

Public Works Act 1981 Review: Decisions in December 2024 and March 2025 Cabinet papers

In December 2024, Cabinet agreed:

Acquisition processes

- **NZTA** would be sub-delegated responsibility for acquisition by agreement
- **Joint decision making** for government works by the Minister for Land Information with either the Minister of Māori Affairs or Minister for Māori Crown Relations **for acquisitions of protected Māori land**
- **Transpower** could enter into PWA negotiations without seeking prior approval under the RMA
- The Minister for Land Information could authorise agencies and local authorities to acquire land as a **combined acquisition**
- Enable acquisition of land **indirectly required to relocate private entity infrastructure**
- Persons exercising PWA powers must use **timely and efficient processes**
- **Removal of the notice of desire** (so only one statutory notice is required)
- **Report back to Cabinet on:**
 - **the minimum requirements before a notice of intention can be issued**
 - **additional regulatory tools for LINZ**

Compensation

- Provide for **advance compensation agreements**
- Where land is taken compulsorily, **compensation is paid when the land is taken**, with any disputed amount resolved later
- Prior to a Land Valuation Tribunal hearing, the parties must have attempted to resolve the dispute through an **alternative dispute resolution**
- Māori freehold land to be **valued as if it were general land**
- **Multiple home-loss payments** available for acquisitions of Māori freehold land
- **Report back to Cabinet on:**
 - **a statutory incentive payment that is paid if agreement is reached prior to issuing a section 23 notice**
 - **increased home-loss and land-loss payments**
 - **whether payment should apply where there are multiple dwellings, regardless of the nature**

Objections

- Refine the grounds for an objection and the considerations of the Environment Court when inquiring into an objection

In March 2025, Cabinet decisions are now sought for:

Acquisition processes

- The minimum requirements before a notice of intention can be issued are: to **provide information** about the PWA, to **provide an invitation to sell**, to make every endeavour to **negotiate in good faith for at least 3 months** (and at least **6 months for Māori freehold land** with at least 4 owners)
- **Modernise the definition of public notice**, and require public notice of compulsory acquisition once, not twice
- Expressly require **decision-makers to consider matters aligning with the Environment Court's current considerations**
- Provide regulatory tools for LINZ to recognise responsibility for setting standards, allow regulations to be made to require the provision of information to LINZ, and recognise LINZ's responsibility to report on PWA use and performance.

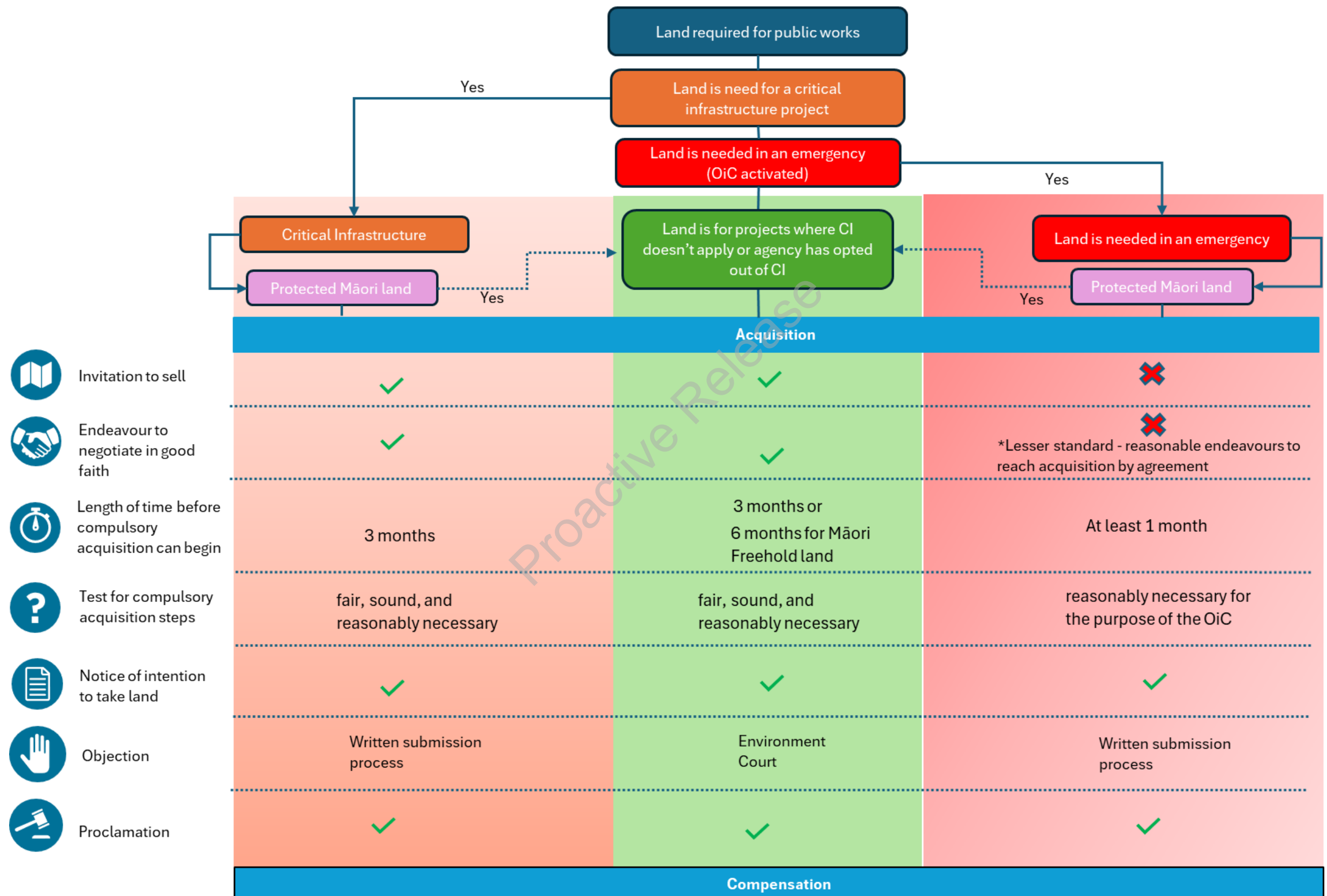
Compensation

- A **statutory incentive payment** will be paid to owners who enter into an agreement, set at **10 percent of land value, with a minimum of \$5,000 and a maximum of \$100,000**, where agreement is reached before a notice of intention is served
 - There is a **discretion to pay** the incentive payment where the land is **Māori freehold land**, where it is not practice to acquire the land before a notice of intention is served
 - The amounts and percentage can be adjusted by Order in Council, taking into account affordability
- **Increase home-loss payment** from \$35,000 to \$50,000 **and land-loss payment** to a minimum of \$350 and a maximum of \$35,000
- **Extend eligibility for payments for loss of a principal place of residence**, so that where there are two or more owners of the land, each owner that has a separate principal place of residence on the land will be eligible for a home-loss payment

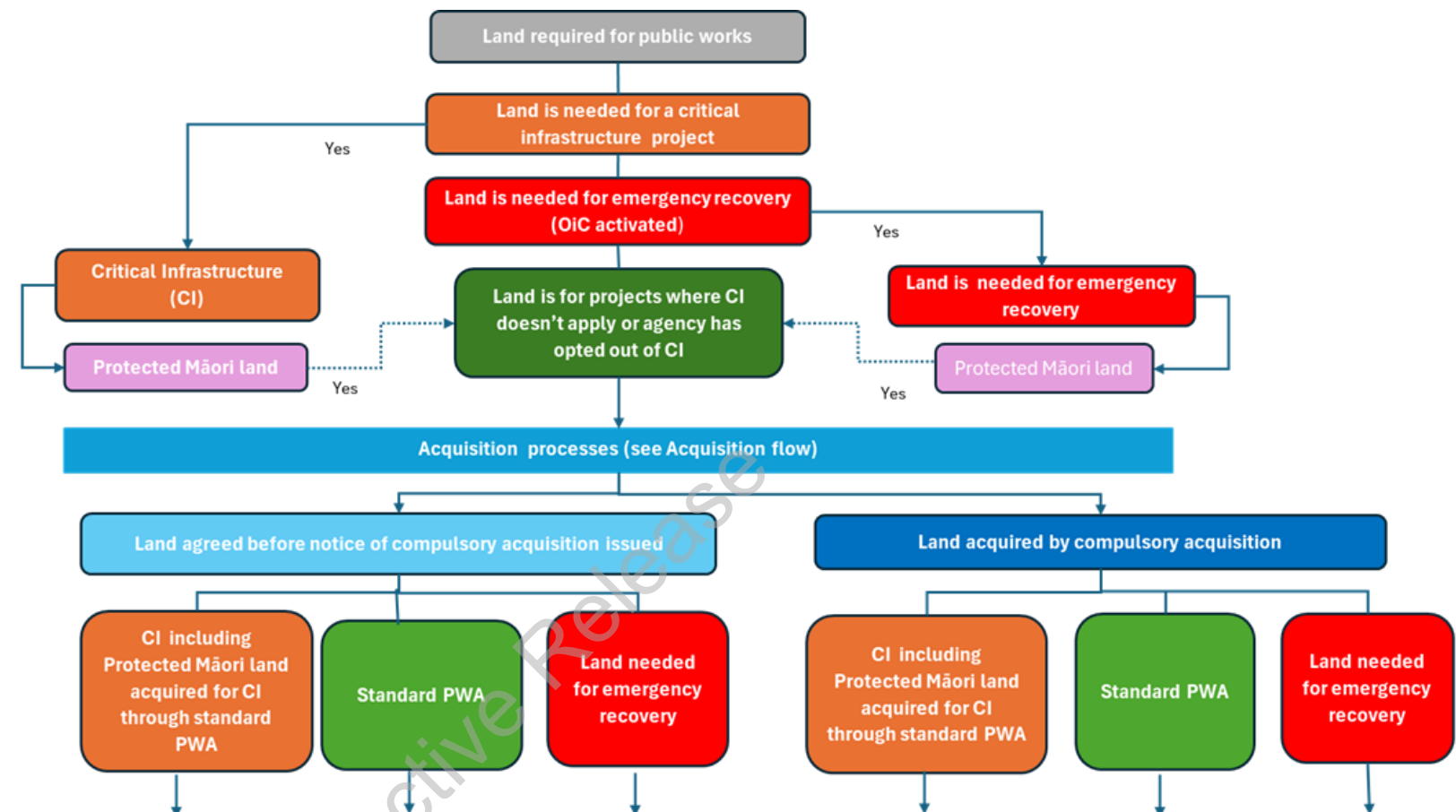
Emergency recovery land acquisition regime

- Create an emergency recovery land acquisition regime to support the timely restoration of public works or the functions that they serve

Acquisition proposals: PWA review, emergency regime, critical infrastructure



Compensation proposals: PWA review, emergency regime, critical infrastructure



Type of compensation	Change from status quo	Payment amounts	Compensation (before notice of compulsory acquisition issued)			Compensation (after notice of compulsory acquisition issued)		
Land value	=	\$Market value	✓	✓	✓	✓	✓	✓
Home-loss payment	↑	\$35K to \$50K	✓	✓	✓	✓	✓	✓
Land-loss payment	↑	10% of land value: min \$350; max \$35k	✓	✓	✓	✓	✓	✓
PWA incentive payment	New	10% of land value, min \$5K, max \$100K	N/A	✓	✓	N/A	✗ Minister's discretion to pay here for Māori freehold land	✓ And Protected Māori
CI incentive payment	New	15% of land value, min \$5K, max \$150K	✓	N/A	N/A	✗ Minister's discretion to pay here for Māori freehold land	N/A	N/A
CI recognition payment	New	5% of agreed market value max \$92K	✓	N/A	N/A	✓	N/A	N/A