading an all of government initiative to develop options to best access and discover geospatial information held by government and associated agencies. This initiative will produce a scoping report on the best options available, which may include the creation of a geospatial portal, similar to the e- gov. portal that has recently been developed. A report is due to Ministers first quarter 2006.

## *Paper Records*

A number of LINZ's survey and title records are still held in paper form and are not in Landonline. Those paper records required for "business as usual work" are stored in LINZ's processing centres. The records *not* required frequently are stored in offsite storage facilities. Some paper records are also stored at Archives New Zealand. LINZ has an agreed process for transferring unwanted paper records to Archives.

Customers may access copies of paper records by using a search agent, via LINZ's Internet order form or by visiting a LINZ processing centre. While the number of customer requests for unconverted paper records has reduced, approximately 4,000 per month are still required.

LINZ is currently researching the use of these records by customers and staff. The research findings will assist LINZ in understanding the use of core unconverted paper records, documenting knowledge of them, and identifying and developing options for the future storage, preservation and access to such records.

## **Crown Land and Property**

LINZ regulates the acquisition, management and disposal of the Crown's interest in land and property (including buildings) outside the conservation estate. LINZ certifies that the activities of other government agencies comply with statutory requirements and Government policy when they acquire or dispose of surplus property

As a land-holding agency LINZ administers 3 million hectares of Crown land or 11% of New Zealand's land area. This land is either Crown land administered under the Land Act 1948 and the Crown Pastoral Land Act 1998, or falls into the category of "lands of the Crown" (a collective term to describe land held by LINZ usually under the Public Works Act 1981, New Zealand Railways Corporation Restructuring Act 1990 and the Crown Forests Assets Act 1989).

### *Crown Pastoral Lease Tenure Review*

From a total in 1998 of 304<sup>3</sup> Crown pastoral leases in the South Island high country, 282 remain, comprising about 2 million hectares. A pastoral lease gives the holder the right of pasturage and exclusive possession over the land and a perpetual right of renewal for terms of 33 years. Rent is reviewed every 11 years.

Crown pastoral leases are managed and reviewed in accordance with the Crown Pastoral Lands Act 1998 (CPLA). Prior to 1998 land tenure reform was conducted in a process under the Land Act 1948.

### Objectives for tenure review

The Government's objectives for tenure review are to:

- promote management of the Crown's high country land in a way that is ecologically sustainable;
- enable renewable land that is capable of economic use to be freed of current management constraints;
- protect significant inherent values of reviewable land by the creation of protective measures; or preferably by restoration of the land concerned to full Crown ownership and control;
- secure public access to and enjoyment of high country land;
- take into account the principles of Treaty of Waitangi; and
- take into account any particular purpose for which the Crown uses, or intends to use, the land.

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<sup>3</sup> Pastoral Leases eligible for tenure review under the Crown Pastoral Land Act 1998. To date 21 leases have completed tenure review, and 1 lease has been purchased by the Nature Heritage Fund as Conservation land.

**The tenure review process**

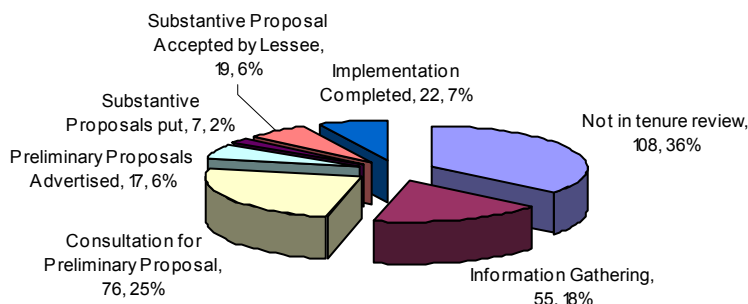
Under the CPLA, the tenure review process provides for the exchange of the Crown's and the lessees' financial interests in pastoral land. Tenure review allows the Crown to retain an interest in conservation and recreation values while allowing the lessee to obtain freehold title to lands with economic use values. Tenure review is a voluntary process (although exchanges of values involve some negotiation) from which either the Crown or the lessee may withdraw at any time.

The Commissioner of Crown Lands has the statutory authority to make decisions on behalf of the Crown. During the review process the Commissioner consults the Director-General of Conservation who makes recommendations about the conservation and recreation values inherent in the land that is subject to individual leases.

**Progress with tenure reviews**

The following table presents a summary of all Pastoral Leases by stage in relation to the land tenure reform programme as at 31 August 2005.

<b>Stage</b>	<b>31-Aug</b>
Not in tenure review	108
Information Gathering	55
Consultation with Lessee for Preliminary Proposal	76
Preliminary Proposals Advertised	17
Substantive Proposals put to Lessee (but not yet accepted)	7
Substantive Proposal Accepted by Lessee	19
Implementation Completed/Whole Property Purchase	22
<b>Total number of leases</b>	<b>304</b>



Programme funding	LINZ and DOC seek separate appropriations based on programme forecasts identified by LINZ. The Government provides a multi-year appropriation for the tenure reform programme over three years as the process of tenure review spans financial years in most cases.
Issues	<p>From time to time, non-government environmental organisations (NGOs) are critical of the pace of LINZ's programme and feel the pace impacts on their ability to fully participate in the public submission process. Environmental NGOs comment publicly about the process, the underlying statutory framework, foreign ownership, conservation outcomes, value for money and the level of Crown funding for purchasing leases.</p> <p>Lessees can also be critical of the pace of tenure review and are concerned to ensure the viability of their farming operations after tenure review is completed. Lessee representative groups tend to support increased freeholding of land with covenants to protect conservation values.</p>
Reporting	<p>LINZ reports on programme progress including any financial issues as part of each six-month budget baseline update (in October and March). A report for inclusion in the baseline update is submitted to Cabinet for approval.</p> <p>The number of substantive (final) proposals put to leaseholders is included in LINZ's annual report.</p> <p>A summary of areas designated for conservation and freehold disposal is provided in LINZ's weekly <i>Status</i> report to the Minister and is updated monthly.</p>
<b><i>Property Management and Disposal</i></b>	LINZ manages approximately 4000 properties administered under the New Zealand Railways Corporation Restructuring Act 1990, the Public Works Act 1981 or the Land Act 1948. These have a value of about \$90 million. Each year the department identifies properties that are suitable for inclusion in a disposal programme. Properties are generally included where the net return from disposal is greater than the costs of processing for disposal. Other lesser value properties are included where risks to the Crown can be removed by disposal of the property. Disposal costs must be balanced against the long-term holding costs as the properties remain on the Crown's balance sheet. In 2004/05, 56 properties were sold for \$12.3 million.

The day-to-day administration of Crown owned properties is outsourced to private sector contractors who work to standards set by LINZ.

### *Identification of Crown property information*

Many of LINZ Crown property holdings originate from other agencies and former government departments and little is known about them. To remedy this lack of knowledge LINZ's 'Land Portfolio Risk Assessment Project' is a programme of gathering information about Crown properties in LINZ's administration. Risk and potential liability issues (including those arising from legislative requirements such as the Crown Organisations (Criminal Liability) Act 2002) are identified and as a result, risk mitigation measures are put in place.

### *Weed and Pest Management*

LINZ is responsible for the control of weeds and pests on Crown land outside the conservation estate and on Crown owned river and lake beds. The department receives annual appropriations for weed and pest management and is developing a series of rolling five-year weed and pest plans to prioritise and manage this work.

A biosecurity project manager is employed to implement the department's weed and pest management plans, coordinate operations nationally and to procure suitable contractors to carry out the physical control works.

LINZ has entered in to a memorandum of understanding (MOU) with the Guardians of Lake Wanaka and agencies associated with lagarosiphon (the main aquatic plant 'pest' in the South Island lakes administered by LINZ) control in the Lake. This MOU is a formal agreement involving five parties each of which are represented on a management committee.

LINZ is developing a MOU with Meridian Energy Ltd for lagarosiphon control on Lake Benmore and is currently developing MOUs for Lakes Hawea and Karapiro.

LINZ's biosecurity work programme follows the intent of Regional Pest Management Strategies which are developed following a public consultation process.

Some of LINZ's biosecurity work can be controversial, particularly weed control in lakebeds and riverbeds where the Crown is the owner (see below), and wilding pine control. LINZ prioritises expenditure on its control programme in order to obtain the best biosecurity outcome. LINZ uses a risk-based methodology to establish its annual works

programme and seeks comment on the programme from interested parties (such as local government, community boards and adjoining owners).

### *Lakes and Riverbeds*

LINZ has responsibility for the administration of the beds of some lakes and for the land margins adjoining them. LINZ is responsible for maintaining lake facilities including camping grounds, car parks, toilets, picnic areas, boat ramps, wharves, and jetties. LINZ also pays electricity charges for pumped water and sewage systems, and is responsible for rubbish disposal, weed control and lawn mowing. The department works with local authorities to resolve issues concerning these facilities.

The management of these areas is complicated because of the competing demands of recreational, commercial, conservation and utility purposes. There are also legal issues such as operating easements for water storage that are yet to be finalised for those hydro lakes that were transferred to LINZ following the Government's sale of parts of its electricity business in 1998.

There are areas of erosion around some lakes which are being monitored annually. The Crown has recently purchased additional land from neighbouring landowners with a view to extending lake operating easement boundaries and thereby containing future erosion.

LINZ also has responsibility for certain riverbeds (primarily the beds of navigable rivers). The main issues that arise with management of these riverbeds include weed control and the issue of recreation permits that allow for certain activities, such as jet boating operations.

### *Management of Liabilities*

LINZ deals with a number of land related liabilities which have arisen from the actions or omissions of LINZ or its predecessors and from the actions of illegal occupiers.

Ongoing ministerial involvement with these liabilities is only rarely required as policy is in place for their management and funds have been appropriated. Examples of contingent liabilities include:

- those associated with the disposal of land no longer required for public works;
- implementing the settlement of the Turangi ancillary claims concerning the construction of the Turangi Township and the Tongariro Power Development

- Scheme; and
- the purchase and management of properties in Huntly East that are prone to land subsidence.

### Contaminated sites

LINZ undertakes investigation and where necessary, remedial action on contaminated land on its books and in certain cases, on former Crown owned land. Sites are investigated or remediated if a problem is brought to LINZ's attention.

In August 2000, the Government revised its policy for dealing with contamination (caused by dieldrin)<sup>4</sup> on former Crown owned properties to allow for their repurchase and for the consideration of environmental, social and economic factors in their assessment. The policy has since been applied to contaminated properties in Southland. The Government also directed the Ministry for the Environment (MfE) to develop a policy for the management of sites caused by contamination other than dieldrin.

The most significant non-dieldrin contaminated site on LINZ's books is the former New Zealand Forest Service timber treatment plant at Jollies Pass Road near Hanmer Springs. This site is actively monitored and managed.

LINZ's contaminated sites can be expected to attract ongoing public interest.

### *Crown Forest Licences*

LINZ administers 71 Crown Forestry Licences (CFLs) under delegation from Shareholding Ministers (Finance and State-Owned Enterprises). CFLs are provided for in the Crown Forest Assets Act 1989 (CFA Act). This Act empowered the Crown to sell its exotic forests and related assets while retaining the land for use in Treaty claim settlements. Deeds of Settlement with Tuwharetoa and Ngati Awa in 2004/05 included the sale of forest land for \$23.3 million.

The CFL fees are paid to the Crown Forestry Rental Trust and the annual income is about \$32 million. LINZ manages the three yearly periodic review of licence fees and the nine year general review of the methodology for establishing those fees. Currently, there are 49 licences under periodic review. The sums involved in licence reviews are large and licensees have a strong incentive to challenge valuations and associated rents.

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<sup>4</sup> Dieldrin is an organochlorine and is linked to certain health risks.

## *Treaty of Waitangi Settlements*

LINZ has an involvement in the Treaty of Waitangi claim settlement process both as the Government's principal advisor on land issues and as the 'proprietor' of the Crown land that is used for Treaty settlement purposes. LINZ officials are not normally involved in direct negotiations with claimants.

LINZ contributes to the development of Crown policy for Treaty of Waitangi settlements, and has recently provided advice relating to river and lakebeds. The department also has a role in survey and titling when implementing settlements and it advises the Office of Treaty Settlements about the suitability of Crown owned land for prospective settlements.

## Minister's Role

The Minister exercises statutory powers as set out in legislation such as the Cadastral Survey Act 2002 and Public Works Act 1981. Most of these powers are delegated to LINZ officers, however, there are a number of operational decisions that the Minister is required to make. These include:

- appointing members to the Cadastral Surveyors Licensing Board, the Valuer's Registration Board and the New Zealand Geographic Board;
- considering applications to compulsorily acquire land under the Public Works Act 1981;
- authorising the purchase of land (by agreement) under the Land Act 1948; and
- considering applications for overseas investment in land under the Overseas Investment Act 2005 (jointly with the Minister of Finance).

Statutory officers such as the Commissioner of Crown Lands, Surveyor-General, Registrar-General of Land and Valuer-General are empowered to make certain statutory decisions by relevant legislation.

## Legislation that LINZ Administers

CADASTRAL SURVEY ACT 2002	This Act provides for: <ul style="list-style-type: none"><li>• the occupational regulation for cadastral surveyors,</li><li>• the electronic lodging and processing of cadastral surveys; and</li><li>• the maintenance of national geodetic and survey control systems</li></ul>
CROWN GRANTS ACT 1908	This Act consolidated previous legislation relating to the granting of land by the Crown for settlement and other purposes
CROWN PASTORAL LAND ACT 1998	This Act provides for the administration of Crown pastoral land and establishes systems for reviewing the tenure of Crown land held under pastoral lease or other relevant tenures.
DEEDS REGISTRATION ACT 1908	This Act consolidated previous legislation relating to the registration of deeds affecting land ( <i>jointly with the Ministry of Justice</i> ).
HUNTER GIFT FOR THE SETTLEMENT OF DISCHARGED SOLDIERS ACT 1921	This Act provides for the administration of money derived from the sale or lease of lands gifted to the Crown by Sir George Hunter for the settlement of discharged servicemen from World War One.
LAND ACT 1948	This Act provides the mechanism by which the Crown grants (and dissolves) ownership interests in land, and under which land that has no owner reverts to the Crown.
LAND TRANSFER ACT 1952	This Act provides for the registration and transfer of title to land ( <i>jointly with the Ministry of Justice</i> )
NEW ZEALAND GEOGRAPHIC BOARD ACT 1946	This Act establishes the New Zealand Geographic Board and sets out the process for naming places in New Zealand.
PUBLIC WORKS ACT 1981 (PART II – VI, AND PART VIII)	This Act enables land to be acquired, either by agreement or by compulsion, for the construction of public works, such as roads, railways, hospitals, schools and electricity generation. It also provides for the disposal of land when it is no longer required for a public work.
RATING VALUATIONS ACT 1998	This Act provides for the Valuer-General to be a statutory officer within LINZ, to regulate the provision of rating valuations by service providers to local authorities and restate the law relating to the valuation of land for rating purposes.

RESERVES AND OTHER LANDS DISPOSAL ACTS	These occasional Acts allow for the Crown to take actions in regards to Crown land, reserves and other land held for public or special purposes for which no other legislation is appropriate.
UNIT TITLES ACT 1972	This Act facilitates the creation, use and management of land subdivided into units that are owned by individual proprietors, and common property owned by all the unit proprietors as tenants in common (e.g. apartments, flats, shopping centres, etc) <i>(jointly with the Ministry of Justice)</i> .
VALUATION DEPARTMENT (RESTRUCTURING ACT) 1998	This Act provided for the 1998 restructuring of the Valuation Department as a Crown-owned company and the transfer of employees to that company and to LINZ.
VALUERS ACT 1948	This Act provides for the registration of land valuers, the establishment of the New Zealand Institute of Valuers, and related matters.

In addition, the department has special responsibilities relating to land transactions under more than 50 other statutes.

## Glossary of Terms

The following are common technical terms that LINZ uses in the course of its business.

BATHYMETRIC	A measurement of the depth of the ocean at a particular location. The information may be used to produce a map of the surface of the seabed.
CADASTRAL SURVEY	A cadastral survey creates the official record of the various legal divisions and descriptions of land and forms the basis for land ownership. Cadastral surveyors undertake surveys that define the spatial extent of interests in land.
CONVEYANCERS	Conveyancers are people who are qualified to undertake transactions in land. At present these are lawyers and landbrokers. Under the proposed Lawyers and Conveyancers Bill, once enacted, conveyancers will be lawyers (with a legal practicing certificate) and those registered with the New Zealand Society of Conveyancers.
GEODETTIC REFERENCE SYSTEM	A system that describes the position of points on the Earth by reference to a mathematical model of the Earth. This reference system is recorded in a New Zealand Datum. Two data are currently used in New Zealand (NZGD49 and NZGD2000).
GEODETTIC SURVEY	A geodetic survey defines the shape and area of all or parts of the Earth and enables positions on the Earth's surface to be determined.
GEOGRAPHIC INFORMATION SYSTEM (GIS)	A computer programme that stores spatial information concerning objects or phenomena that are directly or indirectly associated with a location relative to the Earth and allows the information to be analysed and displayed as computer generated maps. These maps can be created to an end user's specification and may either be viewed on a computer screen or printed on paper.
GEOSPATIAL INFORMATION	Geospatial information is the location and name of features on, above, or beneath the surface of the earth.
HYDROGRAPHIC SURVEY	A hydrographic survey records the shape and features of the seabed (unlike a bathymetric survey which measures depth).
LANDONLINE	An automated survey and title system that enables more efficient processing of dealings in land ownership and provides improved nationwide access to land information.
MESHBLOCKS	A meshblock is a population based land area that represents the smallest area from which statistical information is collected. Meshblocks are also used to determine electoral boundaries.

NZ MARINER	NZ hydrographic information available on CD-ROM
NZTOPO <i>ONLINE</i>	NZ topographic information available via the Internet
REGULATORS	The regulatory officers within LINZ (some of which are statutory officers) who are responsible for the regulation of specific areas of land-related activity. Regulators include the <i>Surveyor-General, Registrar-General of Land, Valuer-General, Commissioner of Crown Lands</i> and the <i>Manager National Topographic/Hydrographic Authority</i> .
SEISMIC SURVEY	Seismic survey is a survey method where the behaviour of shock waves is used to gain an understanding of the surface and subsurface qualities of the seabed
TOPOGRAPHY	A two-dimensional representation of the natural features of land.