

Statement of Intent 2013-2016



Statement of Intent 2013-2016

Land Information New Zealand Toitū te whenua
May 2013

Presented to the House of Representatives pursuant to
section 38 of the Public Finance Act 1989.

This document can be found online at
www.linz.govt.nz/soi2013

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Ministerial foreword

Three of the Government's Budget priorities are to build a more competitive and productive economy, deliver better public services within tight fiscal constraints, and rebuild Canterbury.

Land Information New Zealand (LINZ) will contribute directly to these priorities by ensuring its core services are delivered efficiently, and are focused on increasing New Zealanders' prosperity and security.

In particular, I endorse this Statement of Intent as fully reflecting my four priorities for LINZ, which have been set to ensure LINZ makes a significant contribution toward the Government's Budget priorities.

My first priority is for LINZ to continue to lead development of a national spatial data infrastructure for making New Zealand's location-based information easy to find, share and use. Better use of this valuable government information will increase efficiencies and innovation in the private sector, and boost the performance of government agencies in business planning and delivering essential services and results.

LINZ will continue to contribute to the rebuilding of Canterbury as my second priority, by assisting the Canterbury Earthquake Recovery Authority (CERA) and other agencies with the Canterbury Earthquake Recovery Strategy, and with issues relating to acquiring and managing land, and rating revaluations. A key focus for LINZ will be to coordinate eight location-based information projects to accelerate and enhance decision-making to support Canterbury's rebuild. LINZ will also continue to provide timely advice on issues such as the management of approximately 8,000 red zone suburban properties on behalf of CERA.

My third priority, better property services, is consistent with the Government's expectations that the public sector will deliver citizens and businesses with improved online services, making it easier for them to access government services. Under this priority, LINZ will explore the linking of central and local government property functions and services, including those relating to property ownership, permits and consenting information provided by local government. LINZ will also develop a business case for the necessary technology and operational changes to its land transaction (survey and title) system to ensure it is fit for the future. Modernising this system also provides a valuable opportunity to consider how it can be integrated more effectively with other property-related information and transactions provided, or mandated, by government.

My fourth priority is that LINZ repositions its Crown land management operations to be a centre of expertise to improve administration of Crown land across government. This priority recognises that Crown land management is not core business for many agencies and the operational costs of managing and disposing of land may be unnecessarily high as government agencies lack specialist capability and economies of scale. This year LINZ will manage the Justice sector's land disposal programme.



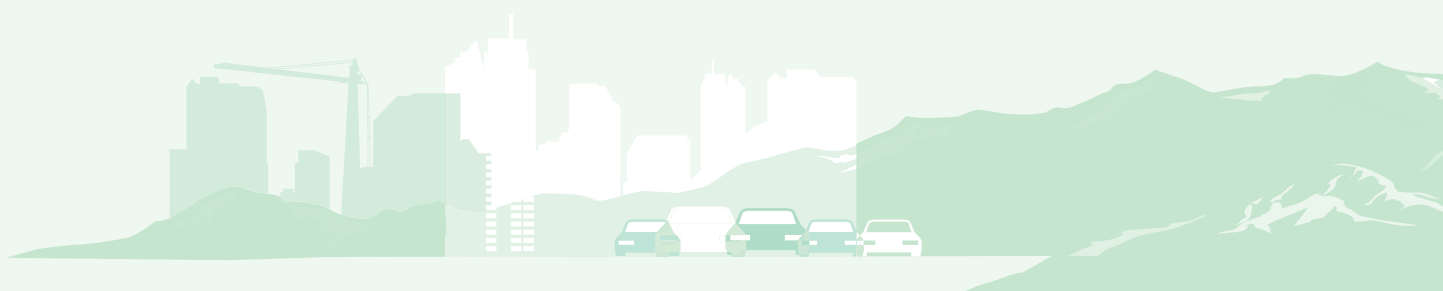
Hon Maurice Williamson
MINISTER FOR LAND INFORMATION

Minister's Statement of Responsibility

I am satisfied that the information on future operating intentions provided by my department in this Statement of Intent and the Information Supporting the Estimates is in accordance with sections 38, 40 and 41 of the Public Finance Act 1989 and is consistent with the policies and performance expectations of the Government.



Hon Maurice Williamson
RESPONSIBLE MINISTER FOR LAND INFORMATION



Chief Executive's introduction

Ko ngā pae tawhiti
Whāia kia tata.
Ko ngā pae tata
Whakamaua kia tina e.

As the new Chief Executive of Land Information New Zealand, I am pleased to present this Statement of Intent – my first since taking on this role.

A few months into my tenure, my observation is that we are well-placed to support the delivery of the Government's economic priorities, in particular those set by our Minister.

The activities outlined in this document show us taking a lead in a number of areas – location-based information, property rights and Crown land. These are vital to the current and future prosperity of New Zealand.

The New Zealand State sector continues to operate in, and be guided by, a tight fiscal environment and the Government's drive for better public services.

We are already contributing to the better public services programme with our online survey and title system. In addition, we are sharing our expertise in areas such as the management of Crown land, and providing free and open access to our fundamental location-based information through the award-winning LINZ Data Service.

We recognise that the strength of the State sector lies in working closely together and we will continue to work collaboratively with other agencies in areas of shared strategic interest, particularly those in the Natural Resources Sector.

Critical to our success is our highly skilled and motivated staff which, according to the results of the most recent Gallup Engagement Survey, is the most engaged workforce in the New Zealand State sector.

While recognising this achievement, we continue to look to the future. A major focus for us during the early part of this year will be sharpening our understanding of how we can make the biggest difference for New Zealanders, and realign our efforts to help accomplish this.

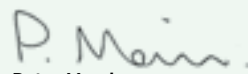
This will mean that next year's Statement of Intent will be a more durable document, strongly grounded in a strategy based on where we can add the greatest value to New Zealand.

To support this work, we will continue to strengthen our skills and capabilities through a range of strategies to ensure we have the right people and tools, a better understanding of our customers, and more effective engagement with our

The distant horizons
Pursue them that they draw near.
That which is near at hand
Realise it and hold it dear.

key stakeholders. For example, engagement with our Māori and iwi stakeholders through our Business with Māori Strategy will be a key priority as we seek to achieve better outcomes for all.

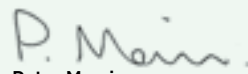
Throughout this process, we will continue to deliver our core day-to-day activities to the very highest of standards, as rightly expected by the Government, our Minister and our customers.



Peter Mersi
CHIEF EXECUTIVE
LAND INFORMATION NEW ZEALAND TOITŪ TE WHENUA

Chief Executive's Statement of Responsibility

In signing this statement, I acknowledge that I am responsible for the information contained in the Statement of Intent for Land Information New Zealand. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations (2013/14 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Peter Mersi
CHIEF EXECUTIVE

Counter-signed by



Ian McEwan
CHIEF FINANCIAL OFFICER

The nature and scope of our functions

We manage a wide range of activities that can be grouped under three broad and inter-related roles: management of property rights, location-based information, and Crown land.¹ We have staff in Wellington, Christchurch and Hamilton.

Management of property rights

We administer the survey and title system which forms the basis of New Zealand's land property rights market and is critical to the ongoing functioning of the economy.

We help ensure confidence in property rights through the delivery of a world-leading system that facilitates the sale, purchase and development of property at a reasonable cost.

Our additional property rights-related roles include:

- regulating property valuation for both the private sector and local government
- managing property rights related to reclaimed marine and coastal land, and
- administering New Zealand's overseas investment regime.

Management of location-based information

We manage and develop existing and new datasets of core location-based information and release them for others to use and reuse. This includes topographic, hydrographic, geodetic, cadastral and title information in digital and paper formats, including datasets, maps and charts.

In addition, we administer place name rights through our support for the New Zealand Geographic Board Ngā Pou Taunaha o Aotearoa.

We also house the New Zealand Geospatial Office, which leads all-of-government efforts to unlock the estimated \$500 million in annual economic benefits from better reuse of location-based information.

Management of Crown land

We manage eight percent of New Zealand's land area, consisting of 5,000 properties that include 231 South Island High Country pastoral leases, riverbed land, beds of lakes such as Wanaka and Karapiro, major sites such as the Waihi gold mine, and 48 Crown Forestry Licences. We continue to provide all possible support to the Canterbury Earthquake Recovery Authority (CERA), which will include managing up to 8,000 land parcels in the Canterbury red zone on their behalf.

In addition, we regulate the acquisition and disposal of land by all Crown agencies. These transactions make an important contribution to the development of our national infrastructure.

¹ Within these three roles, we have a number of statutory officers with specific functions under the various acts we administer. More detail on this legislation, and the responsibilities of these officers, can be found at www.linz.govt.nz.

Our strategic direction

This section outlines key drivers in our strategic environment, and how we will work to support the Government's priorities and progress the long-term outcomes we seek for New Zealanders.

Drivers in our strategic environment

Our strategic direction is shaped by the tight economic and fiscal environment, the Government's expectations and its following economic priorities:²

- building a more productive and competitive economy
- delivering better public services within tight financial constraints, and³
- rebuilding Christchurch, New Zealand's second biggest city.

The Government has set 10 results as part of its priority to deliver better public services within tight financial constraints. We will continue to contribute to two of these results through our property rights and location-based information outcomes:

- New Zealand businesses have a one-stop online shop for all government advice and support they need to run and grow their businesses, and
- New Zealanders can complete their transactions with government easily in a digital environment.

Our contribution to these results is discussed on page 10.

Other drivers of change in our strategic environment that present both opportunities for growth, and challenges to our business, include:

- increasing the use of location-based information technologies by government and business as a key tool for growth and decision-making
- rapidly growing opportunities to further unlock value for Māori and iwi in post-Treaty settlement activities
- continued momentum in government timeframes for settling historic Treaty of Waitangi claims
- the ongoing effects of global economic volatility on property market activity in New Zealand and, in turn, on the revenue we generate from property rights transactions, and
- increasing pressures on New Zealand's natural resources and the need for more coordinated management and strategic policy from responsible agencies in the Natural Resources Sector, of which we are a member.

How we will support the Government's priorities

Our contribution to the Government's economic priorities, and our response to opportunities and challenges arising in our strategic environment, is captured under our three inter-related long-term outcomes that we will deliver to New Zealanders:

- maintaining⁴ the integrity of the property rights system to encourage trade, commerce and wellbeing
- increasing the productive use of location-based information significantly above the current estimated \$1.2 billion in annual productivity benefits it already contributes to New Zealand, and
- enabling appropriate economic, environmental and recreational uses of Crown-owned and used land.

Under and across the Government's and our Ministerial priorities, and our long-term outcomes, we will achieve or progress a number of intended impacts (see Figure 1).

² As outlined in the Government's Budget Policy Statement 2013. The other priority is 'responsibly managing the Government's finances'.

³ Under this Budget priority, the Government has outlined 10 specific results for government agencies to achieve over the next three to five years. Our contribution to these results is discussed on pages 10-24.

⁴ The term 'maintain' in the context of our outcome and impacts is more than maintenance of the 'status quo' as it is defined to include ongoing business improvement initiatives.

FIGURE 1: OUR OUTCOMES AND IMPACTS

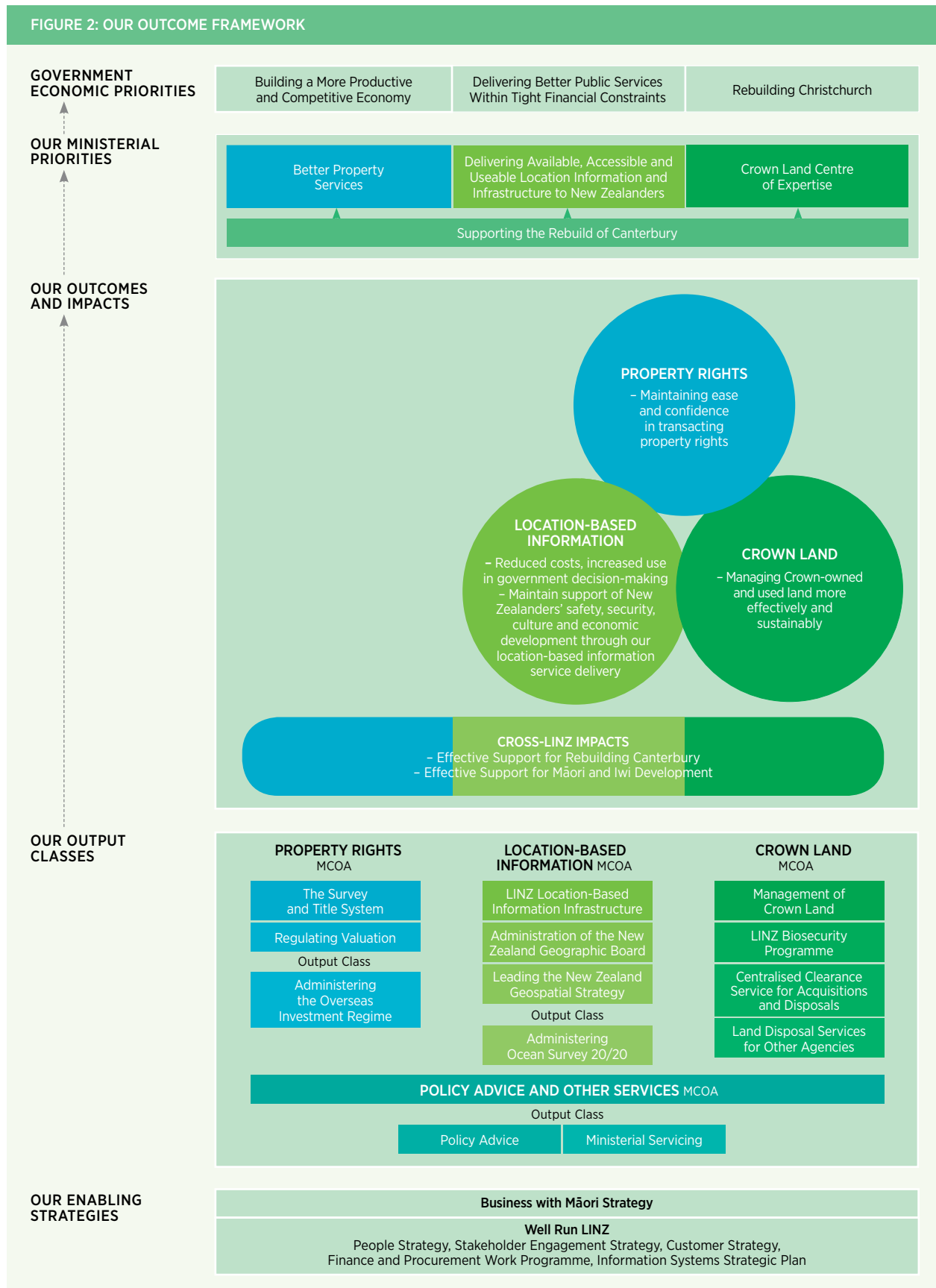
OUTCOME	IMPACTS
Maintaining the integrity of the property rights system to encourage trade, commerce and wellbeing	Maintain ease in transacting property rights Maintain confidence in property rights in New Zealand
Increasing the productive use of location-based information	Increase the use of location-based information in government decision-making Reduce the costs in finding, sharing and using location-based information Maintain support of New Zealanders' safety, security, culture and economic development through our location-based information service delivery
Enabling appropriate economic, environmental and recreational uses of Crown-owned and used land	More effective and sustainable land management

We will also achieve or progress two cross-LINZ impacts – effective support for rebuilding Canterbury, and effective support for Māori and iwi development.

These impacts are the direct results that we will achieve and where we will measure our progress and success.

As illustrated overleaf (Figure 2), our outcome framework shows the relationship between the Government's priorities, Ministerial priorities, our outcomes and impacts and our outputs. Our plans for delivering our impacts are outlined in more detail in the Operating intentions section on pages 10-24.

FIGURE 2: OUR OUTCOME FRAMEWORK



How we will achieve our impacts

Ministerial priorities and delivering core business

To achieve our intended impacts, we continue to focus on our four Ministerial priorities which are the most significant work areas where we can contribute to the Government's economic priorities:

- delivery of better property services, see pages 10-14
- delivering available, accessible and useable location-based information and infrastructure to New Zealanders, see pages 15-19.
- Crown Land Centre of Expertise, see pages 20-24
- supporting the rebuild of Canterbury, see pages 10-24.

We will also focus on delivering more efficient, cost-effective services across the range of activities and responsibilities we manage. Our business improvement initiatives will drive better outcomes, reduce costs or both.

Positioning LINZ for the future

We have the opportunity to add value across all our outcomes and will pursue this during 2013-14. At the same time we will sharpen our focus to more precisely determine where we will add the greatest value. This may result in changes in our relative effort across our outcomes in future years.

In this context we continue to explore opportunities to leverage our expertise, information, emergent technologies and partnerships with other organisations to further unlock value for New Zealanders.

We will also continue to improve engagement with our broader groups of stakeholders and customers, including Māori and iwi. This will be guided by our Business with Māori and Stakeholder Engagement strategies, and our continued participation in cross-government forums such as the Natural Resources Sector.

Supporting Māori and iwi development

Our contribution to Māori and iwi development is encapsulated in our Business with Māori Strategy, a strategic and targeted approach we will use to work with Māori and iwi to ensure our work maximises outcomes for New Zealand.

Our Business with Māori Strategy provides us with a clear direction for working with Māori and iwi as valued Treaty partners, business partners, stakeholders and customers. The strategy provides a framework for sustainable long-term change to the way we work with Māori and iwi.

In our Business with Māori Strategy we seek to ensure:

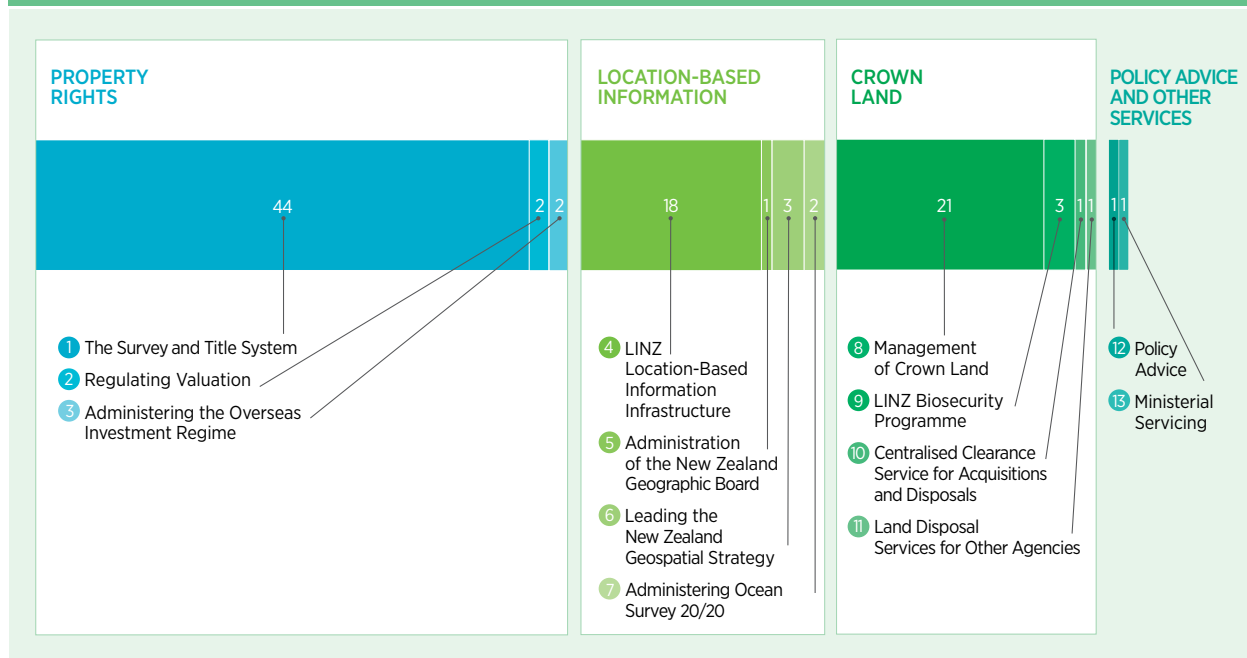
- Māori and iwi have access to more fit-for-purpose location-based information and expertise from an authoritative source
- Māori and iwi interests in Crown land are more expertly managed, and
- New Zealand's property rights system is reset to accelerate Māori and iwi development.

Well Run LINZ

Well Run LINZ supports the achievement of our impacts. We started the 2013-14 financial year having refreshed a number of enabling strategies and work programmes.⁵ This ensures that we are able to respond to changes in the nature and form of our core services, better understand the needs of our key stakeholders, and continue to work with them in a collaborative and cooperative way. This refresh places us in a better position to respond quickly to emerging trends or changes in our operating environment.

⁵ This includes our People Strategy, Stakeholder Engagement Strategy, Customer Strategy, Finance and Procurement Work Programme, and Information Systems Strategic Plan.

FIGURE 3: PERCENTAGE OF TOTAL FORECAST SPEND BY OUTPUT CLASS



Our outputs and funding

We deliver our functions through four Multi-Class Output Appropriations (MCOA) and two output class appropriations (making a total of 13 output classes). The funding for these output classes comes from both Crown and third-party revenue. Third-party revenue is mainly generated from fees paid by customers using Landonline services.

Figure 3 above shows the proportion of forecast spend in 2013-14 (\$111.8m) to each of our output classes.

Vote Lands total appropriation is \$132.4m. The difference between the appropriation and the forecast spend represents the forecast surplus. The bulk of the surplus is generated from the survey and title system. The surplus will be used to repay the capital injection we needed from the Crown following the dramatic downturn in property transactions that commenced during 2008-09.

Figure 3 above shows the linkages between our three outcomes and the output classes that contribute to them.

Measuring our progress

We will assess our performance over 2013-14 largely at the impact level where we are able to control results. The exact measures we are using in relation to our impacts, as well as other measures of performance, are contained in the Operating intentions (see pages 10-24) and Organisational health and capability (see pages 25-28) sections.

Managing in a changing operating environment

Monitoring drivers of change in our environment

We regularly scan our operating environment for signals of change that may impact our strategic direction. A broad environmental scan will be undertaken to inform the development of our 10 year vision and this will inform our outcome framework in next year's triennial Statement of Intent.

Key strategic risks and mitigation strategies

We currently use formal risk practices⁶ to manage the key opportunities and challenges in our operating environment. These include:

- identification, mitigation and monitoring of risks in strategic and business planning and reporting
- review of our risks and treatment strategies six-monthly by our senior leadership team. Our risk policy, framework, guidelines and tools support high-quality and consistent risk-intelligent practices at every level of our organisation, and
- a Risk and Assurance Committee, comprising three independent members, that provides strategic advice and guidance to our Chief Executive.

Many of the key strategic risks we have identified are broad, overarching and interconnected. These risks include us being unable to:

- deliver relevant services in a tight economic environment
- effectively demonstrate the value we provide to New Zealanders
- respond quickly to changes in our operating environment, or
- identify and explore key strategic opportunities that leverage our expertise and support the achievement of wider government objectives.

The strategies we will use to treat these risks include:

- investigating alternative delivery models for Landonline (see page 10)
- targeted efficiencies and proposed changes to some services to enable continued delivery of all existing activities (see pages 10-24)
- our Customer Strategy and stakeholder engagement activities, and our focus on increased effectiveness in our work with Māori and iwi through our Business with Māori Strategy (see pages 25-26)
- ensuring we have the right people in the right roles at the right time, our Workforce Strategy aims to provide a strong workforce platform for delivering outcomes within our capacity and fiscal constraints (see page 25), and
- pursuing cross-agency initiatives to promote value for money services across the broader public sector such as the Crown Land Centre of Expertise (see pages 20-22) and the better property services initiative (see page 10).

⁶ The LINZ Risk Management approach is based on ISO 31000:2009 – Risk Management, Principles and Guidelines. See http://www.iso.org/iso/iso-catalogue/catalogue_detail.

Our operating intentions: Maintaining the integrity of the property rights system to encourage trade, commerce and wellbeing

We will contribute to government priorities for **better public services, building a more productive and competitive economy and rebuilding Christchurch** by maintaining a property rights system that gives homeowners and businesses full confidence in their property assets.

What we want to achieve

The property rights system we oversee provides one of the foundations for economic performance – guaranteed private property rights and the ability for New Zealand business to expand using real property as collateral.

We achieve this by ensuring property rights can be transacted quickly and at a reasonable cost, while also minimising any risks to New Zealanders' security over their assets. The administration and regulation of Landonline is our largest function and it accounts for 53 percent of our revenue. This is a critical function underpinning our nation's confidence in property rights and investment in the economy.

We regulate the rating valuation system, which ensures rating valuations are nationally consistent and provide appropriate relativity of property values within each local council. This work supports the economic platform for most local government services.

We oversee the occupational regulation of valuers, and provide the screening regime for significant overseas investment so as to allow overseas direct investment while protecting New Zealand's sensitive assets.

We will work with other agencies to develop a case for better property services across government. This work will take a consumer focus and provide vision and direction for government-delivered or mandated property information and services. It will make a potentially significant contribution to the Government's expectations for improved online services for citizens and businesses.

We will develop options to improve the functioning and operating model for the survey and title system, the Landonline application that supports it, and our customers' online transactions. This will ensure we meet the future needs of our customers so we can contribute fully to future expectations for better property services. It will also ensure we take advantage of opportunities provided by new technology.

We will continue to make a valuable contribution to the rebuild of Canterbury, and support Māori and iwi development on property rights issues.

Over 2013-16, we will make progress against the following impacts:

- maintaining ease in transacting property rights
- maintaining confidence in property rights in New Zealand
- effective support for rebuilding Canterbury, and
- effective support for Māori and iwi development.

What we will do to achieve these impacts

The diagram opposite (Figure 4) explains the main links between the Government's and our Ministerial priorities, our outcomes, the impacts we expect to make (including their performance measures), the initiatives we intend to undertake, and our output funding.

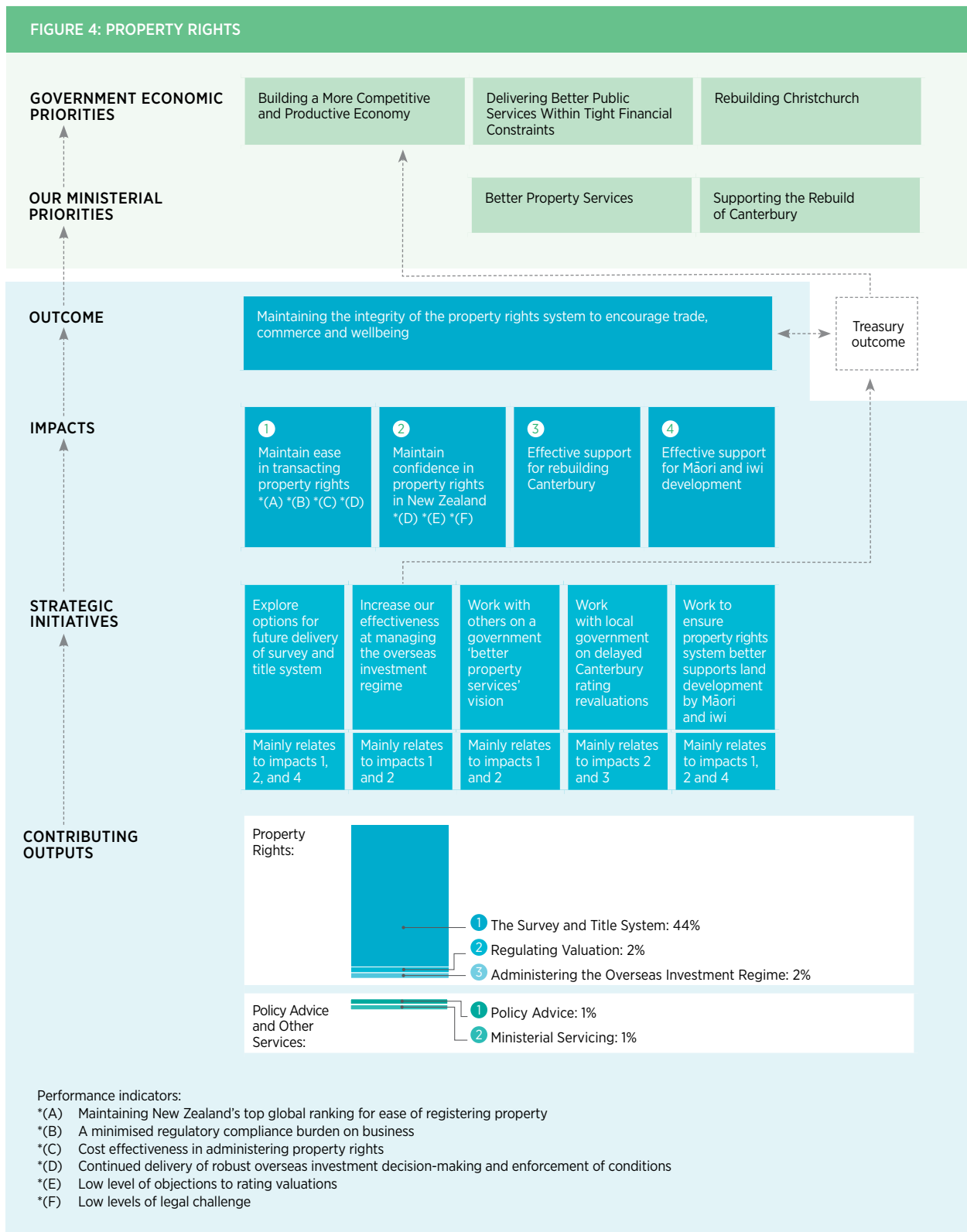
These impacts will be delivered through the following initiatives.

Maintaining ease and confidence in transacting property rights

For our 'better property services' Ministerial priority, we will work with Ministers and other agencies to make a case for an 'in principle' agreement on a better property services vision for government. This vision will guide the delivery of property information and transactions to New Zealanders through interoperable, inter-agency systems. More seamless and consistent digital and online services from government will provide improvements in terms of timeliness, quality and cost effectiveness, as well as enabling greater private sector innovation. To support this vision, research will be commissioned to test the economic benefits of integrating property information and services across government.

In this context we will continue to investigate options for the future delivery of the survey and title system, including the Landonline technology that supports it. We are building an understanding of the necessary technology and operational changes needed to modernise Landonline, as this provides us with the opportunity to consider how it can be integrated more effectively with other property-related information and transactions mandated by government. These changes and their feasibility will be explored in a business case.

FIGURE 4: PROPERTY RIGHTS



While considering the future of Landonline, we continue to ensure the survey and conveyancing professionals who use our online property rights services can transact easily and cost-effectively (for example, we are developing web-based land title searches which will replace existing manual systems). This in turn will support their ability to provide fast, efficient services to their own clients, such as homebuyers and sellers, and land developers.

Our work continues with the Ministry of Business, Innovation and Employment on their development of a national building consent system. This system will potentially improve the quality and efficiency of building permit transactions, and provide a single authoritative source of information on approved building consents and permits relating to parcels of land.

Effective support for rebuilding Canterbury

To support this Ministerial priority, we will continue to work with local government in Canterbury to determine the most appropriate time and method to carry out rating revaluations delayed by the Canterbury earthquakes.

Effective support for Māori and iwi development

We will future-proof New Zealand's property rights system by ensuring it better supports land development by Māori and iwi. Through our Business with Māori Strategy we will work towards developing a more accurate and integrated view of the ownership and location of Māori land to help accelerate Māori and iwi development.

FIGURE 5: HOW WE WILL DEMONSTRATE SUCCESS

We will assess our contribution to maintaining ease and confidence in transacting property rights by monitoring our progress against the key performance indicators below.

IMPACT: MAINTAIN CONFIDENCE IN PROPERTY RIGHTS IN NEW ZEALAND

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Low levels of objections to rating valuations	Maintain the low level of ratepayer objections to territorial local authority rating (TLA) revaluations – target under 3%	2011/12: 2.43% 2010/11: 2%
	Achieve the target of settling 80% or more of objections to TLA valuations within 30% of the original notified valuation	2011/12: 90.4% 2010/11: 94% 2009/10: 87%
Low levels of legal challenge	Nil to low number of upheld High Court challenges under section 216 of the Land Transfer Act 1952	2011/12: 0 2010/11: 0

IMPACT: MAINTAIN EASE IN TRANSACTING PROPERTY RIGHTS

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Maintaining New Zealand's top global ranking for ease of registering property	New Zealand maintains a top-three Organisation for Economic Development (OECD) ranking in the World Bank <i>Doing Business</i> survey for 'ease of registering property'	2012: New Zealand moved from third to second in the OECD ranking
	Increased survey and title customer satisfaction that our online service delivery helps them to provide a high level of service to their own clients	2011: 75% of customers agreed they were satisfied
A minimised regulatory compliance burden on business	Meet Treasury requirements for our annual scan of planned regulatory activities	2012/13: LINZ met requirements for its regulatory scan
Cost-effectiveness in administering property rights	Maintain a low number of compensation claims paid out as a proportion of our costs in administering title property rights	See Figure 6 overleaf

OTHER IMPORTANT ACTIVITIES

Evaluation of regulatory settings

Appropriate responses to the recommendations from the 2012-13 evaluation of the Rating Valuation system⁷ will be identified.

The Land Transfer Act 1952

We will continue to support legislation through Parliament that will modernise and refine the legislative framework for the Land Titles system. Once enacted we will implement the amended legislation.

The table below, Figure 6, illustrates the low number of claims lodged and payments made for staff errors or lost documents, compared with the overall titles lodgement volumes we administer and the \$466 billion as at September 2012 net equity that New Zealanders have invested in housing.⁸

FIGURE 6: NEW ZEALANDERS' NET EQUITY IN HOUSING ASSETS			
	2011/12	2010/11	2009/10
The approximate costs of administering and regulating the land titles register	\$30m	\$28m	\$31m
The number of title transactions registered	544K	496K	584K
The number of current compensation claims administered	13	10	12
The compensation paid out for current claims	\$11K	\$12K	\$24K
The legal fees paid out to the Crown Law Office for current claims	\$6K	\$12K	\$116K

Increased effectiveness in managing the overseas investment regime

The Overseas Investment Office (OIO), based in LINZ, administers New Zealand's overseas investment regime. The work of the OIO contributes to the Government's outcome of improved overall economic performance.

The Treasury has oversight of strategic overseas investment policy. The OIO's work is particularly relevant to our property rights outcome.

The OIO regime reflects the Government's aim of achieving a balance between ensuring New Zealand's sensitive assets are adequately protected while facilitating overseas investment that provides benefits to New Zealand. Such benefits include increased job opportunities in New Zealand, the introduction into New Zealand of additional development capital and increased export receipts for New Zealand exporters.

The OIO contributes to the Government's aim through:

- high-quality decision-making over a range of applications, some of which must meet criteria for consent⁹
- ensuring sensitive land investments result in clear benefits for New Zealanders where legislation requires this
- imposing legally binding conditions on consented applications, and
- monitoring conditions of consent and taking appropriate enforcement action in respect of any breaches of the overseas investment legislation.

Building on previous years' improvements, the focus for 2013-16 will be:

- improving the timeliness with which applications are assessed by the OIO, and
- improving performance in the investigation of suspected breaches of the Overseas Investment Act 2005.

⁷ <http://www.linz.govt.nz/rating-valuations-regulatory-framework-evaluation>.

⁸ Reserve Bank of New Zealand. C21: Key household financial assets and liabilities, housing value and net wealth (December 2012). See <http://www.rbnz.govt.nz/statistics/monfin/4786910.html>.

⁹ The OIO makes a majority of decisions on applications under powers delegated to the Office by relevant Ministers. Approximately 40% of decisions on applications are made by Ministers, with the OIO having provided recommendations on whether to agree to consent or not. These are usually for applications to acquire 'sensitive' land such as rural land over five hectares.

FIGURE 7: HOW WE WILL DEMONSTRATE SUCCESS

We will assess our contribution by monitoring our progress against the key performance indicators below.

IMPACT: MAINTAIN CONFIDENCE IN PROPERTY RIGHTS IN NEW ZEALAND

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Continued delivery of robust overseas investment decision-making and enforcement of conditions	Improved or maintained levels of investigation of suspected breaches of the Overseas Investment Act 2005	Baseline to be included in the 2012/13 Annual Report

IMPACT: MAINTAIN EASE IN TRANSACTING PROPERTY RIGHTS

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Continued delivery of robust overseas investment decision-making and enforcement of conditions	Ongoing provision of high-quality and timely decision-making	Baseline to be included in the 2012/13 Annual Report

Increasing the productive use of location-based information

We will contribute to the Government priorities of **better public services** and **building a more productive and competitive economy** through significantly increasing the estimated \$1.2 billion in productivity-related benefits that location-based information contributes annually to the New Zealand economy.¹⁰ We will contribute to the Government priority of **rebuilding Christchurch** by increasing the use of location-based information in rebuild activities.

What we want to achieve

One of the most significant contributions we will make to the Government's priorities is to increase the productivity-related benefits that location-based information contributes annually to the economy.¹¹

The New Zealand Geospatial Office (NZGO) within LINZ leads the all-of-government effort to unlock the barriers to benefitting from an additional estimated \$500 million in productivity-related benefits through better use of location-based information. In conjunction with NZGO, we seek to increase the availability and reuse of government location-based information (including our own core location-based data) and reduce costs and barriers to this information.

We continue to improve our longstanding core location-based information infrastructure and services (as outlined in Figure 9, page 18), which underpin New Zealand's economy, security and safety. For example, 98 percent of New Zealand's trade arrives or departs by sea and is at risk without our accurate hydrographic data and services.

We will also continue to make a valuable contribution to the rebuild of Canterbury, and support Māori and iwi development, on location-based information issues.

Over 2013-16, we will make progress against the following impacts:

- increasing the use of location-based information in government decision-making
- reducing the costs in finding, sharing and using location-based information
- maintaining support of New Zealanders' safety, security, culture and economic development through our location-based information service delivery
- effective support for rebuilding Canterbury, and
- effective support for Māori and iwi development.

What we will do to achieve these impacts

The diagram overleaf explains the main links between the Government's and our Ministerial priorities, our outcomes, the impacts we expect to make (including their performance measures), the initiatives we intend to undertake, and our output funding.

These impacts will be delivered through the following initiatives.

Increasing the use of location-based information in government decision-making

Our Minister's priority is to deliver available, accessible and useable location-based information and infrastructure to New Zealanders. This priority sits alongside the all-of-government effort (under the New Zealand Geospatial Strategy) to reduce barriers to greater reuse of location-based information.

The NZGO coordinates development of a national spatial data infrastructure (SDI) that enables government agencies, industries and citizens to share their location-based data in ways that allow others to easily find and reuse it.¹²

The NZGO is increasing government agency participation and investment in releasing data through an SDI by:

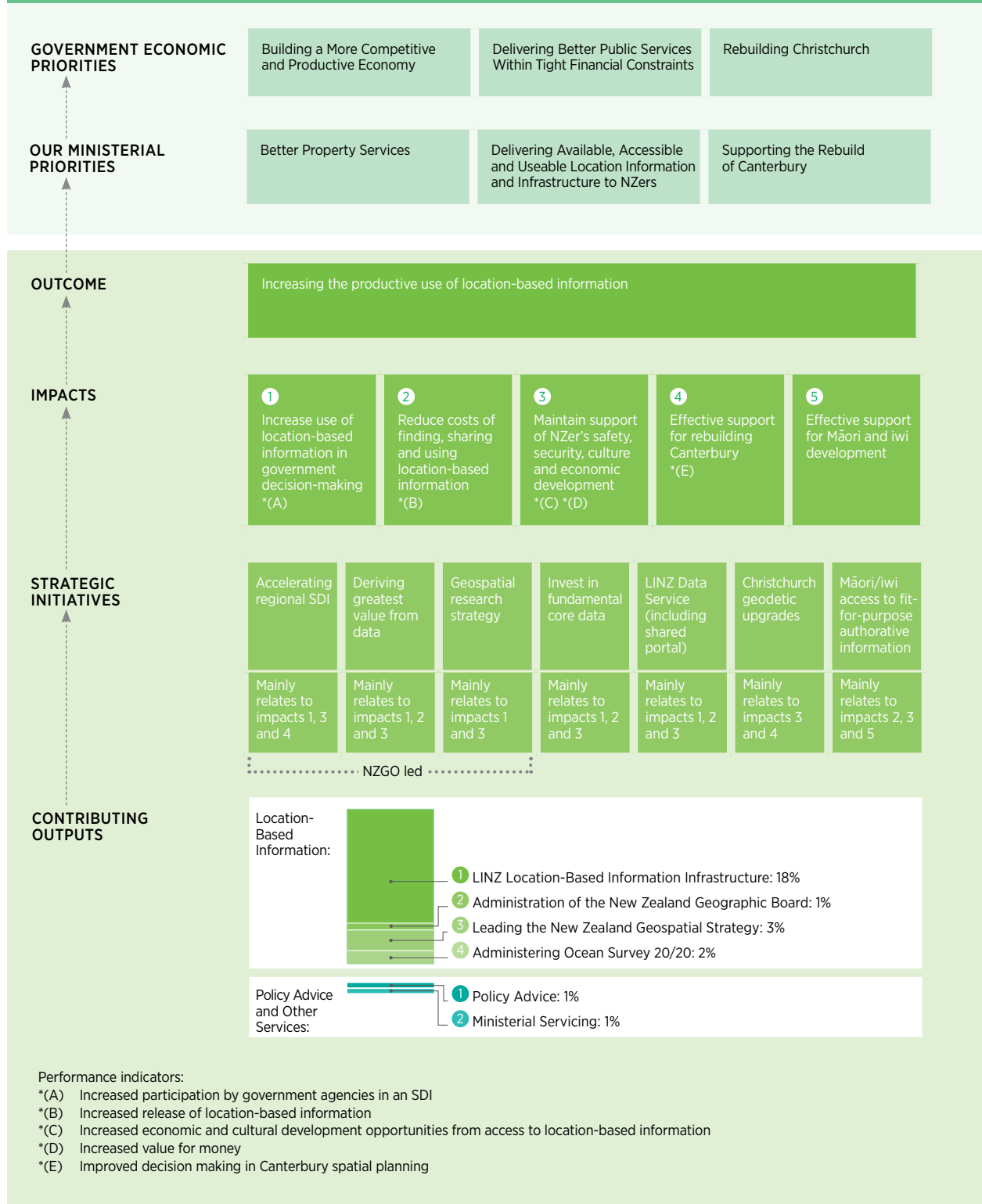
- increasing the application of standards for better data reuse and promoting its potential to increase innovation and productivity
- ensuring government procurement of new data is SDI-focused
- targeting activities for increasing New Zealand's capability and trans-Tasman research opportunities to support growth in location-based information technologies and uses, and
- supporting the all-of-government open data priorities, where agencies continue to actively release their high-value public data for use and reuse (including location-based data).

¹⁰ ACIL Tasman (August 2009) *Spatial Information in the New Zealand Economy: Realising Productivity Gains*. Available at www.linz.govt.nz/spatial-information-in-the-new-zealand-economy-2009.

¹¹ Overlaying different types of location-based information provides powerful analytical tools for helping business, iwi and government agencies to increase efficiencies and make better decisions with their resources.

¹² LINZ commissioned research that identified an effective SDI as the best short-term intervention for removing key barriers to greater use (an estimated benefit-to-cost ratio of 5:1). Barriers identified in the research included problems in accessing data, inconsistency in data standards, and a general lack of skills and knowledge about modern geospatial information technology. ACIL Tasman (August 2009) *Spatial Information in the New Zealand Economy: Realising Productivity Gains*. Available at www.linz.govt.nz/spatial-information-in-the-new-zealand-economy-2009.

FIGURE 8: LOCATION-BASED INFORMATION



The three activities that the NZGO is focusing on to deliver the Minister's priority are:

Accelerating regional SDI (Canterbury and Auckland)

The NZGO is managing a programme of eight projects designed to accelerate the recovery in Canterbury. The programme increases the ability of Canterbury agencies and citizens to share and use location-based information to plan and coordinate critical recovery and rebuild activities.

The projects build on existing investment and activity in Canterbury and will deliver efficiencies to the public and private sectors. They will enable the public to be better informed and more actively involved in government decision-making in Canterbury.

Through ongoing advice and coordination of tools to share central government geospatial information, the NZGO is also assisting Auckland Council in its spatial planning process and development of the Auckland Unitary Plan.

The lessons learnt from these regional initiatives in Canterbury and Auckland, along with the development of nationally significant datasets such as imagery, will also inform and contribute towards the development of an enduring national SDI.

Deriving greatest value from location-based data

Geospatial datasets can add significant value to New Zealand's productivity and economic gains if they are well governed, discoverable, accessible and consistent with New Zealand Data and Information Management Principles.

As part of the Steward and Custodian framework for the New Zealand environment, the NZGO has identified the fundamental geospatial datasets that present the highest economic and public good value to New Zealand. They are developing an investment programme to support the enduring and sustainable future of these datasets so that they will be used to their maximum potential. We are a steward of a number of these datasets.

Development of a New Zealand geospatial research strategy

Spatial research and development is a strong contributor to New Zealand's future development. It provides evidence for policy advice and decision-making, generates innovative solutions, and helps us overcome some of the challenges and roadblocks that are inevitable in implementing a large and complex strategy. At present, spatial research and development in New Zealand tends to be uncoordinated and duplicated, and there is limited awareness across the sector. The NZGO is leading the development of a New Zealand geospatial research strategy, which will give us a coordinated view of the key challenges facing government, Māori and iwi, private and academic sectors, and provide solutions to some of those challenges through coordinated spatial research and development. This strategy will take an inclusive New Zealand-wide approach to tackling the issues of greatest national priority to achieving long-term economic growth.

Invest in our fundamental core data

Our main focus to increase the use of location-based information is to continue to undertake targeted activities around the highest-value location-based datasets needed by New Zealand. In particular:

- continuing to work collaboratively with other agencies to coordinate a national approach for opening up access to imagery data and ensure it is made widely available for reuse
- starting work on a world-class vertical datum, a precise determination of heights for New Zealand. Many organisations need accurate height information for monitoring of natural hazards and provision of infrastructure such as sewers and irrigation. This initiative will be completed by the end of 2016-17, and
- scoping the following suite of initiatives, the feasibility of future work for each dataset and our potential role:
 - bathymetry investigation (relevant to our hydrographic information services and to broader marine environment work in the Natural Resources Sector)
 - property address improvement (relevant to our cadastral and title services), and
 - national digital elevation (relevant to our topographical services).

This scoping will support the investment programme work being undertaken by the NZGO to help us better understand and resource the financial and resource capability and capacity implications relating to each dataset.

Reducing the costs in finding, sharing and using location-based information

As manager of core location-based datasets, we will continue to be an exemplar for making data easy to find, share and use. Our LINZ Data Service (LDS) provides free access to more than 40 of our datasets (820 data layers in total), and is a significant part of New Zealand's SDI. We will build on the LDS's strong uptake by continuing to improve and add functionality and datasets.

We will investigate the option for a shared portal to our LDS that would enable other agencies to release their data without replicating our investment in technology and capability.

In addition, our property address improvement work will respond to the recommendation of the Royal Commission of Inquiry into Building Failure Caused by the Canterbury Earthquakes¹³ that we develop consistent national addressing protocols and make this information available to the general public.

¹³ See <http://canterbury.royalcommission.govt.nz/>.

Maintaining support of New Zealanders' safety, security, culture and economic development

Location-based information and services have always been a core function for us. This function is informed by the demands of our customers, technological and international developments, and by the all-of-government perspective provided by the New Zealand Geospatial Strategy. We maintain and develop existing and new datasets of core location-based information that we then release through our LDS for others to use or reuse. We also provide direct products and services using this data in support of our government-mandated functions. These services support critical national functions. Our core location-based information services are noted in Figure 9 below.

FIGURE 9: CORE LOCATION-BASED INFORMATION SERVICES

Geodetic

Via web services, we provide the geospatial reference system that enables accurate positioning of land and sea features. The system is 'infrastructure for infrastructure' because the positioning is needed by surveyors and other professionals to build and maintain core infrastructure and utilities.

Hydrographic

We survey our seas and provide official nautical charts, maritime safety warnings and publications for safety of life at sea. More than 98% of New Zealand trade is conducted by sea and relies on accurate data and information. The area we are responsible for includes New Zealand, its outer islands and the Ross Sea region in Antarctica. We also have charting coverage for parts of the south-west Pacific.

Cadastral and titles

Outside of its role in recording property rights, our cadastral and title data is widely used by central and local government, State-owned Enterprises and private companies. We work to improve its accuracy and accessibility so it can be reused more widely and efficiently.

Topographic

We record the physical features of New Zealand's natural and built environment to provide up-to-date paper and digital maps and information. Our maps and information support the country's constitutional framework, national security and emergency services responses.

Effective support for rebuilding Canterbury

Restoration of the survey network in Christchurch through geodetic infrastructure upgrades will be completed by December 2013. Following completion of this work a major programme of readjustment of spatial layers within Landonline will be undertaken, such as moving the digital cadastre to reflect the earthquake movements. In addition, as noted above we will work on accelerating the Canterbury regional SDI to assist with the Canterbury recovery.

Effective support for Māori and iwi development

We will increase the use of location-based information by providing Māori and iwi with access to more fit-for-purpose location-based information and expertise from authoritative sources.

Increase efficiencies of our core location-based information services

In response to our tight fiscal environment, we are undertaking targeted activities to maintain core service delivery at an appropriate level and increase efficiencies. Key initiatives include:

- completing a strategic review of our topographic services and implementing the resulting action plan. The review includes understanding the changing needs of our customers and analysing international developments
- preparing a geodetic services strategy that includes recommendations to improve the current delivery of geodetic services to customers who are increasingly using global systems such as Global Navigation Satellite Systems (GNSS) and datums
- enhancing the delivery of our GNSS services including the provision of a system which enables data to be submitted, automatically processed, and position results returned, and
- continuing to realise efficiencies through the implementation of our modern hydrographic data infrastructure. The new infrastructure will enable us to continue to meet international obligations and the increasing demand for electronic products, particularly from large vessels such as the growing number of cruise ships visiting New Zealand.

OTHER IMPORTANT ACTIVITIES

We will continue to:

- support Ministry of Foreign Affairs and Trade-funded work to improve the safety of life at sea in the south-west Pacific, which will include accelerating electronic chart production in regions where we have charting coverage, and
- work with others in the Natural Resources Sector, particularly in relation to the marine environment.

FIGURE 10: HOW WE WILL DEMONSTRATE SUCCESS

We will assess our contribution to increasing the productive use of location-based information by monitoring our progress against the key performance indicators below.

IMPACT: INCREASE THE USE OF LOCATION-BASED INFORMATION IN GOVERNMENT DECISION-MAKING

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Increased participation by government agencies in an SDI	An increase in the number of government agencies releasing their data for reuse that complies with the recommended standards for finding, sharing and reuse	Baseline 2011/12 includes: <ul style="list-style-type: none"> • 9 agencies have released location data • 5 agencies are releasing location data openly
	Increased formal participation of government agencies as Stewards and Custodians of fundamental datasets	New measure: baseline 0

IMPACT: REDUCE THE COSTS OF FINDING, SHARING AND USING LOCATION-BASED INFORMATION

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Increased release of location-based information	Increased number of LDS users, increased frequency in their use of the service and the volume of downloads	Baselines 30 June 2012: <ul style="list-style-type: none"> • total users: 2,360 • total number of downloads: 12,351 • total volume of data accessed: 2,208 gigabytes
	Increase the amount of current imagery released for re-use under a Creative Commons 3.0 licence (% of geographic coverage)	New measure: 51% as at March 2013

IMPACT: MAINTAIN SUPPORT OF NEW ZEALANDERS' SAFETY, SECURITY, CULTURE AND ECONOMIC DEVELOPMENT THROUGH OUR LOCATION-BASED INFORMATION SERVICE DELIVERY

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Increased economic and cultural development opportunities from access to location-based information	Increase or maintain the proportion of key nautical customers that report the nautical information they need is available, accessible, accurate and reliable	New measure: baseline 2013/14
	Increased or maintained number of electronic navigational charts purchased	Baseline 2011/12: 3,418 charts purchased
	Increased or maintained use of GNSS real-time services	Baseline 2011/12: total users: 400 Average time per user: 2.3 hours per day
Increased value for money	Maintain the satisfaction of key stakeholders with the hydrographic survey prioritisation process	Baseline to be established in 2012/13 (survey yet to be completed)

IMPACT: EFFECTIVE SUPPORT FOR REBUILDING CANTERBURY

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Improved decision-making in Canterbury spatial planning	In 2014/15 we will evaluate Canterbury activities for determining the extent to which location-based information tools improve decision-making	Baseline: n/a

Enabling appropriate economic, environmental and recreational uses of Crown-owned and used land

This section outlines our plans for delivering **better public services**, contributing to **building a more productive and competitive economy** and **rebuilding Christchurch** through more effective and sustainable management of Crown-owned and used land.

What we want to achieve

We currently manage eight percent of New Zealand's land area and regulate the buying and selling of land by all Crown agencies. By carrying out these functions effectively, we seek to enable appropriate uses of Crown land and protect the interests of the Crown and the public.¹⁴

The land currently under our management ranges from significant and productive land through to land that is a liability to the Crown. The complex demands of our stakeholders mean we perform a range of activities in land management that balances sustainability with potential revenue and community objectives.

We have recently established the Crown Land Centre of Expertise, which aims to provide services and advice across government in all aspects of Crown land management and create both time and cost efficiencies.

By implementing our new earning capacity rent policy, we will continue to resolve the remaining 38 rental disputes in the South Island High Country. Cost-efficiency savings from our earning capacity rental policy are being monitored.

We will continue to make a valuable contribution to the rebuild of Canterbury, and support Māori and iwi development, in the management of Crown land.

Over 2013-16, we will make progress against the following impacts:

- more effective and sustainable land management
- effective support for rebuilding Canterbury, and
- effective support for Māori and iwi development.

What we will do to achieve these impacts

The figure opposite explains the main links between the Government's and our Ministerial priorities, our outcomes, the impacts we expect to make (including their performance measures), the initiatives we intend to undertake, and our output funding.

These impacts will be delivered through the following initiatives.

More effective and sustainable land management

The Crown Land Centre of Expertise aligns with the Government's overarching goal of creating a better public service and contributes to New Zealand's economic development by enabling Crown agencies to manage and utilise their assets more effectively. It is also a Ministerial priority that focuses on the following key activities.

Disposal of Justice sector assets

Working with the Department of Corrections, New Zealand Police, Ministry of Justice and Treasury, we will reallocate land (property) no longer required by the Justice sector from their Crown Balance Sheets to ours. Our existing expertise and processes in Crown land disposal will be used to effectively and efficiently manage the disposal of surplus Justice sector assets – including prisons and police houses.

Active engagement with other agencies

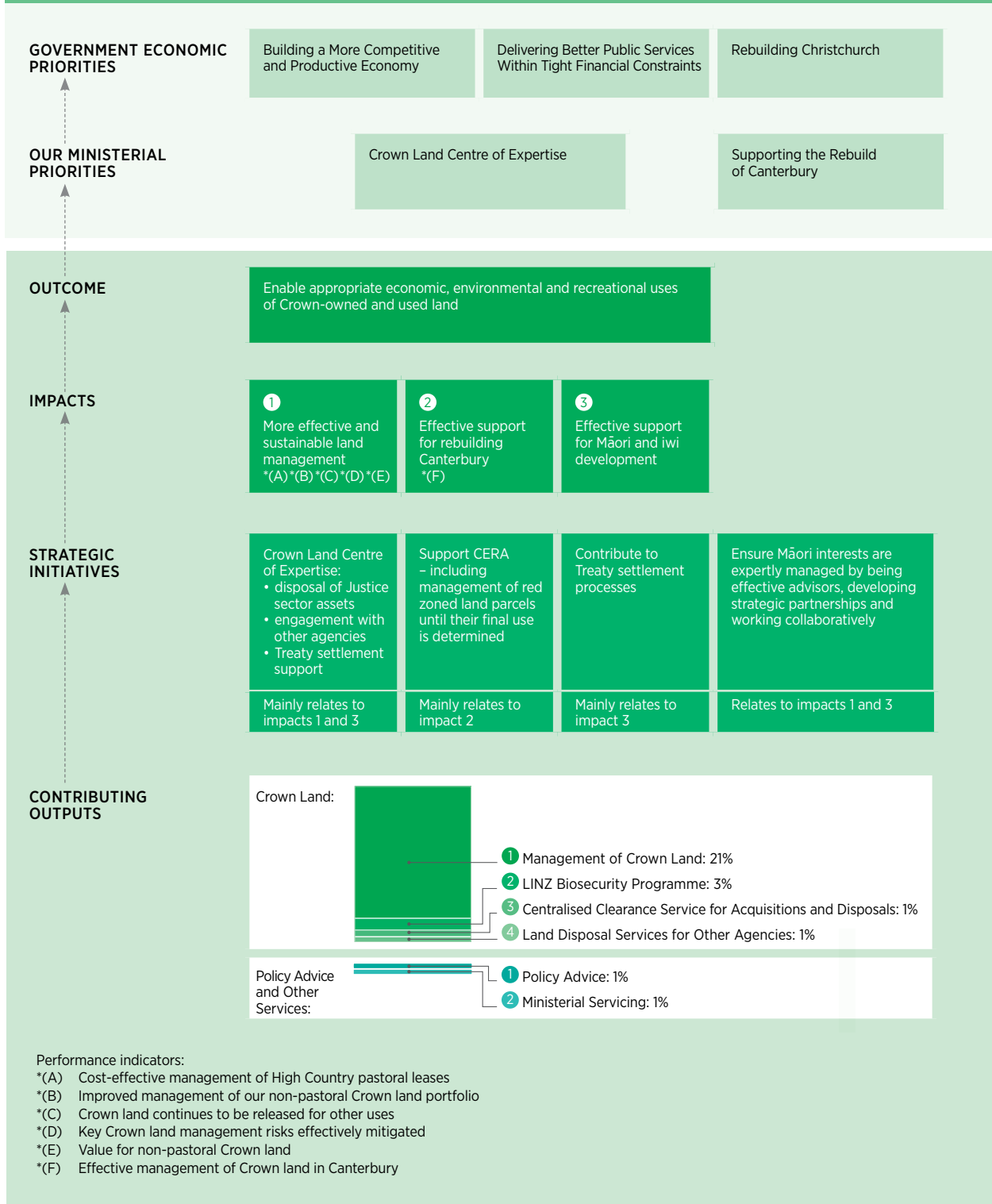
By actively engaging with other agencies, we will explore the opportunities our Crown Land Centre of Expertise offers them in terms of advice, services, ownership and productivity benefits.

Treaty settlement support

We will also explore the opportunities the Crown Land Centre of Expertise offers other agencies for the refinement and improvement of current Treaty settlement processes in relation to Crown land.

¹⁴ As the regulator of all Crown land purchases and sales, we ensure the Crown buys and sells land in a way that meets legislative requirements, advances public interests and protects property rights.

FIGURE 11: CROWN LAND



Effective support for rebuilding Canterbury

In relation to this Ministerial priority, our work with CERA to ensure that all possible support is provided – particularly around the existing legislative framework – continues. We will, on behalf of CERA, manage the approximately 8,000 red zone land parcels until the Government determines the long-term use of the land.

Effective support for Māori and iwi development

Through the Crown Land Centre of Expertise and our Business with Māori Strategy we will ensure Māori interests are expertly managed. We will work towards:

- being effective advisors to government, Māori and iwi on Crown land information, management, transfer, disposal and other related information through best practice
- becoming more efficient, effective and responsive to Māori to progress Treaty settlements
- fully and responsively implementing all accords, deeds of recognition (and other obligations), and
- developing strategic partnerships and working collaboratively with Māori, iwi and others to optimise our contributions to their development aspirations.

Contribute to settling historic Treaty claims

We are involved in the settlement of all historic Treaty claims and will continue to prioritise resources carefully, and work collaboratively with the Office of Treaty Settlements on meeting its milestones to enable the settlement of all historic claims.

Our Treaty settlement work includes:

- providing expert policy and land transaction advice
- management of land held for future settlements, including involvement in direct negotiations with claimants around values for this land
- regulatory decisions on Treaty settlement documents, and
- Treaty names activities undertaken by the New Zealand Geographic Board Ngā Pou Taunaha o Aotearoa.

Our business improvement initiatives in the Treaty settlement process will include investigating opportunities to provide technical leadership to other agencies in the refinement and improvement of current Treaty settlement processes for Crown land.

Our role continues after settlement has been reached as we manage a substantial ongoing body of work – in some cases in perpetuity – to implement, administer and manage settlement obligations.

OTHER IMPORTANT ACTIVITIES

We will continue:

- leading policy work on all issues involving the Public Works Act 1981 as a part of the Ministry for the Environment-led review of the Resource Management Act. Broadly speaking, our aim within this review is to make acquisition processes under the public works legislation more efficient, and
- progressing key national infrastructure projects through our quality assurance and approval processes for the acquisition and disposal of land by Crown agencies. Infrastructure projects – such as the seven Government-designated Roads of National Significance – often involve Crown land acquisitions, and we will continue to help manage the significant risks the Crown faces when acquiring land.

FIGURE 12: HOW WE WILL DEMONSTRATE SUCCESS

We will assess our contribution to enabling appropriate economic, environmental and recreational uses of Crown-owned and used land by monitoring our progress against the key performance indicators below.

IMPACT: MORE EFFECTIVE AND SUSTAINABLE LAND MANAGEMENT		
INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Cost-effective management of High Country pastoral leases	By 2014, resolve 95% of the pastoral lease rent reviews in dispute as at 29 February 2012	Baseline: February 2013, 38 rent reviews in dispute
	Decreased cost in undertaking pastoral lease rent reviews following implementation of the new Rents for Pastoral Leases system, target post 1 July 2013 is less than \$4,000	Current cost pre-new earning capacity rent policy is \$10,000
Improved management of our non-pastoral Crown land portfolio	In 2013/14 at least 2% (currently 51 properties) of the non-active properties in the LINZ-administered portfolio will be reviewed to determine a best use strategy	New measure: baseline 0
Crown land continues to be released for other uses	Targets achieved for releasing land as in Figure 13 overleaf	See Figure 13 overleaf
Key Crown land management risks effectively mitigated	All new pest weed infestations identified in our pest weed survey area are managed in accordance with best practice	Baseline 2012/13: 100%
	New land liabilities to the Crown included on the register are resolved within two years – target 65%	New measure: baseline 2013/14
Value for non-pastoral Crown land	Maximum value for rental incomes is sought on Crown land	New measure: baseline 2013/14
	Market value of Crown land sold for private use is achieved – target 90%	New measure: baseline 2013/14
	Increased or maintained stakeholder satisfaction with both the biosecurity programme and its delivery	3.3 out of 5 in our 2012 survey
IMPACT: EFFECTIVE SUPPORT FOR REBUILDING CANTERBURY		
INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)
Effective management of Crown land in Canterbury	Effectively ¹⁵ contribute to the Canterbury rebuild through effective management of the residential red zone land parcels and advise the Crown on land management issues	New measure: baseline 2013/14

¹⁵ More specific performance measures will be developed in the context of the Memorandum of Understanding currently being discussed between ourselves and CERA.

FIGURE 13: CROWN LAND RELEASED FOR OTHER USES

TYPE OF LAND RELEASED	TARGET FOR 2013/14	ACHIEVED IN 2012/13 (YTD)
Pastoral land into freehold	18,000ha	43,790ha
Pastoral land designated for conservation land	12,000ha	39,458 ha
Crown forest land to iwi	114,115ha	24,889ha
Other Crown land to the private sector*	881ha	850ha
Other Crown land into community or government use*	101ha	33ha

* Note this refers to our annual disposal programme as well as the work that we undertake as part of the Crown Land Centre of Expertise.

Assessing organisational health and capability

This section outlines how we will contribute to the Government's priorities through the concept of a 'Well Run LINZ'.

What we want to achieve

We will continue to deliver our core services and Ministerial priorities within an ongoing climate of tight fiscal constraints.

To ensure we will achieve our intended impacts, and remain open to new ways for delivering better services, we have refreshed the following enabling strategies and work programmes:

- People Strategy
- Stakeholder Engagement Strategy
- Customer Strategy
- Finance and Procurement Work Programme
- Information Systems Strategic Plan.

The achievement of our intended results will increasingly rely on our ability to develop collaborative relationships and partnerships with stakeholders. Consequently, we will continue:

- improving the quality of services through better understanding of our customers, and
- increasing our understanding of, and developing more effective engagement with, our stakeholders.

What we will do to achieve these results

Our People Strategy

Building on our Four Year Workforce Strategy within our Four Year Budget Plan (2012-2016), our People Strategy will focus on three areas:

- **capability:** ensuring we have the capability and capacity to deliver outcomes
- **leadership:** ensuring we have leadership strength to deliver our outcomes, and
- **culture:** strengthening our culture and developing organisational agility.

In particular we are aiming to lift workforce capability to deliver our outcomes, maintain a high level of engagement, and manage capacity.

During 2013-14 we will build on the work completed around our workforce capability, and enhance succession planning practices and knowledge transfer processes. Our Learning and Development programme, which includes Whakapakari,¹⁶ and other supporting human resources functions (i.e. recruitment) will also be further aligned to best support our capability needs.

We will also continue to work collaboratively as part of the Natural Resources Sector on the development and operation of capability programmes for leaders and managers in the sector.

Leadership development is a priority with particular focus on building strength in change leadership and collaboration, while ensuring leaders in the organisation have effective tools to proactively manage their people.

Our results from the 2012 'Our Place' engagement survey improved from last year – with our organisational score moving from 3.88 to 4.16 out of 5. This was based on a response rate of 94 percent. This result places us as the most engaged organisation in the New Zealand State sector.

We value the importance of equality and diversity within the workplace, and recognise the impact these have on organisational success. We ensure equal employment opportunities are integrated into all aspects of our business both at a strategic and operational level, and that our leaders proactively model and support these programmes.

Once we have developed our 10 year vision we will revisit our People Strategy to accommodate any necessary changes.

¹⁶ Means 'Strengthening our People'.

Stakeholder engagement and improving customer service

Our Stakeholder Engagement Strategy enables us to identify, prioritise and engage with stakeholders in the most effective way to achieve our outcomes.

In 2013-14 we will undertake a set of stakeholder activities that is designed to enable better strategic conversations with key stakeholders. Over the 2013-15 period we will evaluate the effectiveness of these activities, using these findings to adapt future engagement activities. In the next 12 months we will also conduct a comprehensive stakeholder satisfaction survey building on the results of the first survey in 2012.

We will also engage with key stakeholders in the development of our 10 year vision which will be reflected in next year's triennial Statement of Intent.

A refresh of our Customer Strategy means that we are continuing to identify and manage a set of initiatives to enhance our customers' experience. A number of existing organisational initiatives, including our Channel Strategy, will be integrated into this refreshed Customer Strategy. We will continue to seek feedback from our customers to ensure we are meeting their needs.

In our 2012 Stakeholder Satisfaction Survey, of the 'high value' stakeholders who responded, 70 percent were either satisfied or very satisfied with their current relationship with us. We have defined high value customers as potentially important partners that will help us achieve our strategic objectives.

Effective support for Māori and iwi development

During 2013-14 we will finalise our Business with Māori Strategy and integrate Business with Māori outcomes into our outcome framework, see page 6. To embed the Business with Māori Strategy into our business we will:

- better understand our Māori and iwi customer needs (links to our Customer and Stakeholder Engagement strategies)
- undertake specific and targeted engagement with key Māori, iwi and other stakeholders (links to our Stakeholder Engagement Strategy)

- implement a whole-of-organisation approach to engaging with Māori and iwi
- enhance strategy and business planning and other processes to ensure our business with Māori is clearly articulated, coordinated, integrated and resourced across the business
- develop our business capability and capacity to do our business with Māori effectively (links to our People Strategy), and
- develop a more responsive organisational culture to support our engagement activities with Māori and iwi (links to our People Strategy).

Careful financial management and business decision-making

We face cost pressures and challenges in both the fee-generated revenue and Crown-funded parts of our business. We will deliver targeted efficiencies and changes in service delivery levels across Crown-funded operations, and report on these in our Annual Report 2013-14.

Landonline fees will account for approximately 53 percent of our total revenue in the 2013-14 year. In response to the effect of the property market downturn on transaction volumes, we have developed a comprehensive programme to ensure fiscal cost-recovery in the short term, and the sustainability of our operating model in the medium to long term. Improved forecasting and performance reporting are helping us manage resources.

Our next steps are:

- examining more broadly the most appropriate way to charge for our various survey and title products, and
- exploring potential future business models in our land registration system. See page 10.

Procurement

We have an annual procurement spend of approximately \$80 million. For a medium-sized agency this spend is large and we are working to embed procurement excellence in our activities and bring our procurement functions in line with global best practice and the expectations of the All-of-Government Procurement Reform Programme.

Reliable, flexible and cost-effective information and communications technology

During 2011-13 we focused on maximising the benefits of outsourcing the majority of our information and communications technology (ICT) services. In 2011-12 we achieved an 8.5 percent saving against the 2010-11 ICT baseline, and are on track for our forecasted 11 percent saving against the 2010-11 baseline in the period 2012-14.

As an agency heavily reliant on technology, we will continue to strengthen the ability of ICT to support our outcomes in order to provide high quality, cost-effective and innovative service delivery.

Over 2013-14 and beyond, we will continue to increase the quality of service provision across key areas such as providing innovative solutions and improved cost transparency to our business groups. We will also continue to roll out the all-of-government services we have adopted that will result in increased efficiencies in the way we run the business.

Improved corporate services cost-effectiveness

We will build on targeted improvements made to the cost-effectiveness of administrative and support services in areas such as ICT and property. Using the data provided by Treasury's Better Administration and Support Services, we will drive further efficiencies over the next three years in communications, finance and procurement practice.

Capital and asset management intentions

PERFORMANCE OF PHYSICAL ASSETS

Landonline, our electronic property rights transaction system, is our only material and critical asset. It has a current book value of \$28 million. Landonline was first designed and built 14 years ago, and while it still provides a stable, available and functional service for customers, the need for a replacement is being investigated to address the changing needs of our customers and technology.

CAPITAL EXPENDITURE INTENTIONS

Our annual capital planning focuses on ensuring effective maintenance and improvement of existing assets such as Landonline, and using capital to fund new investments that will provide New Zealand with essential data and infrastructure assets. We follow Treasury advice that depreciation streams should be reinvested into required replacement assets rather than new assets.

Landonline

Expenditure decisions on Landonline will be made in the context of the future operating model for survey and title services. We will confirm our strategic direction and initial design work on a renewed system in 2013-14.

A business case based on options to promote a cost-effective platform for survey and title services into the future will be developed. To support this, a depreciation stream of \$4 million per annum from 2013-14 onwards will be available. The business case may also need to consider options for funding beyond any accumulated depreciation.

Other assets

As part of our focus on investing in a resilient national SDI, we are planning improvements to New Zealand's vertical datum in 2014-15. These improvements will be essential to effective, efficient decision-making in areas such as natural hazard monitoring and infrastructure development.

We also maintain a programme of prioritised asset replacement and investment in all-of-government ICT within our available capital budget.

The depreciation stream for other asset purchases is \$1.8 million per year.

FIGURE 14: HOW WE WILL DEMONSTRATE SUCCESS

We will assess our contribution to 'Well Run LINZ' by monitoring our progress against the key performance indicators below.

INDICATOR	MEASURE AND TARGET (where appropriate)	BASELINE (where appropriate)	
Improved or maintained KPIs for workforce engagement, leadership and technical skills capability	Increase or maintain overall Gallup survey engagement and leadership scores.	See Figure 15	
	Reduce or maintain the turnover for staff with less than 3 years' service	2011/12, percentage of LINZ staff with less than 3 years' service was 31%, of which 47% left LINZ	
	Increase or maintain internal or local appointments to critical technical roles	In 2011/12, 12.5% of critical technical roles were filled internally (there were 8 critical technical roles filled in total)	
Increased stakeholder satisfaction with our service delivery	Pilot 10 tactical engagement plans for key stakeholders in 2013/14 and evaluate the effectiveness of the piloted plans	New measure: baseline 0	
	Carry out a comprehensive stakeholder survey by June 2014 to monitor progress of the tactical engagement plans	New measure: baseline n/a	
Increased customer satisfaction with our service delivery	Maintain or increase overall satisfaction levels from key customer groups.	See Figure 16	
Improved ICT and other corporate services cost-effectiveness	Maintain IT spending at or below the 2012/13 baseline		
	Maintain or improve metric of administration and support services (A&S) costs as a percentage of running costs	Financial year	A&S services as % of overall organisational running costs
		2011/12	29.02%
		2010/11	30.18%
		2009/10	32.33%
	Maintain our rating for service performance information and associated system controls	Assessed as 'good' by the Office of the Auditor-General 2011/12 and 'needing improvement' 2010/11	
Short-term and long-term fiscal sustainability ensured	Maintain full cost recovery of survey and title costs in 2013/14 and clear the remaining operating deficit	In March 2013 LINZ had \$14.5m operating deficit left to repay	
	Manage workforce and inflation costs from within our Crown baseline (on track to achieve this in 2012/13)	Baseline: n/a	

FIGURE 15: 'OUR PLACE' ENGAGEMENT RESULTS

		SCALE 1-5
Overall engagement	2012	4.16
	2011	3.88
	2010	3.64
The leadership of my organisation makes me enthusiastic about the future	2012	3.74
	2011	3.4
	2010	3.2

FIGURE 16: MOST RECENT CUSTOMER SATISFACTION SURVEY RESULTS*

Survey and title service delivery	2011/12	75%
Geodetic products and services	2011/12	65%
Topographic products	2012/13	86%
Hydrographic products and services	2012/13	Survey in progress
Survey and Title Data Service	2013/14	New survey in progress

* LINZ runs a rolling programme of surveys that are scheduled based upon the different needs of the business. Geodetic, topographic and hydrographic customers are not scheduled to be surveyed in 2013/14, but if they are surveyed the changes in satisfaction will be recorded.

Directory

WELLINGTON OFFICE

Level 7, Radio New Zealand House
155 The Terrace
PO Box 5501
Wellington 6145

Ph: +64 4 460 0110 or
0800 665 463 (New Zealand callfree only)
Fax: +64 4 472 2244
Email: customersupport@linz.govt.nz

HAMILTON OFFICE

Corner of Victoria and Rostrevor Streets
Private Bag 3028
Hamilton 3240

DX GX10069

Ph: 0800 665 463 (New Zealand callfree only)
Fax (main): +64 7 858 5488
Fax (secondary): +64 7 858 5491

Public services provided:

- manual lodgements of land transfer documents
- reading room for viewing land records by appointment.

CHRISTCHURCH OFFICE

CBRE House
112 Tuam Street
Private Bag 4721
Christchurch 8140

Ph: 0800 665 463 (New Zealand callfree only)
Fax: +64 3 366 6422

Public services provided:

- manual lodgements of land transfer documents
- reading room for viewing land records by appointment.

WELLINGTON OFFICE

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PO Box 5501
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Ph: +64 4 460 0110 or
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**Land Information
New Zealand**
Toitū te whenua