



Cabinet Business Committee

Sensitive

CBC (07) 227

26 October 2007

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South Island High Country: Properties for Crown Withdrawal from Tenure Review

LATE PAPER: This paper was submitted after the Cabinet deadline and has been accepted for the agenda by the Chair.

The Minister of Conservation and the Minister for Land Information recommend that the Committee:

Background

- 1 note that the tenure review process for South Island high country (SIHC) Crown pastoral lease properties (properties) is conducted under the Crown Pastoral Land Act 1998, and divides leases into land being returned to full Crown ownership and control (as public conservation land), and land being freeholded to leaseholders;
- 2 note that the Commissioner of Crown Lands (CCL) reports to the Minister for Land Information on all tenure review proposals (preliminary and substantive) before they proceed, enabling the Minister (after consultation with the Minister of Conservation) to comment on the proposed outcomes of a proposal, and decide whether or not to fund it;
- 3 note that on 5 June 2007, the Cabinet Business Committee:
 - 3.1 agreed that high country pastoral lease properties with highly significant lakeside, landscape, biodiversity, or other values¹ that are unlikely to be protected to the satisfaction of the Crown by the tenure review process be excluded from the process;
 - 3.2 directed Land Information New Zealand 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:
 - 3.2.1 properties currently in tenure review;
 - 3.2.2 lakeside properties, whether in tenure review or not;

¹ The term "values" covers lakeside, landscape, biodiversity, ecological, amenity, recreational and other inherent values associated with Crown-owned lands.

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

[CBC Min (07) 10/12]

Conditions to comply with in tenure review

- 4 note that, further to the values referred to in paragraph 3.1, the Minister for Land Information would look to ensure that a range of conditions are complied with to ensure values are protected before approving funding of a tenure review proposal;

- 5 agree that while not necessarily limited to the list below, such conditions would include:

with application to lakeside properties

- 5.1 lakeside land being retained in Crown ownership (preferably) or covenanted to restrict subdivision;
- 5.2 lakeside views being protected;
- 5.3 no large artificial structures, barriers or subdivision within five kilometres (km) of a lake;
- 5.4 no significant alterations of the lakeshore;
- 5.5 no pollution or significant impact on the lake's aquatic ecosystem;
- 5.6 due care is taken of historically important lakeside structures/foundations;

and

with application to all properties

- 5.7 significant biodiversity, wetland, waterway, landscape and access features being sufficiently protected, for example:
- 5.7.1 sites or areas having priority for protection in "Protecting Our Places"² where the indigenous biodiversity values have been confirmed by ground-truthing, and it is practical and realistic to manage and sustain those values;
- 5.7.2 wetlands and waterways that make a significant contribution to a relevant lake's ecosystems, and it is practical and realistic to manage and sustain those values;
- 5.7.3 indigenous vegetation associated with wetlands, waterways and lake margins (for relevant lakes);
- 5.7.4 access routes that are of "prime interest and enjoyment" in the recreational/landscape setting (DoC being aware of commonly used/desired access routes that fall under this definition);

² The "Protecting Our Places" guidance reflects a statement of national priorities for the protection of rare and threatened native biodiversity on private land, issued by the Ministers of Conservation and of the Environment in April 2007.

Lakeside properties

- 6 note that, as referred to in paragraph 3.2 above, the Cabinet Business Committee agreed that the default assumption for lakeside properties is that they should be excluded from tenure review (default assumption) 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 not significantly impact on those values and would demonstrably be in the public interest (reinclusion test);
- 7 agree that for the purposes of the default assumption, a "lake" is a SIHC lake greater than 5 square kilometres in area (relevant lake);
- 8 note that the relevant lakes (from largest to smallest) are Wakatipu (including Frankton), Wanaka, Pukaki, Hawea, Tekapo, Benmore, Ohau, Coleridge, Aviemore, Dunstan, Sumner, North Mavora, Heron, Alexandrina, Waitaki, and Roxburgh;
- 9 agree that (subject to the proposal in paragraph 10) the Minister for Land Information not fund tenure review for properties adjoining, or within 5 km and visible from, the relevant lakes referred to in paragraph 8, namely the 65 properties listed in Appendix 1 to the submission under CBC (07) 227;
- 10 agree that, in order for the default assumption to be displaced and the Minister for Land Information to consider approving funding of a tenure review proposal for a lakeside property the reinclusion test referred to in paragraph 6 would have to be met by the proposal complying with the conditions set out in paragraph 5;
- 11 note that the Minister for Land Information has:
 - 11.1 recently approved funding for tenure review proposals (one preliminary, the other substantive) for two of the lakeside properties listed in Appendix 1 to the submission under CBC (07) 227; and that
 - 11.2 the Minister did so (after consultation with the Minister of Conservation) because the proposals meet:
 - 11.2.1 the conditions set out in paragraph 5; and
 - 11.2.2 the reinclusion test referred to in paragraph 6;
- 12 note that, in exercise of the CCL's power to discontinue a tenure review, in May 2007 the CCL discontinued tenure reviews for three of the lakeside properties listed in Appendix 1 to the submission under CBC (07) 227;
- 13 note that, on the advice of officials, tenure review proposals for four of the lakeside properties listed in Appendix 1 to the submission under CBC (07) 227 have recently been put on hold, because it appeared that the proposals would not meet the conditions set out in paragraph 5;

Non-lakeside properties

- 14 agree that for all non-lakeside properties currently in tenure review, the process should continue until DoC has identified a property's significant inherent values and whether they are practical and realistic to sustain through tenure review;
- 15 note that there may be some properties that fall outside the criteria referred to paragraphs 7 and 9 for inclusion on the list in Appendix 1 to the submission under CBC (07) 227, but may nonetheless be within, or contribute to, a lake landscape setting;
- 16 note that any tenure review of a property referred to in paragraph 15 would be subject to the general principle set out in paragraph 3.1, and that the property's lake landscape values would be assessed during the tenure review and considered in any funding decision by the Minister for Land Information;

Other properties

- 17 note that on 5 June 2007, the Cabinet Business Committee agreed that the Minister for Land Information:
 - 17.1 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;
 - 17.2 consult with the Minister of Conservation before providing comment to the CCL;
- [CBC Min (07) 10/12]
- 18 agree that in providing comments to the CCL on new properties seeking to enter tenure review, the Minister for Land Information looks to ensure that the principle set out in paragraph 3.1 is complied with.

Gerrard Carter
for Secretary of the Cabinet

Copies to:

Cabinet Business Committee
Chief Executive, DPMC
Director, PAG, DPMC
PAG Subject Advisor, DPMC
Secretary to the Treasury
Director-General, Ministry of Agriculture and Forestry (Agriculture)
State Services Commissioner
Chief Executive, Te Puni Kokiri
Secretary for Internal Affairs (Local Government)
Minister of Conservation
Director-General of Conservation
Minister for Rural Affairs
Director-General, Ministry of Agriculture and Forestry (Rural Affairs)
General Manager, Ministry of Tourism
Minister for Land Information
Chief Executive, Land Information New Zealand
Secretary for the Environment

Cabinet Policy Committee

**SOUTH ISLAND HIGH COUNTRY: PROPERTIES FOR CROWN
WITHDRAWAL FROM TENURE REVIEW**

Proposal

- 1 This paper proposes identifying South Island High Country (SIHC) pastoral lease properties where the Minister for Land Information intends, as a default position, not to approve tenure review funding.

Executive Summary

- 2 In June 2007, Cabinet directed Land Information New Zealand (LINZ) and the Department of Conservation (DoC) to identify SIHC Crown pastoral lease properties (properties) where the Crown should withdraw from the tenure review process or not enter it because highly significant lakeside, landscape, biodiversity or other values¹ were unlikely to be protected by the process to the satisfaction of the Crown. This paper reports back on work subsequently undertaken by LINZ and DoC.
- 3 All tenure review proposals are subject to the Minister for Land Information (after consultation with the Minister of Conservation) commenting on the proposed outcomes of a proposal and deciding whether or not to fund it.

Lakeside properties

- 4 Cabinet 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 (default assumption), unless it is clear now or in the future that tenure review would not impact on those values, and would demonstrably be in the public interest (reinclusion test).
- 5 LINZ and DoC recommend that for the purposes of the default assumption:
 - a “lake” be a SIHC lake greater than 5 square kilometres (sq km) in area (relevant lake) – Wakatipu would be the largest relevant lake and Roxburgh the smallest;
 - “lakeside properties” be those properties adjoining, or within 5 km and visible from, relevant lakes – the 65 affected properties are listed in **Appendix 1**.

¹ The term “values” covers lakeside, landscape, biodiversity, ecological, amenity, recreational and other inherent values associated with Crown-owned lands.

- 6 The Appendix 1 list results from an objective and easily applied test. An alternative way of compiling a list of “lakeside properties” would be to assess properties on a subjective basis. It is considered that such an approach would still identify the 65 Appendix 1 properties as lakeside properties.
- 7 However, there may be some additional properties that a subjective assessment would identify as being within, or significantly contributing to, a “lake landscape setting”. These could, for example, be where a lake is less than 5 km in area, or a property is more than 5 km from a lake. Such values would be assessed during tenure review, and considered in any funding decision by the Minister for Land Information.
- 8 The default assumption for Appendix 1 properties could be displaced if the reinclusion test were met, by various conditions being complied with and a lakeside property then being considered for tenure review funding by the Minister for Land Information. The conditions proposed include lakeside land being retained in Crown ownership or covenanted to restrict subdivision, and significant landscape, biodiversity and access values being protected.

Non-lakeside properties in tenure review

- 9 LINZ and DoC recommend that for all other properties in tenure review, the process should continue until DoC has identified a property’s significant inherent values (SIVs) and whether they are practical and realistic to sustain through tenure review.

Background

Tenure review process and funding

- 10 The tenure review process for SIHC Crown pastoral lease properties is conducted under the Crown Pastoral Land Act 1998, and divides properties into land being returned to full Crown ownership and control (as public conservation land), and land being freeholded to leaseholders.²
- 11 Tenure review is a voluntary process, initiated by high country lessees or by the Commissioner of Crown Lands (CCL) to enable, amongst other things, the:
 - protection of significant inherent values on pastoral lease land, either through protective mechanisms, or preferably through return of the land concerned to full Crown ownership and control; and
 - freehold disposal of land capable of economic use, either with or without protective mechanisms (such as covenants and easements).
- 12 LINZ runs the process, overseeing negotiations with the lessee and consulting with DoC, Fish and Game, iwi, and the public (including environmental non-government organisations such as Forest and Bird, and Federated Mountain Clubs). Statutory responsibility for tenure review decisions lies with the CCL.

² As at 30 September 2007, there were 243 pastoral leases, excluding those for which a substantive proposal had been accepted or implemented in tenure review. Of the 243 properties, 125 were in various stages of tenure review and 118 not in tenure review at all.

- 13 Tenure review has delivered important gains for conservation, public access and recreational opportunities, and diversified economic use has occurred on freeholded land. With freehold land subject to Resource Management Act 1991 requirements, wide-ranging activities are possible that were not permitted when the land was under pastoral lease, e.g. viticulture, lifestyle subdivision, and greater commercial recreation.
- 14 Since the latter part of 2006, the CCL has been reporting to the Minister for Land Information on all tenure review proposals (preliminary and substantive) before they proceed. This enables the Minister to request any further information and (after consultation with the Minister of Conservation) to comment on the proposed outcomes of a proposal, and decide whether or not to fund it.

Certain properties not to undergo tenure review

- 15 In June 2007, Cabinet responded to concerns as to whether tenure review is sufficiently protecting landscape values (especially landscape and lakeside views) and lowland biodiversity within the high country.
- 16 As a general principle, Cabinet agreed that pastoral lease properties with highly significant lakeside, landscape, biodiversity, or other values that are unlikely to be protected to the satisfaction of the Crown by the tenure review process be excluded from the process [CAB Min (07) 20/1 confirming CBC Min (07) 10/12].
- 17 As outlined below, Cabinet also made decisions as to how the general principle would be applied to lakeside and other properties.

Protecting lakeside values

- 18 Cabinet directed LINZ (lead) and DoC to identify properties within the following categories where the Crown should withdraw from the tenure review process or not enter into it:
 - properties currently in tenure review;
 - lakeside properties, whether in tenure review or not; and
 - such other properties as may be revealed in the course of identifying properties in the previous two categories.
- 19 Cabinet invited the Minister for Land Information and the Minister of Conservation to report to the Cabinet Policy Committee on the results of this property identification exercise.
- 20 Cabinet agreed that the default assumption for lakeside properties is that they should be excluded from tenure review (i.e. funding by the Minister for Land Information) and that other means should be used to protect their landscape, biodiversity, access and other values (default assumption), unless it is clear now or in the future that tenure review would not significantly impact on those values and would demonstrably be in the public interest (reinclusion test).

Comment

Conditions to comply with in tenure review

21 The general principle stated in paragraph 16 applies to all properties in, or being considered for entry to, the tenure review process. A range of conditions need to be complied with so that values are protected, before the Minister for Land Information approves funding of a tenure review proposal. While not necessarily limited to the list below, such conditions are proposed to include:

with application to lakeside properties

- lakeside land being retained in Crown ownership (preferably) or covenanted to restrict subdivision;
- lakeside views being protected;
- no large artificial structures, barriers or subdivision within 5 km of a lake;
- no significant alterations of the lakeshore;
- no pollution or significant impact on the lake's aquatic ecosystem;
- due care is taken of historically important lakeside structures/foundations; and

with application to all properties

- significant biodiversity, wetland, waterway, landscape and access features being sufficiently protected, for example:
 - sites or areas having priority for protection in "Protecting Our Places"³ where the indigenous biodiversity values have been confirmed by ground-truthing, and it is practical and realistic to manage and sustain those values;
 - wetlands and waterways that make a significant contribution to a relevant lake's ecosystems, and it is practical and realistic to manage and sustain those values;
 - indigenous vegetation associated with wetlands, waterways and lake margins (for relevant lakes);
 - public access routes that are of "prime interest and enjoyment" in the recreational/landscape setting (DoC being aware of commonly used/desired access routes that fall under this definition).

SIHC Lakes

22 The June 2007 Cabinet direction on property identification distinguishes between lakeside properties (where the default assumption will be for withdrawing from,

³ The "Protecting Our Places" guidance reflects a statement of national priorities for the protection of rare and threatened native biodiversity on private land, issued by the Ministers of Conservation and of the Environment in April 2007 and can be accessed on the website: <http://www.biodiversity.govt.nz/land/guidance/>. Although Protecting Our Places is an authoritative guide to identifying biodiversity values, DoC officials would need to "ground-truth" (investigate) a property to ensure values present are practical and realistic to sustain.

or not entering into, tenure review) and non-lakeside properties (with no default assumption).

- 23 Table 1 shows significant variation in the size of SIHC lakes.
- 24 The size criterion (in sq km) is a simple objective measure for determining the relevant lakes for which the default assumption would apply and tenure review not be funded.
- 25 The table excludes irrigation reservoirs, namely Onslow, Manorburn, Loganburn, Poolburn, Greenland and Falls Dam, as they have been specifically created for irrigation purposes. It does include lakes that have been formed (e.g. Benmore) or raised (e.g. Pukaki), for electricity generation purposes. SIHC lakes of 0.5 sq km or less in area have also been excluded from the table due to their relatively small size.

Table 1 – South Island High Country Lakes

Lake Name	Area of lake ⁴ in square km
Wakatipu (incl. Frankton)	294.7
Wanaka	198.5
Pukaki	172.7
Hawea	151.5
Tekapo	96.5
Benmore	75.3
Ohau	59.2
Coleridge	36.9
Aviemore	28.1
Dunstan	22.8
Sumner	13.7
North Mavora	10.2
Heron	6.9
Alexandrina	6.5
Waitaki	5.6
Roxburgh	5.1
Ruataniwha	3.5
Lochnagar	3.0
Hayes	2.7
Tennyson	2.3
Tasman	2.1
Taylor	2.1
Pearson	2.0
Clearwater	1.9
Diamond	1.8
Emma	1.7
South Mavora	1.6
Sheppard	1.1
Lyndon	1.0
Constance	0.9

⁴ Source: NZTopo database

Moke	0.8
Katrine	0.8
Selfe	0.7
Mason	0.7
Mount Nicholas	0.6
Wairepo Arm	0.6
Guyon	0.6
Grasmere	0.6
Sylvan	0.6

- 26 LINZ and DoC recommend that all lakes greater than 5 sq km in area (from Roxburgh upwards in the table) be covered by the default assumption and not be funded for tenure review by the Minister for Land Information. These relevant lakes are those likely to be generally recognised as significant and iconic in the SIHC.

Identification of lakeside properties

Objective approach recommended

- 27 There are two options for determining which properties near relevant lakes will be “lakeside properties” for the purposes of the default assumption. One option is to list all those properties that are within a specific distance of a relevant lake, and visible from it. This is an objective and easily applied test.
- 28 An alternative option for compiling a list is to undertake a subjective assessment of whether each property is within, or significantly contributes to, the “lake landscape setting” of the relevant lake.
- 29 We prefer the first option, and recommend that the lakeside property list comprise pastoral lease properties adjoining or within 5 km and visible from a relevant lake.
- 30 Properties further than 5 km away from a relevant lake, or wholly obscured from the lake by hills or ridges, could continue to be funded for tenure review, subject to a satisfactory tenure review outcome, and the availability of appropriation.
- 31 At a distance of 5 km, buildings and many types of landscape changes are insignificant to the human eye. Meteorologically, 5 km is on the edge of the view range classified as “moderate visibility”. So if someone stands on the shore of a lake, the default position would be that tenure review would not be funded for properties within a visible radius of 5 km from where they stand.
- 32 A list of the 65 lakeside properties is provided in **Appendix 1**. Of these 65 properties, 39 are currently in various stages of tenure review.
- 33 It is considered that a subjective approach would still identify the 65 Appendix 1 properties as lakeside properties.
- 34 The Appendix 1 list produces immediate certainty for all parties, including lessees, as to which properties are covered by the default assumption. Those lessees currently in tenure review could then decide whether or not they would seek to displace the default assumption for their properties. Those lessees not

currently in tenure review would know what would be required of them should they seek to enter the process.

- 35 The flowchart in **Appendix 2** summarises the process for funding or not funding a property through tenure review under the new approach.

Other properties within a lake landscape setting

- 36 However, there may be some additional properties that a subjective assessment would identify as being within, or contributing to, a “lake landscape setting” (e.g. where a lake is less than 5 sq km in area, or a property is more than 5 km from a lake). A property’s lake landscape values would be assessed during tenure review, and considered in any funding decision by the Minister for Land Information. In any event, any such proposal would be subject to the general principle set out in paragraph 16.

Applying the default assumption

- 37 To displace the default assumption, a tenure review proposal for a lakeside property would have to meet the reinclusion test (paragraph 20) by complying with the conditions set out in paragraph 21 (and obviously focusing on those having particular application to lakeside properties).
- 38 For lessees to agree to such conditions would provide a degree of confidence as to tenure review being in the public interest. In this regard, while this paper has been in preparation, the Minister for Land Information has approved funding for tenure review proposals (one preliminary, the other substantive) for two of the lakeside properties on the Appendix 1 list. The Minister has done so (after consultation with the Minister of Conservation) because the proposals meet the conditions set out in paragraph 21 and the reinclusion test.
- 39 From time to time the CCL exercises the CCL’s power to discontinue a tenure review. In May 2007, the CCL discontinued tenure reviews for three of the lakeside properties on the Appendix 1 list.
- 40 A senior officials group advises the CCL on tenure review proposals before the CCL reports them to the Minister for Land Information. While this paper has been in preparation, tenure review proposals have been put on hold for four of the lakeside properties on the Appendix 1 list, on the advice of the officials group. That is because it appeared that the proposals would not meet the conditions set out in paragraph 21 for funding approval to be considered by the Minister for Land Information.

Non-lakeside properties

- 41 LINZ and DoC recommend that for all other properties (i.e. non-lakeside properties) currently in tenure review, the process should continue until DoC has identified a property’s SIVs and whether they are practical and realistic to sustain through tenure review.
- 42 LINZ and DoC propose that when deciding whether or not to continue funding for non-lakeside properties currently in tenure review, the Minister for Land Information would look to ensure that the conditions set out in paragraph 21 “with application to all properties” were complied with.

Other properties

- 43 In June 2007, Cabinet agreed that the Minister for Land Information:
- ask the CCL to report to the Minister for Land Information on all new properties due to enter into tenure review before the CCL makes a decision about whether or not to undertake the review;
 - consult with the Minister of Conservation before providing comment to the CCL. [CAB Min (07) 20/1 confirming CBC Min (07) 10/12]
- 44 No new properties have sought entry to tenure review since June 2007. If and when they do, in providing comments to the CCL the Minister for Land Information would look to ensure that the principle set out in paragraph 16 is complied with.

Financial implications

- 45 The proposals in this paper can be carried out within existing baselines.

Human Rights Act and Treaty of Waitangi implications

- 46 There are no Human Rights Act and Treaty of Waitangi implications associated with the proposals set out in this paper.

Legislation implications

- 47 There are no legislative implications associated with this paper.

Regulatory impact analysis

- 48 A Regulatory Impact Statement is not required, since this Cabinet Paper has no legislative implications.

Publicity

- 49 There is a high level of interest in which properties may be affected by the default assumption, and this subject is sensitive. It is proposed to release this Cabinet paper and the resulting minute with an appropriate media statement from the Minister for Land Information. LINZ will report to the Minister for Land Information with a Communications Plan.

Recommendations

- 50 We recommend that the Committee:

Background

1. **note** that the tenure review process for South Island high country (SIHC) Crown pastoral lease properties (properties) is conducted under the Crown Pastoral Land Act 1998, and divides leases into land being returned to full Crown ownership and control (as public conservation land), and land being freeholded to leaseholders;

2. **note** that the Commissioner of Crown Lands (CCL) reports to the Minister for Land Information on all tenure review proposals (preliminary and substantive) before they proceed, enabling the Minister (after consultation with the Minister of Conservation) to comment on the proposed outcomes of a proposal, and decide whether or not to fund it;
3. **note** that in June 2007 Cabinet agreed that properties with highly significant lakeside, landscape, biodiversity, or other values⁵ that are unlikely to be protected to the satisfaction of the Crown by the tenure review process be excluded from the process [CAB Min (07) 20/1 confirming CBC Min (07) 10/12];
4. **note** that Cabinet directed Land Information New Zealand (LINZ) and the Department of Conservation (DoC) to identify certain properties where the Crown should withdraw from the tenure review process or not enter it, including lakeside properties (whether in tenure review or not);

Conditions to comply with in tenure review

5. **note** that, further to recommendation 3, the Minister for Land Information would look to ensure that a range of conditions are complied with to ensure values are protected before approving funding of a tenure review proposal;
6. **agree** that while not necessarily limited to the list below, such conditions would include:

with application to lakeside properties

- 6.1 lakeside land being retained in Crown ownership (preferably) or covenanted to restrict subdivision;
- 6.2 lakeside views being protected;
- 6.3 no large artificial structures, barriers or subdivision within five kilometres (km) of a lake;
- 6.4 no significant alterations of the lakeshore;
- 6.5 no pollution or significant impact on the lake's aquatic ecosystem;
- 6.6 due care is taken of historically important lakeside structures/foundations;

and

with application to all properties

- 6.7 significant biodiversity, wetland, waterway, landscape and access features being sufficiently protected, for example:
 - 6.7.1 sites or areas having priority for protection in "Protecting Our Places"⁶ where the indigenous biodiversity values have been

⁵ The term "values" covers lakeside, landscape, biodiversity, ecological, amenity, recreational and other inherent values associated with Crown-owned lands.

⁶ The "Protecting Our Places" guidance reflects a statement of national priorities for the protection of rare and threatened native biodiversity on private land, issued by the Ministers of Conservation and of the Environment in April 2007.

confirmed by ground-truthing, and it is practical and realistic to manage and sustain those values;

6.7.2 wetlands and waterways that make a significant contribution to a relevant lake's ecosystems, and it is practical and realistic to manage and sustain those values;

6.7.3 indigenous vegetation associated with wetlands, waterways and lake margins (for relevant lakes);

6.7.4 access routes that are of "prime interest and enjoyment" in the recreational/landscape setting (DoC being aware of commonly used/desired access routes that fall under this definition);

Lakeside properties

7. **note** that Cabinet agreed that the default assumption for lakeside properties is that they should be excluded from tenure review (default assumption) 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 not significantly impact on those values and would demonstrably be in the public interest (reinclusion test);

8. **agree** that for the purposes of the default assumption, a "lake" is a SIHC lake greater than 5 square kilometres in area (relevant lake);

9. **note** that the relevant lakes (from largest to smallest) are Wakatipu (including Frankton), Wanaka, Pukaki, Hawea, Tekapo, Benmore, Ohau, Coleridge, Aviemore, Dunstan, Sumner, North Mavora, Heron, Alexandrina, Waitaki, and Roxburgh;

10. **agree** that (subject to recommendation 11) the Minister for Land Information not fund tenure review for properties adjoining, or within 5 km and visible from, the relevant lakes referred to in recommendation 9, namely the 65 properties listed in Appendix 1;

11. **agree** that in order for:

11.1 the default assumption to be displaced; and

11.2 the Minister for Land Information to consider approving funding of a tenure review proposal for a lakeside property;

the reinclusion test referred to in recommendation 7 would have to be met by the proposal complying with the conditions set out in recommendation 6;

12. **note** that the Minister for Land Information has:

12.1 recently approved funding for tenure review proposals (one preliminary, the other substantive) for two of the lakeside properties on the Appendix 1 list; and that

12.2 the Minister did so (after consultation with the Minister of Conservation) because the proposals meet

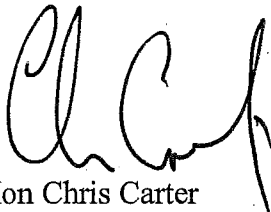
- 12.2.1 the conditions set out in recommendation 6; and
- 12.2.2 the reinclusion test referred to in recommendation 7;
13. **note** that, in exercise of the CCL's power to discontinue a tenure review, in May 2007 the CCL discontinued tenure reviews for three of the lakeside properties on the Appendix 1 list;
14. **note** that, on the advice of officials, tenure review proposals for four of the lakeside properties on the Appendix 1 list have recently been put on hold, because it appeared that the proposals would not meet the conditions set out in recommendation 6;

Non-lakeside properties

15. **agree** that for all non-lakeside properties currently in tenure review, the process should continue until DoC has identified a property's SIVs and whether they are practical and realistic to sustain through tenure review;
16. **note** that there may be some properties that fall outside the criteria referred to recommendations 8 and 10 for inclusion on the Appendix 1 list, but may nonetheless be within, or contribute to, a lake landscape setting;
17. **note** that any tenure review of a property referred to in the previous recommendation would be subject to the general principle set out in recommendation 3; and that the property's lake landscape values would be assessed during the tenure review and considered in any funding decision by the Minister for Land Information;

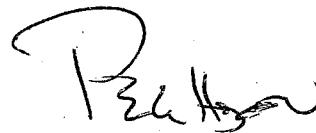
Other properties

18. **note** that in June 2007, Cabinet agreed that the Minister for Land Information:
- 18.1 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;
- 18.2 consult with the Minister of Conservation before providing comment to the CCL [CAB Min (07) 20/1 confirming CBC Min (07) 10/12];
19. **agree** that in providing comments to the CCL on new properties seeking to enter tenure review, the Minister for Land Information looks to ensure that the principle set out in recommendation 3 is complied with.



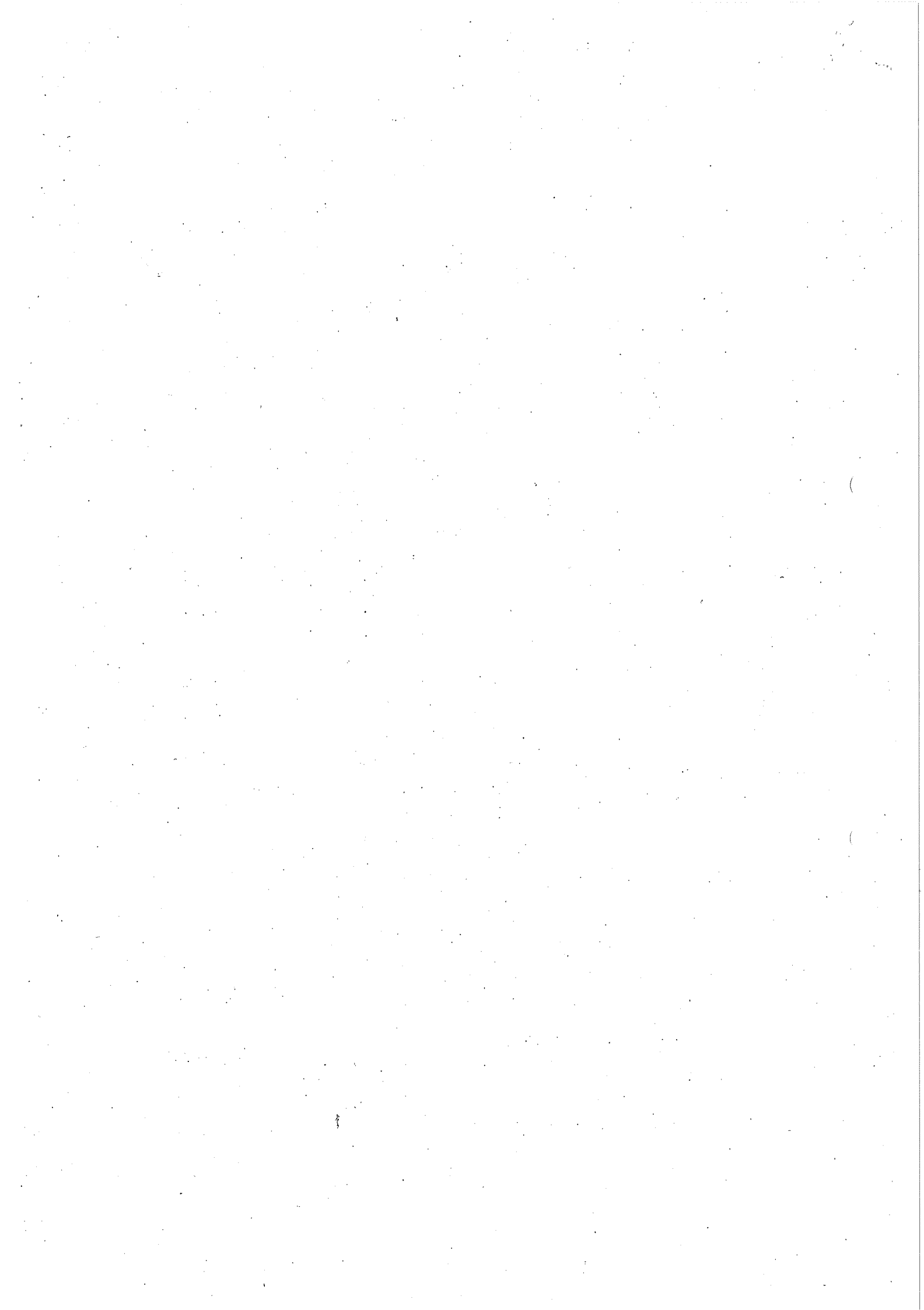
Hon Chris Carter
Minister of Conservation

25/10/2007



Hon David Parker
Minister for Land Information

25/10/2007



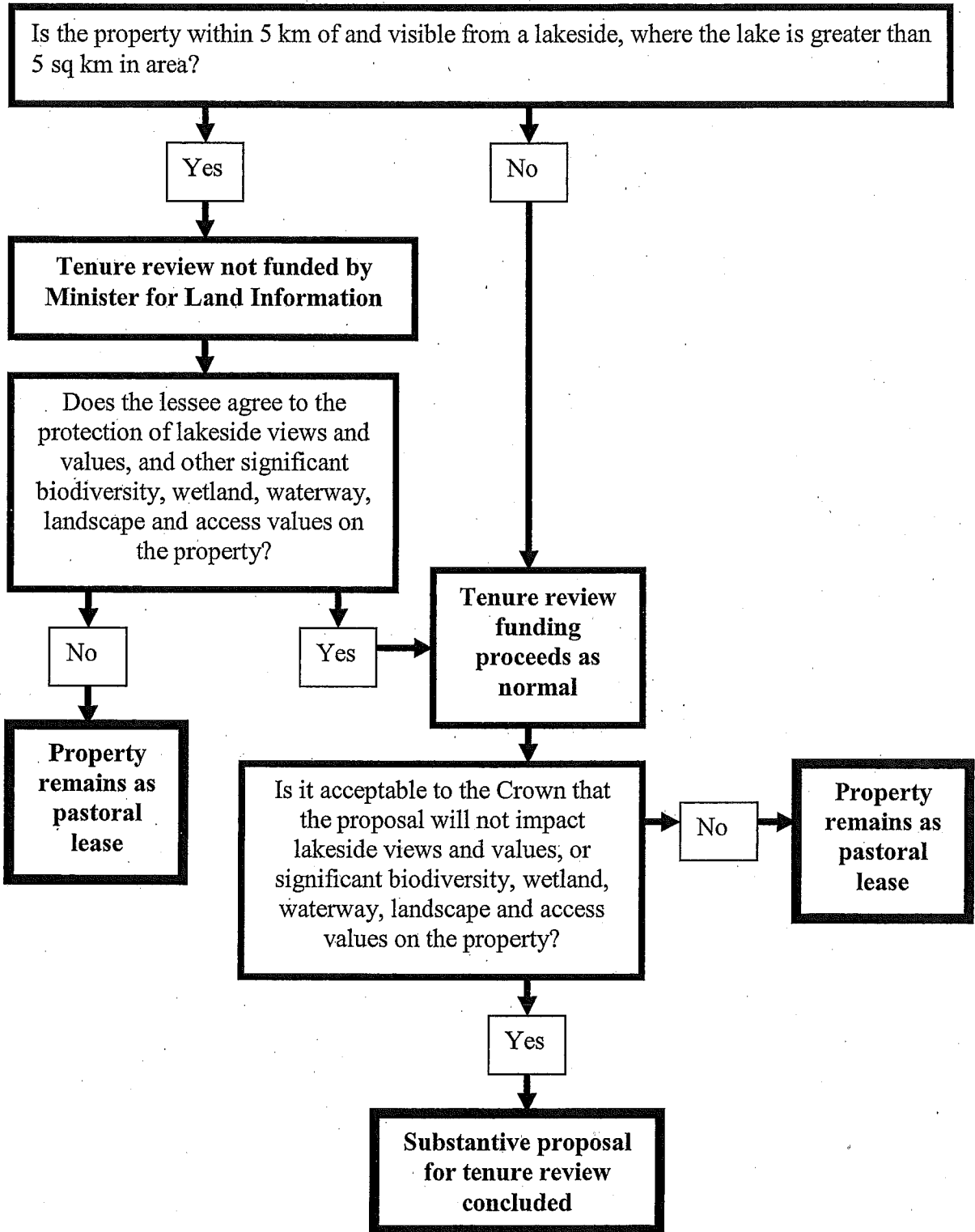
Appendix 1

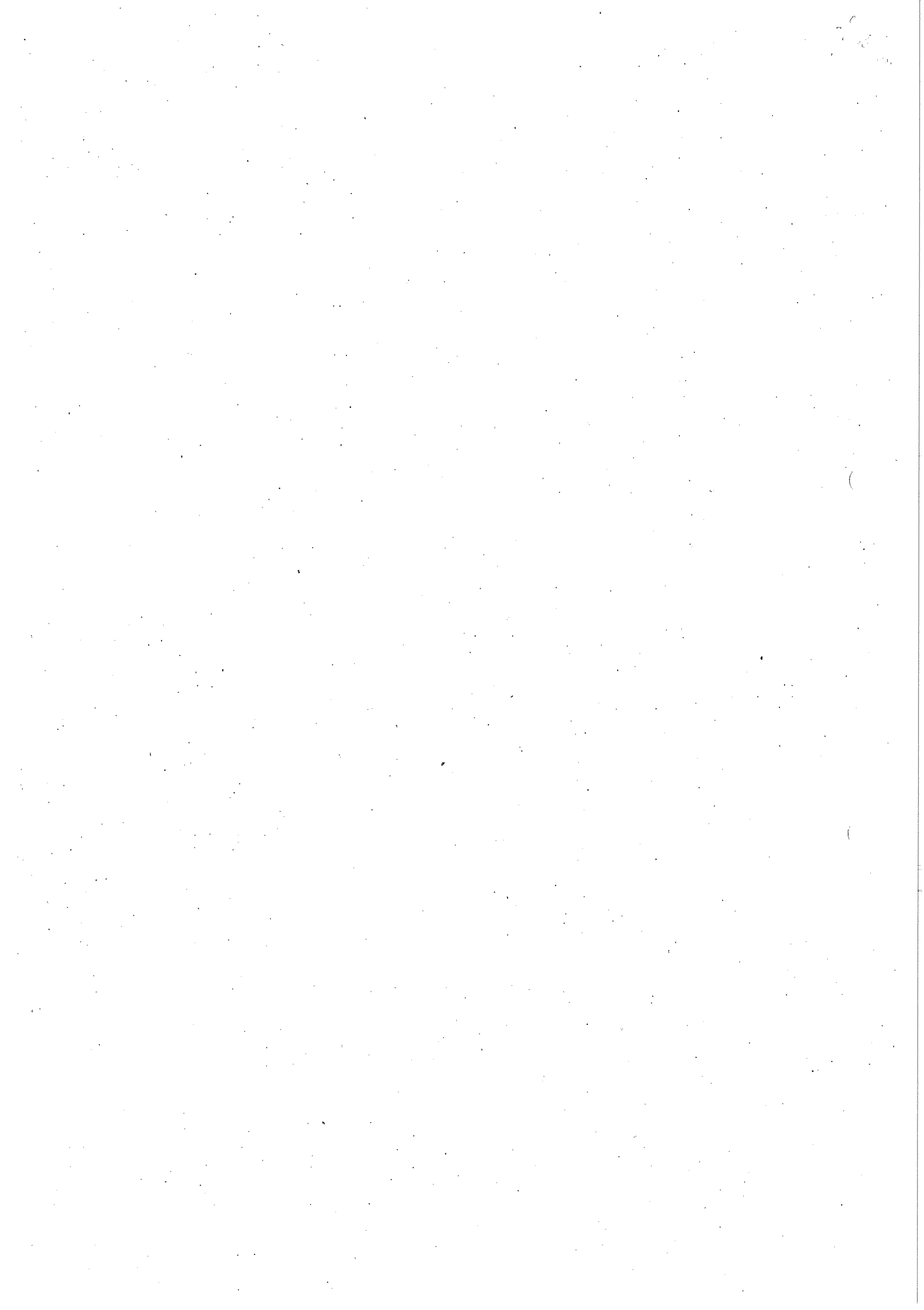
Lakeside properties where tenure review would not be funded with the 5 km visibility criterion

* indicates properties currently in tenure review

Property	Lake	Property	Lake
1. Aviemore	Aviemore	42. The Forks	Roxburgh
2. Otematata	Aviemore	43. The Herrons	Roxburgh
3. Rugged Ridges*	Aviemore	44. Glynn Wye*	Sumner
4. Waitangi	Aviemore	45. Lake Taylor*	Sumner
5. Bendrose*	Benmore	46. The Lakes*	Sumner
6. Black Forest*	Benmore	47. The Poplars*	Sumner
7. Bog Roy	Benmore	48. Balmoral (Tekapo)*	Tekapo & Alexandrina
8. Omarama Station*	Benmore	49. Glenmore Station*	Tekapo & Alexandrina
9. Rostriever*	Benmore	50. Godley Peaks*	Tekapo
10. Te Akatarawa	Benmore & Aviemore	51. Mt Hay	Tekapo
11. Glenthorne*	Coleridge	52. Mt Gerald*	Tekapo
12. Mt Algidus	Coleridge	53. Sawdon*	Tekapo
13. Mt Oakden	Coleridge	54. Bellamore*	Waitaki
14. Cairnmuir	Dunstan	55. Allandale*	Wakatipu
15. Kawarau*	Dunstan	56. Ben Lomond	Wakatipu
16. Leaning Rock*	Dunstan	57. Cecil Peak Station	Wakatipu
17. Mt Difficulty*	Dunstan	58. Halfway Bay Station	Wakatipu
18. Hunter Valley Station	Hawea	59. Kingston	Wakatipu
19. Lake Hawea Station*	Hawea	60. Loch Linnhe*	Wakatipu
20. Mt Burke Station*	Hawea & Wanaka	61. Mt Creighton Station*	Wakatipu
21. Mt Grand*	Hawea	62. Mt Nicholas Station	Wakatipu
22. Clent Hills*	Heron	63. Walter Peak Station*	Wakatipu
23. Glenfalloch*	Heron	64. Minaret Station	Wanaka
24. Mt Arrowsmith*	Heron	65. Mt Albert	Wanaka
25. Upper Lake Heron	Heron		
26. Glen Lyon*	Ohau		
27. Huxley Gorge*	Ohau		
28. Omahau	Ohau		
29. Braemar*	Pukaki		
30. Ferintosh*	Pukaki		
31. Glentanner*	Pukaki		
32. Irishman Creek*	Pukaki		
33. Maryburn*	Pukaki		
34. Mount Cook*	Pukaki		
35. Simons Pass*	Pukaki		
36. The Wolds*	Pukaki		
37. Coal Creek	Roxburgh		
38. Gorge Creek I & II	Roxburgh		
39. Matangi	Roxburgh		
40. Mt Bengier	Roxburgh		
41. Riverside	Roxburgh		

Appendix 2
Tenure review flowchart for lakeside and other properties





CONSULTATION ON CABINET AND CABINET COMMITTEE SUBMISSIONS

CERTIFICATION BY DEPARTMENT


Guidance on the consultation requirements for Cabinet and Cabinet committee papers is provided in the Procedures: Consultation section of the CabGuide website at <http://www.cabguide.cabinetoffice.govt.nz/procedures/consultation>

Departments/agencies consulted: The attached submission has implications for the following departments/agencies whose views have been sought and are accurately reflected in the submission:

The Department of Conservation

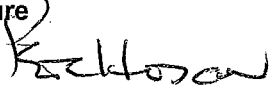
Departments/agencies informed: In addition, the following departments/agencies have an interest in the submission and have been informed:

Others consulted: Other interested groups have been consulted as follows:

Signature	Name, Title, Department	Date
	Kevin Kelly, GM Policy, LINZ Phone DDI: 498-3500	24/10/2007

CERTIFICATION BY MINISTER

Ministers should be prepared to update and amplify the advice below when the submission is discussed at Cabinet/Cabinet committee. The attached proposal:

Consultation at Ministerial level	<input type="checkbox"/> has been consulted with the Minister of Finance <i>[required for all submissions seeking new funding]</i> <input checked="" type="checkbox"/> has been consulted with the following Ministers: - <i>Joint paper with Minister of Conservation</i> <input type="checkbox"/> did not need consultation with other Ministers	
Discussion with Labour/ Progressive caucuses	<input type="checkbox"/> has been or <input type="checkbox"/> will be discussed with the government caucuses <input checked="" type="checkbox"/> does not need discussion with the government caucuses	
Discussion with other parties	<input type="checkbox"/> has been discussed with the following other parties represented in Parliament: <input type="checkbox"/> New Zealand First <input type="checkbox"/> United Future <input type="checkbox"/> Green Party <input type="checkbox"/> Other [specify] <input type="checkbox"/> will be discussed with the following other parties represented in Parliament: <input type="checkbox"/> New Zealand First <input type="checkbox"/> United Future <input type="checkbox"/> Green Party <input type="checkbox"/> Other [specify] <input checked="" type="checkbox"/> does not need discussion with other parties represented in Parliament	
Signature	Portfolio	Date
	<i>L. Nash</i>	24/10/07