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OFFICIAL INFORMATION ACT

Crown land

Land Information Portfolio



Contents

1	Introduction	3
2	Your role as Minister for Land Information	5
2.1	You maintain the legislative framework for Crown land	5
2.2	You have responsibility for Crown land LINZ manages	6
2.3	You have decision-making responsibilities on compulsory land acquisition under the Public Works Act 1981	7
2.4	Directing LINZ on any areas of policy development	8
3	Crown land	10
3.1	The Crown land regime	10
3.2	LINZ holds and manages land on behalf of the Crown	10
3.3	LINZ has responsibility for biosecurity and biodiversity on Crown land it manages	19
4	Public Works Act	21
4.1	Acquisitions of land	21
4.2	Land that is no longer needed for public works	23
4.3	Improvements to PWA processes	24
5	Strategic outlook for Crown land	25
6	Next steps	26
	Annex 1 Critical relationships	27
	Annex 2 Functions and responsibilities under the PWA	29

1 Introduction

This briefing on Crown land supplements your initial briefing on the Land Information portfolio.

Crown land is one of four regimes covered in supplementary briefings.

Figure 1: LINZ regimes covered in supplementary briefings

Regimes	Main activities	Main legislation
Overseas investment	Ensuring permitted investments in New Zealand's sensitive assets by overseas persons provide net benefits to New Zealand	Overseas Investment Act 2005
Property rights	Administering a state-guaranteed regime of property rights, restrictions and responsibilities over land and property	Cadastral Survey Act 2002, Land Transfer Act 2017
Geographic and property information	Providing information that New Zealanders value when making land, sea and property-related decisions, as well as informing local and central government decision-making on issues like emergency response and climate change	Valuers Act 1948, Rating Valuations Act 1998, New Zealand Geographic Board (Ngā Pou Taunaha o Aotearoa) Act 2008
Crown land	Administering Crown land and the framework for acquiring and disposing of land in a way that balances both the public interest and private property rights	Land Act 1948, Public Works Act 1981, Crown Pastoral Land Act 1998

This briefing discusses:

- your role in relation to Crown land
- the nature of Crown land
- the Public Works Act
- the strategic outlook for Crown land
- suggested next steps.

Facts at a glance

 **1.7 million hectares**

of land managed by LINZ, which is 8 percent of New Zealand's land area.

 **2,800 tonnes**

of material salvaged during the demolition of 26 buildings at the former Masterton Hospital, as part of the Crown property demolition programme.

 **8,200 properties**

are owned or managed by LINZ. The properties are made up of different types of land, including Treaty Settlements Landbank, Crown pastoral land and Crown land.

 **12 notices**

related to compulsory acquisition of land under the Public Works Act were signed by the Minister for Land Information in 2022/23, and 6 of these required a decision by the Governor-General.

 **1.2 million hectares**

of Crown pastoral land, made up of 157 leases for pastoral use in the South Island high country.

 **8,000 properties**

previously managed by the Canterbury Earthquake Recovery Authority (CERA) and LINZ across Christchurch and Waimakariri transferred to local councils, enabling local regeneration.

2 Your role as Minister for Land Information

Your main roles in relation to Crown land are maintaining the legislative framework for acquiring, managing and disposing of Crown Land, decision-making on compulsory land acquisition under the Public Works Act 1981, and directing Toitū Te Whenua Land Information New Zealand (LINZ) on any areas of policy development relating to Crown land.

2.1 You maintain the legislative framework for Crown land

The Crown estate is governed by three key pieces of legislation, which you and LINZ are responsible for

Public Works Act 1981	Land Act 1948	Crown Pastoral Land Act 1998
<ul style="list-style-type: none"> • Gives the Crown power to acquire land from private landowners for public works • Public works may include works such as roads, schools, police stations and railways 	<ul style="list-style-type: none"> • Governs the general management of Crown land (including leases and licences to use the land) • Gives certain decision making powers to the Commissioner of Crown Lands 	<ul style="list-style-type: none"> • Sets out the activities pastoral farmers can do on Crown pastoral land • Seeks to ensure Crown pastoral land is managed to maintain or enhance the land's inherent values, while providing for farming • Gives certain decision making powers to the Commissioner of Crown Lands

These three Acts set the legislative framework for the majority of the acquisition, administration and disposal of Crown land in New Zealand.

Your role in maintaining the Crown land legislative framework is likely to focus on delivering efficiencies, and how the framework connects to potential reform in other ministerial portfolios such as environment, climate change and conservation

The framework for Crown land is closely connected to other areas of legislation including laws for development, transport, housing, agriculture, Māori land, environmental protection, biosecurity and biodiversity. Reform in any of these areas will require your involvement to meet government objectives while maintaining the integrity of the Crown land regime.

LINZ will identify Crown land implications of government initiatives in its weekly updates to you, so that you can discuss them in the following week's officials meeting.

2.2 You have responsibility for Crown land LINZ manages

You have responsibility for how Crown land is managed to deliver economic, social, environmental and cultural outcomes.

LINZ manages around 1.7 million hectares of New Zealand's 26.8 million hectares, about 8 percent of New Zealand's land area. This land is held for all New Zealanders, visitors and future generations (**Annex 1**).

LINZ's day-to-day management involves acquisition, property management, approving public use of land, maintenance and selling of Crown land. It also includes identifying and lessening risks to the Crown estate, such as working with other agencies and stakeholders to safeguard New Zealand's unique biodiversity from introduced pests.

The land LINZ owns or manages is made up of around 8,200 properties and includes many different types of land.

Figure 2: The types of Crown land LINZ manages

Crown pastoral land

Consists of 1.2 million hectares of Crown pastoral land leases that the Commissioner of Crown Lands administers with support from LINZ. This land is held and managed under the Crown Pastoral Land Act 1998, amended in 2022, and the Land Act 1948.

Crown land

Lakebeds, riverbeds, and other land where ownership has not been alienated from (or where ownership has reverted to) the Crown. This is administered by the Commissioner of Crown Lands under the Land Act 1948.

Other Crown-owned land

A diverse portfolio of land held by the Crown under a range of legislation. It includes former public works land, railway land, Crown forest licensed land, soil conservation reserves, state coal reserves, and coastal reclamations.

Treaty Settlements Landbank

A diverse portfolio of land LINZ manages that the Crown is holding so it will be available for Treaty settlements. This land includes forests, farms, residential and commercial properties.

Client agency land

Land LINZ manages (and disposes of where appropriate) on behalf of other public sector agencies, including four agencies with whom LINZ has memoranda of understanding. This land includes schools, hospitals no longer in use, and correctional facilities.

2.3 You have decision-making responsibilities on compulsory land acquisition under the Public Works Act 1981

You and LINZ's chief executive exercise powers under the Public Works Act 1981 (PWA). These powers generally fall into the two categories of acquisition and disposal:

- as Minister, you are responsible for acquiring land for government works undertaken by Crown agencies
- decisions relating to disposal of land reside with the LINZ chief executive and LINZ staff under delegation from the chief executive
- local authorities may acquire and dispose of land for local works without involving you except in instances where powers of compulsory acquisition (taking land by proclamation) are used. In these cases, your role under the Act is to request the proclamation from the Governor-General, on behalf of the local authority.

Given the large number of PWA acquisitions and transfers that are required on a regular basis, previous ministers have chosen to delegate most decisions to LINZ (for the 2022/23 period, 53 acquisitions were made by LINZ and 12 transfer agreements to change the public work purpose for which land is used were made). **Annex 2** provides a summary of functions and responsibilities under the PWA for the Governor-General, you as Minister for Land Information, and LINZ.

The PWA allows government to deliver critical infrastructure that New Zealanders rely on such as highways, housing and railways, enabling economic growth and development. The PWA gives the Crown power to acquire land from private landowners for government and local public works. Public works may include roads, schools, justice precincts and hospitals.

Given the role of the PWA in the provision of land for the development of infrastructure, LINZ will work with you and other agencies on proposals to improve the delivery of infrastructure.

Waka Kōtahi New Zealand Transport Authority (NZTA) plays a large role in public works, supported by LINZ. Acquisitions under the PWA allow for road safety improvements and the enhancement of highway connectivity across New Zealand. Further, the PWA plays a key role in the Crown response to emergencies such as Cyclone Gabrielle. Significant transport recovery works were needed to be completed by NZTA and KiwiRail, which used the PWA to acquire land to support the recovery.

The PWA aims to balance the rights of private landowners with the Crown's ability to ensure public works go ahead.

The PWA aims to treat landowners fairly when their land is acquired by the Crown. This includes that landowners are fairly paid for their land, it encourages acquisition by mutual agreement with landowners, and when land is no longer required landowners are given the opportunity to buy the land back.

Acquisition of land under the PWA can attract public attention, and decisions are sometimes challenged or disputed by landowners who are affected. Compensation can be resolved at the Land Valuation Tribunal after land has been taken. LINZ manages media queries and LINZ will update you as needed on matters of interest or concern that arise from acquisition.

When land is no longer required there is a disposal process set out in legislation. This process directs how land is transferred from one public work to another, and the various steps that must be undertaken including potentially offering land back to former owners or their successors. This disposal process also includes ensuring that Treaty obligations are met, which could include offering the land to iwi under a first right of refusal, or determining if it is appropriate to include it in a Treaty settlement.

You may also occasionally be asked (along with other Ministers, including Finance and Housing) to approve transfers of Crown-owned land to Kainga Ora for urban development projects under the Urban Development Act 2020. To date, one property has transferred under this Act, however, Kainga Ora has advised that it has other Crown-owned properties that it is seeking to acquire for housing projects.

To give you a sense of scale of this work, in 2022/23, 12 notices related to compulsory acquisition were signed by the Minister for Land Information, with 6 of these requiring a decision by the Governor-General.

2.4 Directing LINZ on any areas of policy development

You may have already identified areas of potential policy development in relation to Crown land, or you may identify these as you administer this portfolio.

LINZ can provide advice on policy you are interested in delivering in relation to Crown land.

2.4.1 Reserves and Other Lands Disposal Consolidation Bill

Since 1864, many private and individual Reserves and Other Lands Disposal (ROLD) Acts, and related Acts have been passed to resolve non-controversial administrative issues with public and private land that cannot be dealt with through other processes.

LINZ is working with the Parliamentary Counsel Office to draft a Reserves and Other Lands Disposal Consolidation Bill (the ROLD Bill).

This will consolidate several ROLD and related Acts by repealing 21 Acts and capturing any provisions that are still required in a consolidated ROLD Act. It will also create a process to allow for amending this Act going forward, rather than adding new ROLD Acts, creating a more efficient regulatory regime. In early 2024, LINZ will seek your decision on whether you would like to proceed with introducing the ROLD Bill in 2024.

3 Crown land

3.1 The Crown land regime

LINZ administers the legislation underpinning the Crown land regime that you are responsible for.

The Commissioner of Crown Lands (the Commissioner) is a statutory officer with specific functions and decision-making powers under the Crown Pastoral Land Act 1998, and the Land Act 1948. The Commissioner is an independent regulator, an employee of LINZ and accountable to the chief executive.

Figure 3: The Commissioner of Crown Lands



Craig Harris, Commissioner of Crown Lands

- Acts as a landowner for the Crown
- Makes decisions on discretionary activities, easements, and commercial recreation permits on Crown land
- Undertakes monitoring and compliance activities (including inspections)
- Manages lease transfers, renewals and rent reviews. Acts as the landlord for Crown pastoral leases and other lessees.

3.2 LINZ holds and manages land on behalf of the Crown

The Crown land LINZ holds is acquired, managed and disposed of under a range of legislation such as the PWA and Land Act 1948, or other legislation where LINZ has a statutory role. This includes the Marine and Coastal Area (Takutai Moana) Act, and railways or mining legislation. LINZ manages this 'Crown estate' to deliver the greatest benefits to all New Zealanders, both for today and in future.

LINZ does a wide range of work on the Crown land it manages, including:

- acquiring, maintaining and disposing of land
- managing the tenancies of farmers who lease grazing land
- managing the tenancies of leaseholders occupying Crown property
- maintaining built structures
- identifying and managing risks (for example, protecting the plants and animals on Crown land)
- providing property management services to other Crown agencies
- releasing assets to iwi for Māori and regional development.

Not all Crown land is managed by LINZ. Multiple government agencies such as the Department of Conservation (DOC), NZTA, the New Zealand Defence Force and the Ministry of Education administer different types of Crown land under different legislation.

3.2.1 Crown pastoral land

As Minister for Land Information, you have responsibility for the Crown pastoral land legislative framework, which is guided by:

- Crown Pastoral Land Act 1998 (CPLA)
- Land Act 1948.

LINZ manages the Crown pastoral estate, which stretches from Marlborough to Southland. This land encompasses some of New Zealand's most iconic landscapes. Activities on Crown pastoral land make an important contribution to regional economies and communities.

In administering this land, LINZ works closely with leaseholders who farm and live on the land and have a strong connection to it.

The land also has particular significance for Māori – in particular Ngāi Tahu, and Te Taihū iwi: Rangitāne o Wairau and Ngāti Apa ki te Rā Tō Te Taihū.¹

Leaseholders need permission from the Commissioner to carry out activities on their lease. Pastoral leaseholders are responsible for managing the land, including weed and pest control.

LINZ has previously engaged with leaseholders and stakeholders on the characteristics and challenges of pastoral leases when considering policies to manage on-farm emissions.

3.2.1.1 The Commissioner of Crown Lands

The Commissioner of Crown Lands (the Commissioner) makes decisions on discretionary activities, easements, and commercial recreation permits and is responsible for certain decisions and functions under the CPLA and the Land Act. The Resource Management Act also applies to Crown pastoral land, and consent from the Commissioner does not affect the need for leaseholders to comply with relevant regional and district plan requirements.

Figure 4: Map of Crown pastoral land



¹ Te Taihū is a body of eight tribes in the Nelson-Marlborough region of the upper South Island. Te Taihū is comprised of Ngāti Kūia, Rangitāne, Ngāti Apa, Ngāti Koata, Ngāti Rārua and Ngāti Toa, Ngāti Tama and Te Āti Awa.

When consenting, the Commissioner consults with the Director-General of Conservation, and iwi who provide advice on inherent values, as specified in the legislation.

3.2.1.2 Crown Pastoral Land Act reform

A review of the Crown pastoral land regulatory framework identified issues with its operation and design.

The reformed CPLA is a result of this review, and changes came into effect in November 2022. The CPLA changes reaffirm leaseholders' rights as pastoral farmers while amending the existing regulatory framework to manage leases in a way that specifically recognises ecological, landscape, cultural, heritage and scientific values inherent to the land.

Regulations came into force in September 2023, specifying infringement fees and notices. The remaining elements of the CPLA reforms will come into effect in 2024. These will include a strategic intentions document and reporting mechanisms for LINZ.

LINZ is working to develop and publish these documents, which must be in place by May 2024. The legislation requires that LINZ must consult with Ngāi Tahu and Te Taihū, representatives of lessees and licensees of Crown pastoral land, and the wider public on the documents before they are finalised. You will be informed of these documents as they are developed.

The reforms implement an outcomes-based approach that enables transparent decision-making for lessees and stronger public accountability.

3.2.1.3 Consent applications processing

LINZ received 395 pre-reform applications under the CPLA in the months leading up to the new regime coming into force – around four times what would normally be received and processed in a typical year. LINZ has implemented processes and procedures to expedite processing, including streamlining on-lease site inspections, triaging applications and introducing new software.

Ninety percent of pre-reform applications should be processed by the end of 2024. LINZ has engaged with lessees to set expectations about processing times. Figure 5 below shows application numbers as at 31 October 2023.

Figure 5: CPLA consent applications processing 2022/23

Pre-CPLA reform applications processed	129
Post-CPLA reform applications processed	25
Applications withdrawn	26
Total applications processed since reform came into effect	180

LINZ will report to you quarterly on application processing and planning.

3.2.1.4 Mackenzie Basin Agency Alignment Programme: Te Mokihi

The Mackenzie Basin is high value landscape. Crown pastoral leases and other Crown land is contained in the area.

LINZ, DOC, Environment Canterbury, and the Mackenzie and Waitaki District Councils form the Mackenzie Basin Agency Alignment Programme: Te Mokihi (the programme). Since 2018 the programme has worked to align information and advice to decision-makers on land and water use and to support better outcomes for communities and the environment.

The upcoming Te Mokihi Chief Executives Forum is scheduled for February/March 2024.

3.2.2 Crown land held by LINZ is administered by the Commissioner

Crown land makes up a large amount of the land LINZ manages, and it is administered by the Commissioner under the Land Act. This land is made up of a range of land parcels in varying sizes, and sites such as hydropower lakebeds and riverbeds² on the bed of the Waikato River and several lakes in the Mackenzie. In general, Crown land is not held in any form of title.

Crown land can be disposed of through the Land Act, either by sale (known as 'alienation') or by granting a lease or licence for use of the land. Any alienation must comply with the Land Act and any relevant Treaty settlement legislation.

Under many Treaty settlements, the Commissioner has entered into relationship instruments with iwi relating to how LINZ manages riverbeds and other areas of Crown land. As Minister for Land Information, you are also party to several accords entered into with iwi relating to the Waikato and Waipā Rivers. This includes attending an annual relationship meeting with each iwi.

3.2.2.1 Fresh and seawater areas

As Minister for Land Information you have a role in acquiring fresh and seawater areas.

If an overseas investor is seeking to purchase sensitive land in New Zealand with consent under the Overseas Investment Act 2005 they must offer the Crown an opportunity to acquire any fresh or seawater areas (FSAs) that are contained within that property, such as riverbeds or coastal strips. The Crown may waive this right, though this is rare. You are responsible for approving or waiving the right to acquire this land on behalf of the Crown.

² LINZ's role is to manage the bed of the lake or river, not the water.

LINZ is responsible for the acquisition process. Depending on the type of land area acquired as an FSA, LINZ may put a title on the acquired land, survey the area, or remove a portion of the land from the investor's title. Landowners are compensated a modest portion of the land value following a formula outlined in the regulations.

To give you a sense of scale, approximately 40 fresh or seawater area decisions required ministerial decision-making in 2022/23. LINZ will brief you on upcoming decisions due in late 2023.

3.2.2.2 Transfers of Crown land with high conservation or reserve values

As Minister for Land Information, your approval may be needed for significant transfers of Crown land with high conservation or reserve values.

Crown land with high conservation or reserve values may be transferred from LINZ to DOC to be managed as part of the conservation estate. LINZ normally completes these transfers under delegation from you. However on occasion, where the transfer of land is significant, you and the Minister of Conservation's approval may be needed for any fiscal balance sheet transfers between departments. LINZ then approves the necessary statutory action under delegation. Transfers are completed by the issuing of a *Gazette* notice. Transfers are reliant on DOC funding to meet the costs of surveying and valuing the land.

To give you an indication of how often this occurs, you may be required to approve transfers of Crown land to conservation or reserve land two or three times a year.

3.2.2.3 Watts Peninsula

Watts Peninsula is a recreationally, culturally and historically significant area, with historic values at a national level with some elements important at an international level³, located near the entrance to Wellington Harbour. Watts Peninsula is held under the PWA for defence purposes and is administered by LINZ.

In 2017, Cabinet agreed to establish 72.7 hectares of Watts Peninsula as a heritage and recreational reserve. It was proposed that the land would be administered by DOC, and the Wellington City Council (WCC) would be appointed to control and manage the reserve. The site has cultural and ecological significance to local iwi Taranaki Whānui. Taranaki Whānui have stated aspirations to have full ownership of the land at Watts Peninsula.

In May 2023, the Ministers for Land Information, Conservation and Māori-Crown Relations met with Taranaki Whānui and agreed that the Crown would engage in dialogue with the

³ Watts Peninsula, Wellington. Heritage and condition assessment. 2022.

iwi to explore options for the future ownership, governance and management of Watts Peninsula.

Following those discussions, advice will be prepared for you as Minister for Land Information, the Minister of Conservation, and Minister for Māori-Crown Relations: Te Arawhiti to decide if the current Cabinet mandate should be implemented or changed. There is significant public interest in access to the site and an expectation that it will be open to the public. All parties agree that the site should be a public space. LINZ will seek decisions from you on next steps.

Figure 6: Aerial and topographic maps of the land at Watts Peninsula



3.2.3 Other Crown-owned land held by LINZ

LINZ administers land acquired from government agencies that have since been disestablished. This includes soil and river conservation land and state coal reserves (transferred from the Environment and Economic Development Ministries), and land formerly held by Railways or the Electricity Corporation.

This land is held under a range of legislation such as the PWA and the New Zealand Railways Corporation Act 1981. LINZ is responsible for its day-to-day management

3.2.3.1 Crown forest land

Historically, the Crown owned plantations of exotic trees throughout New Zealand. Most of these forests were sold between 1990 and 1992, but the land itself was retained for transfer to iwi under Treaty of Waitangi settlements.

LINZ manages this land on behalf of the Crown under the Crown Forest Assets Act 1989 and administers the licences (Crown Forest Licences) which the Crown has granted to forestry companies to grow trees on the land. The rents from these licences are transferred to the Crown Forestry Rental Trust, which holds and invests these proceeds on behalf of future Treaty of Waitangi claimants.

When Crown forest land is included in a Treaty settlement as redress, all benefits of ownership (the rents held by the Crown Forestry Rental Trust, future rents and licensor powers) except land title are transferred on settlement day. The deed of settlement sets out that LINZ must arrange for land title to be transferred as soon as reasonably practicable, and no later than five years after the settlement date.

Since 2009 LINZ has transferred 48 Crown forest land titles, nine are outstanding, and a further seven are due between March 2024 and March 2028. Addressing these title transfers is a high priority and LINZ has a dedicated team working with each settlement group to effect transfer. The figure below shows the status with each of the outstanding CFL's.

Figure 7: Status of outstanding Crown Forestry Licences

[s 9(2)(g)(i)]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

LINZ has other forests which are not administered under the Crown Forest Assets Act, such as Wairakei Forest. The forest was transferred to LINZ from the Ministry of Tourism in 2004. Wairakei Forest is an active forestry operation of around 745 hectares. The area also includes geothermal power generation, electricity transmission and cycle/walkways.

3.2.3.2 Coastal reclaimed land

Under the Marine and Coastal Area (Takutai Moana) Act 2011, the ownership of any coastal reclaimed land that was not in private title was vested in the Crown. This included land used as ports or marinas, or land developed by adjoining landowners. LINZ deals

with and makes decisions under delegation on applications for interests in reclaimed land, such as leases or sale.

3.2.4 The Treaty Settlements Landbank

LINZ holds and manages a large portfolio of land for future Treaty settlements. Some land is held in LINZ's general Crown estate, but most is held in the Treaty Settlements Landbank (Landbank). It includes forests, commercial properties, farms and residential houses.

You have certain Landbank responsibilities which include:

- financial appropriations relating to managing and maintaining the portfolio

Other ministers also have key roles in relation to the Landbank:

- properties that are acquired and prepared for settlement are overseen by the Minister for Treaty of Waitangi Negotiations
- properties that are acquired for settlement are decided by the Minister for Māori Development (LINZ acquires the properties). Your approval is required for these acquisitions.

Land is usually added to the Landbank as part of Crown property acquisitions and disposals processes (outlined later in this briefing) that occur when land is no longer required by a government agency. In areas where Treaty settlements are still to be reached, the land can be advertised through the Māori Protection Mechanism.⁴ If there is interest from iwi, the Crown may purchase the land from the agency and add it to the Landbank.

There are situations where the Commissioner is asked to acquire private land, by agreement with the landowner, for addition to the Landbank. In these cases, LINZ will seek your approval to purchase the land under the Land Act.

There are about 900 properties in the Landbank, of which nearly 700 have built structures 404 of which are residential houses (as at 30 June 2023).

LINZ engages with iwi claimant groups on the properties, as it is responsible for managing and prepare properties, including responsibility for remediation and demolition work, for transfer to these groups. As at 31 October 2023, 50 residential properties are under refurbishment, with 33 additional projects underway ranging from demolitions, civil works, asbestos remediation to land remediation works.

⁴ This mechanism is administered by Te Arawhiti – Office for Māori Crown Relations and occurs before land can be offered for sale on the open market.

LINZ is also responsible for post-settlement obligations and commitments including ongoing relationship agreements. Te Arawhiti – Office for Māori Crown Relations provide advice on the overall Treaty settlement work programme.

The portfolio includes a wide range of property types in varying condition. Some properties are tenanted, and some can present property management challenges such as hazard management.

LINZ took over the management of the Landbank portfolio in 2016 from the Ministry of Justice. Since then, LINZ has been increasing its understanding of the portfolio through asbestos surveys and detailed condition assessments.

As part of LINZ's obligation under the Healthy Homes regulations, in 2019 LINZ commenced a Healthy Homes programme. The work makes improvements to approximately 700 properties in the Landbank and wider LINZ portfolio, to meet the Healthy Homes Standards.

3.2.4.1 Regional Housing Improvement Programme

Through Budget 2022, LINZ secured funding over four years for repairs and maintenance on Landbank tenanted houses for the Regional Housing Improvement Programme.

This funding will enable LINZ to maintain Landbank housing that is tenanted and ensure these homes are ready and fit to be transferred to iwi as part of future Treaty settlements. The programme of work prioritises repairs based on the condition of houses and the availability of building materials and workers. LINZ anticipates that it will be able to improve 191 properties over a four-year period.

3.2.5 Client agency land

LINZ manages and disposes of land on behalf of other public sector agencies (client agencies) through memoranda of understanding. Client agencies may include the Ministry of Education, New Zealand Police, Department of Corrections and NZTA. LINZ manages the disposal process for these properties.

LINZ is responsible for the day-to-day management of these properties. LINZ is focused on bringing approximately 934 properties (as at 30 June 2023) up to the new Healthy Homes Standards, ahead of the 1 July 2025 legislative compliance date.

3.3 LINZ has responsibility for biosecurity and biodiversity on Crown land it manages

3.3.1 LINZ's biosecurity and biodiversity programme

LINZ is tasked with managing land to ensure it is protected and used in line with New Zealand's long-term interests. This includes conducting biosecurity control work and protecting biodiversity values.

The land LINZ manages includes South Island braided riverbeds, the Queenstown Lakes, rivers and lakebeds in the North Island, including Te Arawa Lakes in Rotorua, Lake Karāpiro and the Waikato River. LINZ's programme includes both underwater (aquatic) and terrestrial weed control and focuses on high-priority sites.

LINZ meets statutory and other biosecurity obligations as an administrator of Crown land, including Regional Pest Management Plan requirements. LINZ's biosecurity work is aligned with the national biosecurity and biodiversity programmes and strategies it works within.

Management of pests and weeds requires collaboration among government organisations, iwi and rūnanga, farming lessees, landowners and communities. LINZ works with multiple stakeholders on coordinated control operations and engages contractors to undertake control work.

LINZ uses mapping and geospatial expertise to identify and track pests and weeds at sites across the country. This data is shared with partners and community programmes, supporting community restoration and national biosecurity control programmes such as the National Wilding Conifer Control Programme and wallaby control, and the 'Clean Check Dry' campaign aimed at reducing the spread of aquatic weeds.

3.3.1.1 Jobs for Nature

In Budget 2020 LINZ received funding for Jobs for Nature over four years. The 2023/24 financial year will see the end of the programme. Jobs for Nature funding allowed LINZ to expand its biosecurity and biodiversity programme:

- increasing the number of lakes in the aquatic biosecurity programme
- targeting species that pose the greatest risk in the terrestrial biosecurity programme
- strategic projects including trialling different pest and weed control methods
- improving information and data
- improving monitoring and reporting by collecting baseline data across sites and species to inform environmental outcomes reporting.

As in the first two years of the programme, LINZ has met its targets for the third year.

Figure 8: Example of biosecurity and biodiversity partnership

Enduring relationships with Te Arawa Lakes Trust

As part of the Jobs for Nature fund, Rotorua iwi entity Te Arawa Lakes Trust received money to work with LINZ on controlling aquatic weeds in the Te Arawa lakes. This collaborative project saw agencies, councils and iwi landowners working with the trust and has been a great success. LINZ sees this partnership as a blueprint for regional collaborations to protect the indigenous plants and wildlife of New Zealand.

3.3.12 National Wilding Conifer Control Programme

LINZ supports the multi-agency National Wilding Conifer Control Programme led by the Ministry for Primary Industries, through programme planning and managing control data. The programme was established in 2016 to ensure a collaborative, coordinated and effective approach to national wilding management and includes control of wildings on Crown land (LINZ and DOC) as well as private land.

It includes central and local government agencies and is supported by a wide range of stakeholder groups. LINZ works with its key partners to understand the size and scale of pest and weed problems through surveying and monitoring.

Figure 9: Wilding Conifer Baseline infestation 2021 and abandoned controlled activities 2072



Source: Forecast spread was developed in conjunction with Manaaki Whenua

4 Public Works Act

You as the Minister for Land Information can recommend land be taken for government works. Once acquired, Crown agencies can then hold land for government works purposes.

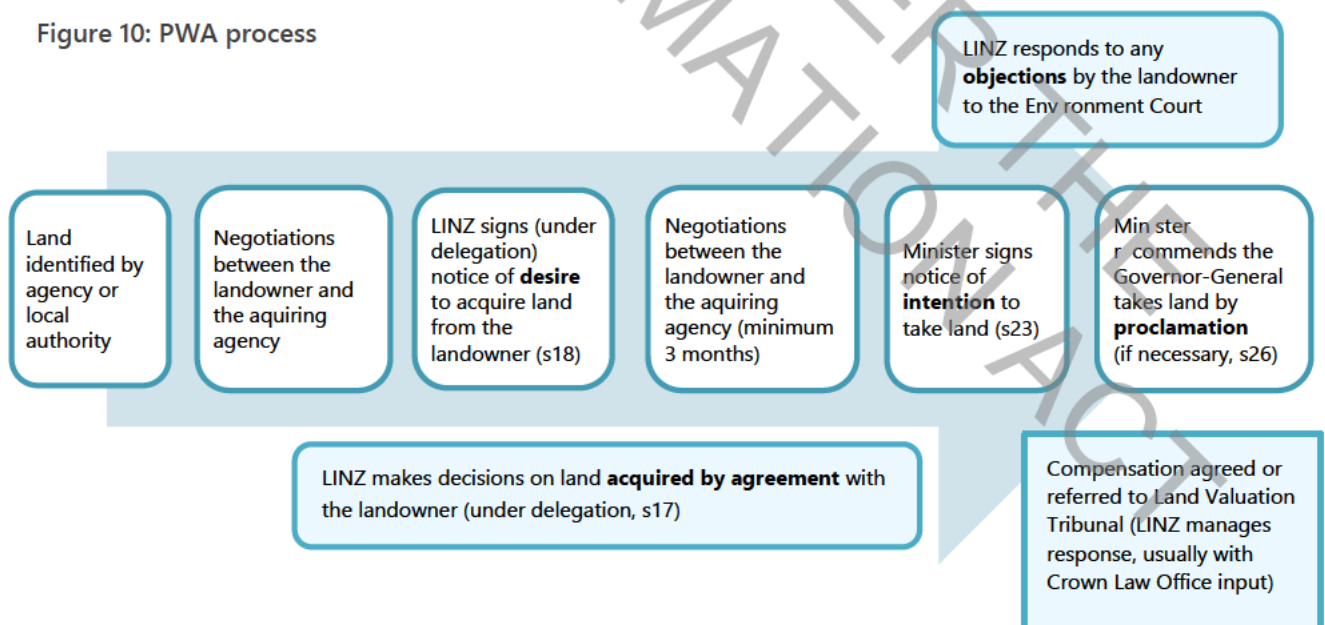
The PWA gives the Crown power to acquire land from private landowners for government public works. It outlines the process that must be followed to make sure the rights of private landowners are protected, and the Crown can ensure public works go ahead. The PWA also sets out how land is transferred from one public work to another, and how the land is disposed of if it is no longer required.

Local authorities can also use the PWA to acquire land for local public works. Your role in these acquisitions occurs if a local authority needs to seek a Proclamation from the Governor-General taking land where agreement cannot be reached. In this case, the local authority will ask you to recommend to the Governor-General that the land be taken.

4.1 Acquisitions of land

Taking land through the PWA generally takes about two years, although it can take longer if the acquisition is objected to by the landowner. The steps shown in the figure below outline the acquisition process, with the current delegation of some of your decision-making to LINZ included.

Figure 10: PWA process



You are responsible for two statutory functions under the PWA that cannot be delegated to LINZ. This is because these two functions are a significant exercise of the Crown's powers. Figure 11 below outlines these functions:

Figure 11: Minister for Land Information PWA statutory functions that can not be delegated

<p>Notices of intention to take land (under s23 of the PWA)</p>	<p>Signing notices regarding the Crown's intention to take the land. These notices advise the landowner that the Crown intends to take the land for a public work. The owner can object to this notice in the Environment Court.</p>
<p>Taking land by proclamation (under s26 of the PWA)</p>	<p>Recommending the Governor-General take land by proclamation. Local authorities may acquire and dispose of land for local works without involving you except in instances where powers of compulsory acquisition (taking land by proclamation) are used. In these cases, your role under the Act is to request the proclamation from the Governor-General, on behalf of the local authority.</p>

The rest of your PWA functions are currently delegated to LINZ. Should you wish to review these delegations, LINZ can provide you with advice. **Annex 2** provides a summary of functions and responsibilities under the PWA for you as Minister for Land Information, and as delegated to LINZ.

4.1.1 Landowners have the right to object

A landowner can object to their land being taken by compulsory acquisition. Objections are heard by the Environment Court, which can either:

- uphold (confirm) the objection, in which case the compulsory acquisition is halted
- determine that it is fair, sound and reasonably necessary for the Crown (or local authority) to take the land for the public work.

4.1.2 Compensation must be offered for the land

If a landowner does not agree with the amount of compensation offered and no negotiated agreement can be reached, the matter can be referred to the Land Valuation Tribunal (the Tribunal). This is an independent tribunal that ensures compensation under the PWA is fair and consistent. When land is taken by proclamation:

- the owner can still make a claim for compensation to the Tribunal
- parties can enter into agreements to settle compensation, without going to the Tribunal.

Under the PWA, the owner has two years after proclamation to make a claim for compensation to the Tribunal. All efforts are made to resolve compensation by agreement with the landowner before the Tribunal stage.

For New Zealand Upgrade Projects for NZTA, a Land Acquisition Resolution Service (LARS) has been set up to mediate with willing owners to reach agreement. This was a joint initiative between NZTA and LINZ. The service has been used three times in 2023 with successful outcomes and is expected to be used more.

4.2 Land that is no longer needed for public works

When land is no longer needed for public works, there is a disposal process set out in legislation and government-policy for the disposal of that land. The LINZ chief executive is responsible for decisions on disposals. When land is identified as surplus the following four steps apply:

1. the land is declared as surplus, and LINZ determines whether there is any other public work requirement for the land⁵
2. the land is offered back to the former owners or their successors, unless an exemption applies
3. any Treaty settlement obligations are met, which could be offering the land to iwi under a right of first refusal⁶, or determining if it is appropriate to include it in a Treaty settlement under the Māori Protection Mechanism
4. any land that has not been disposed of by following the three steps above is offered for sale on the open market.

Disposing of land can be contentious, and actions can include managing interest from former owners and iwi, including any legal action that may arise. Historically, this has been a highly litigious area with new case law being applied to mitigate risk. Media can also take an interest in Court cases. LINZ manage any queries and will work with your office and subject matters experts on any responses. LINZ will update you as needed on matters of interest or concern that arise from decisions made under delegation.

Although the LINZ chief executive is the decision-maker on disposals, the Crown agency that held the land is responsible for completing this process. The agency will use a Crown property accredited supplier to dispose of the land, and the agency must ask LINZ for approval before any actions are taken.

⁵ If so, the land may be transferred to the Crown agency (via section 52) or local authority (via section 50) that requires the land.

⁶ A right of first refusal is a type of Treaty settlement redress that requires the Crown to offer a long-term option for iwi to purchase or lease Crown-owned land. The right will generally remain in place for 50 to 170 years.

To give you a sense of scale for this work, 40 disposals of land were made by LINZ in 2022/23.

4.3 Improvements to PWA processes

LINZ has been working with other agencies on ways to improve operational practices to address some issues with PWA processes. NZTA has previously expressed concern that the length and complexity of the PWA process may slow down high-priority projects. To address this LINZ has made operational improvements to the acquisition process which include actions in the following areas:

- LINZ has updated and improved the information provided to landowners affected by acquisition under the PWA.
- LINZ worked with NZTA and Crown Law to pilot more frequent use of mediation in valuation disputes (the LARS mediation programme).
- LINZ has finalised a pre-approval process in paying owners' valuation and legal costs up to various thresholds to create efficiencies in the negotiation and acquisition process.

5 Strategic outlook for Crown land

The Crown estate already creates value for New Zealanders and there is growing awareness that it could have more value as a national asset.

It provides farming and forestry use and contributes to ecosystem restoration, climate adaptation and biodiversity protection objectives. Agriculture is the primary economic use of Crown land, but other industries could be considered, such as high-value technology or renewable energy (using advanced technologies to install wind farms or solar panels; placing smart sensors and interactive features on the land that encourage visitor activity and engagement). Other potential opportunities may arise in providing managed retreat solutions and flood protection works.

There are many connections between Māori, local and central government in this area, with a number of key community stakeholders with valuable insights. There are opportunities to hold discussions across government and with businesses and communities about the future use and management of this land. LINZ will discuss further with you the ways in which Crown land could continue to grow in value and the opportunities it will bring for New Zealand.

6 Next steps

LINZ can arrange a meeting to discuss Crown land and will brief you shortly on next steps for Public Works Act decisions.

LINZ is ready to respond to your direction on priorities for Crown land as part of your Land Information portfolio responsibilities. LINZ can develop advice and options for issues of importance to you. LINZ will also provide advice on implications for Crown land as wider government priorities are progressed.

OFFICIAL INFORMATION ACT

Annex 1 Critical relationships

The critical relationships in the Crown land area are with other ministers, the public (including non-governmental organisations), iwi and central and local government.

Other Ministers	
Minister for Treaty of Waitangi Negotiations	<ul style="list-style-type: none"> Responsible for properties that are acquired and prepared for settlement.
Minister for Māori Development	<ul style="list-style-type: none"> Makes decisions on which properties are acquired for settlement. Your approval is required for these acquisitions.
Minister of Conservation	<ul style="list-style-type: none"> Responsible for the conservation estate, which interacts with LINZ managed Crown land in areas such as Crown pastoral land, biosecurity and biodiversity work, and transfer of high-value conservation or reserve land.
Māori and Iwi	
Specific iwi	<ul style="list-style-type: none"> The Crown pastoral land reform provides for greater obligations for LINZ and the Commissioner of Crown Lands when engaging and consulting with Māori. The Ngāi Tahu takiwā encompasses the majority of the Crown pastoral estate, and a small number of leases are within the rohe of Te Taihū iwi: Rangitāne o Wairau and Ngāti Apa ki te Rā Tō. Relationships with Ngāi Tahu and the Te Arawa Lakes Trust are also critical to delivering biosecurity and biodiversity work. Accords relating to the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010⁷ set out a relationship for consulting with iwi where activities are undertaken in relation to the Waikato River. Under these Accords annual Ministerial Forums are held, chaired by the Minister for Māori Development.
Advisory groups	
High Country Accord Trust	<ul style="list-style-type: none"> Represents many Crown pastoral leaseholders.
High Country Advisory Group	<ul style="list-style-type: none"> Provides advice to the Commissioner of Crown Lands and LINZ on the management of Crown pastoral land.

⁷ Accords in relation to the Waikato river are as follows: Tūwharetoa Māori Trust Board; Maniapoto; Waikato-Tainui; Raukawa; Te Arawa River Iwi Trust; Ngāti Hauā.

Non-governmental organisations	
Non-governmental organisations	<ul style="list-style-type: none"> Federated Farmers, Fish & Game, Forest & Bird, the Environmental Defence Society and Federated Mountain Clubs: strong interest in the administration and management of Crown pastoral land; some members of the High Country Advisory Group (HCAG) are from these NGOs. Guardians of Lake Wanaka, Guardians of Lake Dunstan, and Fish & Game: biosecurity and biodiversity partnership and delivery.
Central and local government	
Department of Conservation	<ul style="list-style-type: none"> Provides advice on inherent values on pastoral leases as part of the decision-making process for consented activities and tenure review. Key partner for LINZ's work in the Mackenzie Basin, including on biosecurity.
Other central and local government agencies	<ul style="list-style-type: none"> Ministry for Primary Industries, Environment Canterbury, Bay of Plenty Regional Council, Otago Regional Council, Queenstown Lakes District Council: biosecurity initiatives. Te Arawhiti – Office for Māori Crown Relations
Mackenzie Basin Agency Alignment Programme: Te Mokihi	<ul style="list-style-type: none"> Alliance between five agencies working in the Mackenzie Basin to better align land and water management in the Mackenzie Basin.
Statutory officers	
Commissioner of Crown Lands	<ul style="list-style-type: none"> The Commissioner of Crown Lands is a dedicated statutory officer with specific functions and decision making powers under the Crown Pastoral Land Act 1998 and the Land Act 1948. The Commissioner is an independent regulator, an employee of LINZ, and accountable to the chief executive.

Annex 2 Functions and responsibilities under the PWA

The different functions and responsibilities as set up under the PWA are:

Governor General

- Issues proclamation for land to be compulsorily acquired under s26 of the PWA

Minister for Land Information

- Considers notice of intention to take land under s23 of the PWA
- Recommends proclamations for government and local works under s26 to the Governor-General

By LINZ on behalf of Minister for Land Information (current delegations)

- Agreements to acquire land, including notices of desire to acquire land under s18 of the PWA
- Agreements to change the public work purpose for which land is used

LINZ

- Manages the disposal process for PWA properties managed by LINZ or client agencies
 - Manages the Crown estate regulatory system that sets the rules and standards by which government agencies can acquire or dispose of land under the PWA
 - Maintains the Crown property accreditation system⁸
 - Advises stakeholder agencies on how the PWA can or cannot be applied to meet their land requirements
 - Agreements to:
 - offer back of land to former owners
 - sell PWA land or transfer to a local authority
 - roading actions.
-

⁸ The Crown outsources much of the operational and reporting functions for acquisition and disposal under the PWA to the private sector through a system of suppliers accredited by LINZ due to their knowledge of the PWA. Accredited suppliers cannot bind the Crown, must comply with LINZ's standards, and seek approval from the department in statutory decisions.