



## STATEMENT OF INTENT 2011 > 2014

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Land Information New Zealand

May 2011

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

This document can be found at the following URL:

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# Ministerial foreword

The Government will continue to focus on building the foundations for a stronger economy based on real, enduring growth and better results from public services.

Through its management of transactions, geospatial information, and land, Land Information New Zealand (LINZ) will continue to deliver services that underpin our economy and society. New Zealanders can take for granted their property rights, entrepreneurs can easily turn their assets into productive capital, and beneficial overseas investment can be facilitated while sensitive assets are protected; the department's operations underpin these things.

LINZ also manages 8% of New Zealand's land area, and outlines its plans in this Statement of Intent for continuing to serve the interests of New Zealanders, now and in the future. Two of my priorities for LINZ in 2011-14 relate to this. Firstly, the department is implementing a new rent system for pastoral leases in the South Island High Country. The new system will ensure the lessees of this 1.5 million hectare area can continue to productively farm their land and protect its value.

Secondly, LINZ is contributing to the cross-government drive to negotiate historic Treaty of Waitangi settlements by 2014 and deliver a stronger foundation for future Māori prosperity through release of land assets to iwi around New Zealand.

These two priorities represent the vital underpinning and supporting roles that LINZ performs. The department's third priority is its most transformational – leading the charge to see geospatial (or location-based) information change the way government agencies and businesses plan and deliver their services. The transformational potential for geospatial information tools to improve public sector performance and productivity in our economy is great, **if** we continue the momentum created in the geospatial sector and deliver the infrastructure for better connecting geospatial data with its many potential users.

Geospatial information is already playing a role in my fourth priority for LINZ: supporting the rebuilding of Canterbury. LINZ is coordinating geospatial activities to tell us how the land in Canterbury has been reshaped post-earthquake and where the hazards now lie, information that will be essential in determining how our infrastructure should be rebuilt. I have no doubt that LINZ will make other important contributions through its land administration and transaction management capabilities.



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

Over 2011-14, we will deliver the Government's priorities, continue to improve our core operational service delivery, and leverage new value from our existing operations to benefit New Zealanders.

## Increasing the productive use of geospatial information

This particular Statement of Intent marks the turning point for LINZ's objective of increasing the productive contribution made by geospatial information to our economy and society. This contribution currently stands at an estimated \$1.2 billion in productivity benefits every year.<sup>1</sup>

Following careful planning and awareness-building of the transformational potential of geospatial information, LINZ will lead the delivery of a formal spatial data infrastructure (SDI) by 2014. An SDI will not be a visible infrastructure asset like a highway or line of electricity pylons, but it will provide vital connections between New Zealand's many geospatial datasets and its businesses, government agencies, and community groups. Geospatial information tools will revolutionise these organisations' planning and operational delivery through the power of spatial analysis and visualisation.

LINZ will work in partnership with central and local government, businesses, and academia to deliver the formal SDI by 2014. The exciting news is that, at the beginning of this three-year project, our partnerships are already delivering practical benefits such as the development of tools to assist with spatial planning in Auckland and coordinating geospatial data for recovery and rebuilding in Canterbury.

## World-class land transaction system

Most of us go through our lives amassing the majority of our wealth in property. In 2006 New Zealanders had \$325 billion in net housing assets, approximately 45% of the \$728 billion in net total assets owned in that year.<sup>2</sup> Underpinning our combined housing stock and other real property assets is a world-class system of property rights administered by LINZ. This system is a prerequisite for a prosperous, sustainable economy.

The current economic climate, and resulting downturn in property market activity, has threatened the financial viability of LINZ's property rights system operations. Consequently, our focus for 2011-14 will be to reconfigure our business as we continue to ensure New Zealanders' property rights are secure and can be traded efficiently.

## Putting Crown land to its best use

In managing transactions, the focus is on the 'rights' attached to property – the debts, accumulated assets, and potential that can be realised through borrowing against it. But we also manage 8% of New Zealand's land area, a portfolio that ranges from the tourism draw of the South Island High Country pastoral leases to lake and river beds, to thin strips of land adjacent to railway lines.


Correspondingly, our aims in managing land over 2011-14 are also varied. Priorities include implementing a simpler, more cost-effective rent system for pastoral land and continuing a significant programme of work that contributes to Treaty of Waitangi settlements. In recognition of our land management expertise, we have also been approached by other agencies to transfer land from their administration into ours. We will put in place a clear framework for any further transfers to ensure we can continue to manage our land portfolio effectively in the best interests of New Zealanders.



Colin MacDonald  
CHIEF EXECUTIVE

## 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 (2011/12 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.



Colin MacDonald  
CHIEF EXECUTIVE



Counter-signed by:  
Nick Green  
ACTING CHIEF FINANCIAL OFFICER

1 The LINZ-commissioned report, 'Spatial information in the New Zealand economy: realising productivity gains' (ACIL Tasman, August 2009), conservatively estimated that geospatial information contributed \$1.2 billion in productivity-related benefits to the New Zealand economy in 2008.

2 'What do New Zealanders own and owe?', a briefing paper from The University of Auckland Retirement Policy and Research Centre, 24 May 2010.

# The nature and scope of our functions

Land Information New Zealand is a government agency of approximately 500 staff based in Wellington, Hamilton, and Christchurch. Broadly speaking, our three functions are to manage land transactions, geospatial information,<sup>3</sup> and land.

## MANAGING TRANSACTIONS

LINZ runs the system for defining and dealing in property rights, and regulates these property rights – or land – transactions. We ensure New Zealanders know exactly what they are buying, selling, or trading, know what their rights and responsibilities are,<sup>4</sup> and can carry out land transactions easily and at a reasonable cost.

We also administer New Zealand’s overseas investment regime.<sup>5</sup>

## MANAGING INFORMATION

LINZ manages core geospatial information that underpins the efficient operation of government functions, emergency services, and many businesses and community organisations.<sup>6</sup>

As well as managing our own core geospatial data, LINZ runs the all-of-government New Zealand Geospatial Office (NZGO), which is leading the programme to increase the use of New Zealand’s geospatial information resources as an enabler for productivity gains in our economy, and better decision-making in government, business, and the community.

## MANAGING LAND

LINZ administers a range of Crown-owned lands for the benefit of the New Zealand public. Our portfolio encompasses more than 5,000 properties – totalling 8% of New Zealand’s land area – and includes iconic areas such as the 1.5 million hectares of high country pastoral land in the South Island and many lake and river beds. In some cases, land under our management is being held for Treaty of Waitangi settlements.

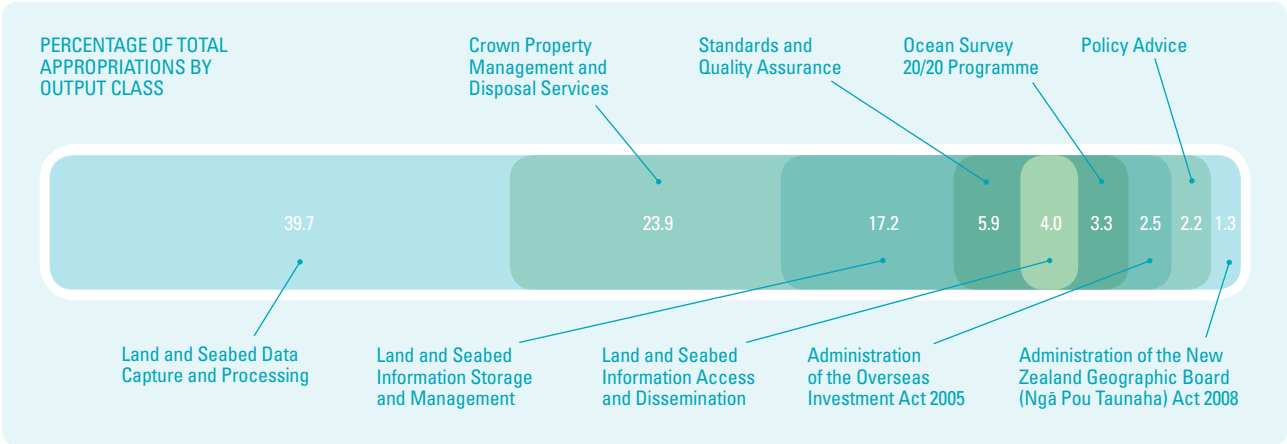
We also regulate the acquisition and disposal of Crown land by all government agencies.

**We have a number of statutory officers with specific functions under the various Acts we administer. More detail on this legislation, and our different responsibilities and functions, can be found at [www.linz.govt.nz](http://www.linz.govt.nz).**

### Our funding and outputs

LINZ receives significant funding through revenue gained from charging customers for our services (third-party revenue). Of our total revenue for 2011/12, 56% is estimated to come from third-party revenue and 44% from Crown funding.

The funds we receive go to the delivery of our transactions, information, and management functions through nine output classes. The table below shows the total appropriations by output class for 2011/12.



<sup>3</sup> Geospatial (or location-based) information tells us where things are and how they relate to each other.  
<sup>4</sup> In New Zealand, the State gives a guarantee of title to the owners of a property.  
<sup>5</sup> LINZ administers the regime under the Overseas Investment Act 2005 and sections 56 to 57J of the Fisheries Act 1996.  
<sup>6</sup> The Geospatial Information and Technology Association estimated in 2008 that up to 80% of the information managed by businesses is somehow connected to a specific location.

# Strategic direction

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Delivering faster, sustainable economic growth to New Zealand is the Government's priority in 2011.<sup>7</sup> Our contribution will include continuing to provide a world-class system for real property rights, focusing on geospatial information as a powerful tool for lifting productivity in the New Zealand economy, and contributing to the rebuilding of Canterbury following the earthquakes of September 2010 and February 2011.

In particular, LINZ will focus on the Government's key policy areas of delivering better, smarter public services, investing in productive infrastructure, and removing red tape and unnecessary regulation from business.

Two years ago, we completed major programmes to transform our land transaction service delivery and regulation. Our challenge now is to maintain a tight focus on excellent service and optimal regulation, while ensuring the business model for delivering land transaction services is sustainable through changes in the New Zealand property market.

Our first Ministerial priority is where we expect to make our greatest contribution to lifting economic growth over time: geospatial information. As the leader of New Zealand's geospatial strategy and manager of important geospatial datasets, LINZ saw the opportunity several years ago to accelerate the growth of geospatial information as a productivity enabler, and has planned accordingly. Now is the time to ensure New Zealand has the opportunity to increase the estimated \$1.2 billion in productivity benefits that geospatial information delivers every year.

In our land management, we will deliver two other Ministerial priorities: implementation of the Government's earning capacity rent policy for South Island High Country pastoral leases, and contributing to the cross-government effort to settle historic Treaty of Waitangi claims by 2014. In our Treaty work, and in our involvement with progressing priority infrastructure projects such as Roads of National Significance, we will ensure that we handle the increasing volume of work within the timeframes set by Government.

Last but not least, LINZ is determined to aid the collective recovery and rebuilding effort required in the Canterbury region through our expertise in geospatial information and property rights administration. This is our fourth Ministerial priority.

## THE STRATEGIC ENVIRONMENT

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Three major drivers in our operating environment have influenced our strategic direction for 2011-14.<sup>8</sup>

Firstly, the difficult economic climate and resulting downturn in property market activity has significantly affected our revenue. 42% of our total revenue is generated by charging fees for survey and title transactions; survey and title volumes have fallen from approximately 900,000 transactions in 2006/07 to a forecast 475,000 for 2010/11 – a 47% decrease.<sup>9</sup>

LINZ has always been proactive in driving down costs while seeking to maintain excellent service delivery. However, the likelihood that the property market will not return to previous high levels of activity means we are taking action across a number of fronts to ensure the sustainability of our operations.

Secondly, the global use of geospatial information by business and government as a transformative tool for growth and decision-making is accelerating.

Thirdly, the extent of our involvement in recovery and rebuilding in Canterbury is likely to be considerable. LINZ will need to carefully prioritise our resources to be able to deliver the services needed in the region over the next few years.

<sup>7</sup> Budget Policy Statement, 14 December 2010.

<sup>8</sup> See page 40 for a fuller discussion of the drivers influencing our strategic direction, and how LINZ is managing the risks and opportunities they present.

<sup>9</sup> We estimate volumes will fall an additional 15% in 2011/12.

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## OUR OUTCOMES

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LINZ's activities contribute to the following three outcomes – the lasting results we want to help deliver to New Zealanders. Our outcomes tie closely to the Government-wide agenda of delivering faster, sustainable growth and better, smarter public services.

### Outcome one: Integrity of the property rights system maintained to encourage trade, commerce, and wellbeing

LINZ delivers a world-class property rights system, which in turn provides one of the foundations for enhancing economic performance – guaranteed private property rights and the ability for New Zealand businesses to expand through using real property as collateral.

Under this outcome, LINZ also ensures rating valuations are fair to rate payers and administers the regime for screening overseas investment applications to buy sensitive New Zealand assets.

### Outcome two: Increasing the productive use of geospatial information

LINZ aims to significantly increase the \$1.2 billion in productivity benefits that geospatial information provides to the New Zealand economy every year. We want to help provide many more opportunities for businesses right across our productive sector and central and local government to use geospatial tools to innovate and enhance decision-making.

To do this, LINZ is working with the other players in the geospatial sector to put in place the 'infrastructure' that will allow the managers of New Zealand's many geospatial resources to share them and make them easy to find and use.<sup>10</sup>

We ourselves manage some of New Zealand's most important geospatial datasets. Under this outcome, we are continually working to improve the accuracy of our data, develop its uses, and make it easier for New Zealanders to find and use.

### Outcome three: Enabling appropriate economic, environmental, and recreational uses of Crown-owned and used land<sup>11</sup>

LINZ manages 8% of New Zealand's land area, some of it among the most iconic in our country. We aim to manage Crown land efficiently and effectively, and safeguard it. In this way, we can enable Crown land to be put to its best use now and in the future.

Given the variety of our activities, enabling will take many forms. In some cases, land under our management is being held for Treaty of Waitangi settlements, and our cross-government contribution to settling claims ensures land is released to iwi to further Māori and regional economic development.

We also regulate the acquisition and disposal of land by all Crown agencies; many such transactions are vital to the development of our national infrastructure. We ensure Crown agencies buy and sell land in a manner that meets legislative requirements and balances both public and private interests.

## THE IMPACTS WE WILL MAKE IN 2011-14

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LINZ's three outcomes are the mid-to-long-term results we want to achieve. Over 2011-14, we will seek to make significant impacts in furthering these outcomes. These impacts are the results we alone (in most cases) will achieve and measure in the next three years.<sup>12</sup> We will achieve them through a mix of performance improvements in our output delivery and key initiatives, which are time-limited projects we and our Minister have prioritised as strategically important.

<sup>10</sup> Broadly speaking, the geospatial sector includes: central and local government agencies that provide and maintain geospatial information; private businesses that provide geospatial services and products; academics; and central and local government agencies and businesses in other sectors that use geospatial information services.

<sup>11</sup> Crown land is managed by a variety of agencies. The scope of Crown land that LINZ aims to have some impact upon is the Crown land under our management and Crown land that is being acquired or disposed of by other agencies (where we act as regulator).

<sup>12</sup> For example, because many of our activities for increasing the productive use of geospatial information will be achieved by a cross-sector effort, the impacts we intend to make in 2011-14 will not be the result of our effort alone.

# Strategic direction continued...

	The impacts we will make	Ministerial priorities
Integrity of the property rights system maintained to encourage trade, commerce, and wellbeing.	Maintain the ease of transacting property rights.	
	Maintain New Zealanders' confidence in property rights.	
Increasing the productive use of geospatial information.	Increase the productive contribution made by New Zealand government geospatial information.	Delivering available, accessible, and useable geospatial information and infrastructure to New Zealanders.
	Increase the productive contribution made by LINZ's datasets.	
Enabling appropriate economic, environmental, and recreational uses of Crown-owned and used land.	Manage Crown land more effectively and sustainably.	Implementing the earning capacity rent policy in the South Island High Country policy.
	Maintain our deadlines for contributing to Treaty settlements and priority infrastructure programmes.	Contributing to the Treaty of Waitangi settlements process.
Other priority activities: Increase our effectiveness at managing the overseas investment regime.  Determining new electoral boundaries.		Supporting the rebuilding of Canterbury.

The section on our operating intentions (page 10) discusses in detail our outcomes, the impacts we will make on each, and contributing key initiatives and outputs.

## WORKING COLLABORATIVELY

Increasingly, LINZ is pursuing the Government's aim of providing better, smarter public services by working within sectors – particularly those for natural resource management and geospatial information. In some cases, our activities also contribute to wider government objectives, such as settlement of historic Treaty of Waitangi claims, reform of resource management legislation, Auckland governance reforms, Canterbury earthquake recovery, and priority infrastructure projects.

### The natural resources sector

LINZ is one of seven central government agencies in the Natural Resources Sector Network (NRSN). The NRSN's priority focus areas are fresh water, climate change, environmental governance (resource management), Māori/Treaty of Waitangi issues, and aquaculture. The NRSN also aims to provide better analysis and advice to Government, form a common understanding of strategic issues, and deliver shared goals through a collaborative ethos.<sup>13</sup>

### Overseas investment

Through our processing of overseas investment applications, LINZ's Overseas Investment Office (OIO) contributes to the Treasury's outcome for improved economic performance. We administer a regime that aims to achieve a balance between ensuring sensitive New Zealand assets are adequately protected while facilitating overseas investment that provides benefits to this country.<sup>14</sup>

### 2014 general election

LINZ will contribute to the running of a fair, efficient 2014 general election by providing new provisional electoral boundaries that accurately reflect population movements and by managing production of the electorate map series used to run the general election and Māori electoral option.<sup>15</sup>

<sup>13</sup> See page 34 for more detail on our activities within the Natural Resources Sector Network.

<sup>14</sup> The Treasury develops strategic overseas investment policy, while LINZ administers the regime for considering applications from overseas investors. See page 13 for more detail on the OIO's work.

<sup>15</sup> See page 30 for more detail on our activities to support the 2014 general election.



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## MEASURING PERFORMANCE

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LINZ is progressively improving our ability to measure and demonstrate performance, from refining our outcomes to sharpening our performance indicators and measures.

In recognition that the three outcomes we work towards are not ours alone to achieve, we will mainly monitor performance at the levels where targets and measures are controllable by LINZ:

- the impacts we will make on our three outcomes
- the results of our key initiatives
- the results of our outputs, which are listed in the Vote Lands Information Supporting the Estimates of Appropriations.<sup>16</sup>

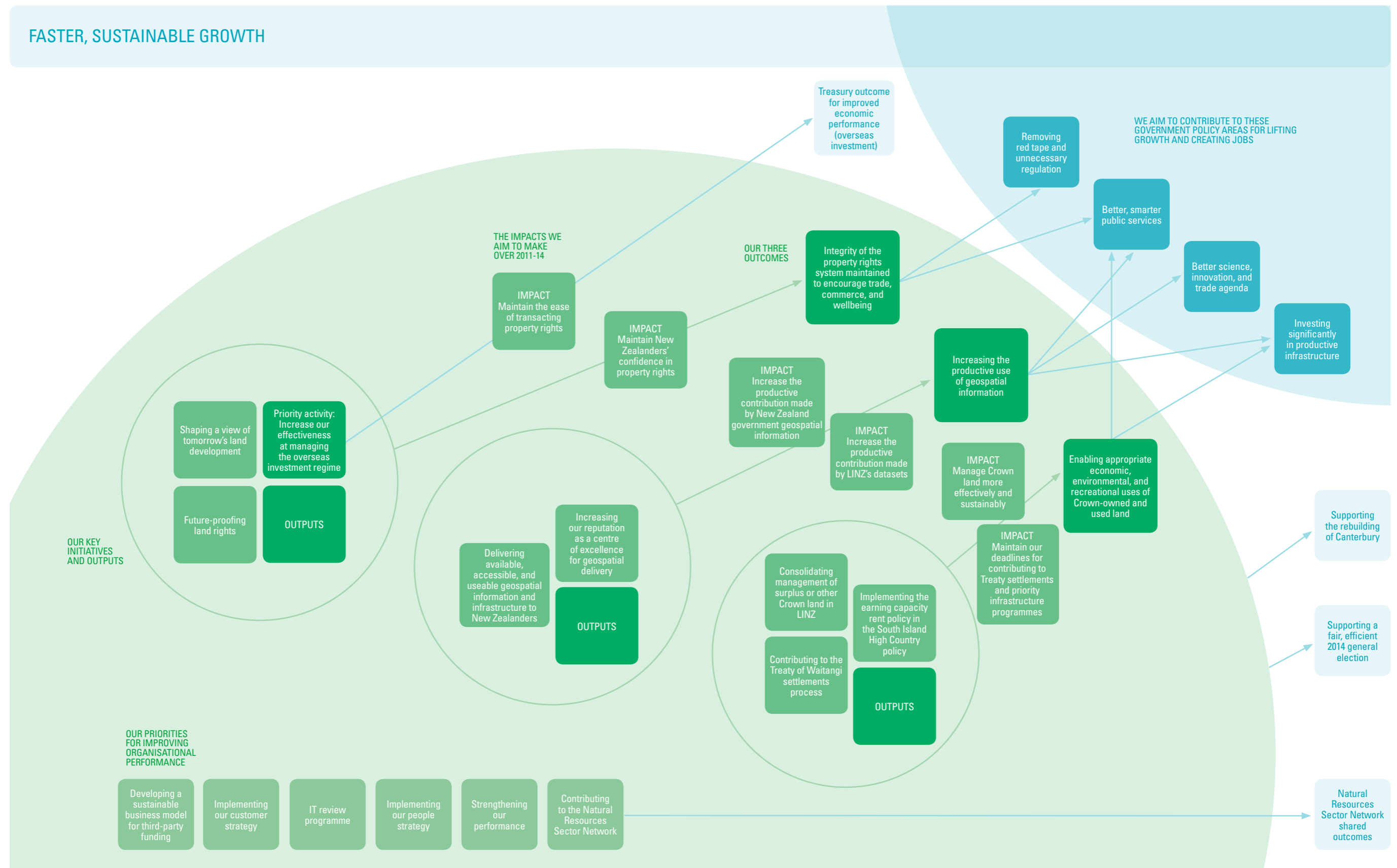
## OUR STRATEGIC FRAMEWORK

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Our strategic framework, pages 7 and 8, illustrates the links between our key initiatives and our outputs, impacts, and outcomes, as well as the relevant policy areas in the Government's objective for delivering faster, sustainable growth. The organisational improvement initiatives will be our key vehicles for delivering the capability shifts we need to make to deliver our intended results.

<sup>16</sup> The Vote Lands Information Supporting the Estimates of Appropriations can be found at [www.treasury.govt.nz](http://www.treasury.govt.nz). LINZ reports our achievements in delivering outputs in the Statement of Service Performance in our annual report, which can be found at [www.linz.govt.nz](http://www.linz.govt.nz).

# Our strategic framework



# Our operating intentions

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## OUTCOME ONE

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### INTEGRITY OF THE PROPERTY RIGHTS SYSTEM MAINTAINED TO ENCOURAGE TRADE, COMMERCE, AND WELLBEING

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LINZ delivers a world-class property rights system, which in turn provides one of the foundations for enhancing economic performance – guaranteed private property rights, and the ability for businesses to expand through using real property as collateral.

For most New Zealanders, buying a house will be their largest investment. This is also true for many businesses, where purchasing or leasing premises or a farm will be a significant part of their capital expenditure, and one of the likely sources of collateral they can use to expand their operations.

An effective property rights system, which provides a free flow of land-related property rights between buyers and sellers and high levels of security, is an almost invisible, but critical, part of a country's economic foundation. It gives people certainty about what their rights are and where they are located.<sup>17</sup>

LINZ provides an efficient, secure system for survey and land titles customers to trade in. This includes regulating to minimise any risks to the security of people's property rights. We also administer the regime for screening overseas investors applying to buy sensitive New Zealand assets.

A further aspect of the property rights system is ensuring people can be confident in the rating valuations for their properties. Through regulating the rating valuation system to ensure valuations are nationally consistent, fair, and independently assessed, LINZ provides the economic platform for local government agencies' services and initiatives to support community growth and development.

### THE IMPACTS WE WILL MAKE IN 2011-14

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#### Maintain the ease of transacting property rights

LINZ's world-leading electronic land transaction system provides an efficient, secure platform for survey and titles customers to trade in.

Over the past five years, we have maintained high-quality service delivery while consistently driving costs down. We have consolidated transactions-processing into two centres and closely monitored required staffing levels against increasing levels of automation in service delivery. In total, operating costs have fallen from \$52 million in 2007 to \$46 million in 2011.

#### We will maintain excellent service delivery...

LINZ will maintain excellent service delivery under our new two-processing centre model, and closely monitor staff capacity requirements against transaction volumes. The February 2011 earthquake damaged the premises of our Christchurch office and has significantly affected the lives of our staff, so an additional focus will be looking after their welfare while maintaining business continuity.

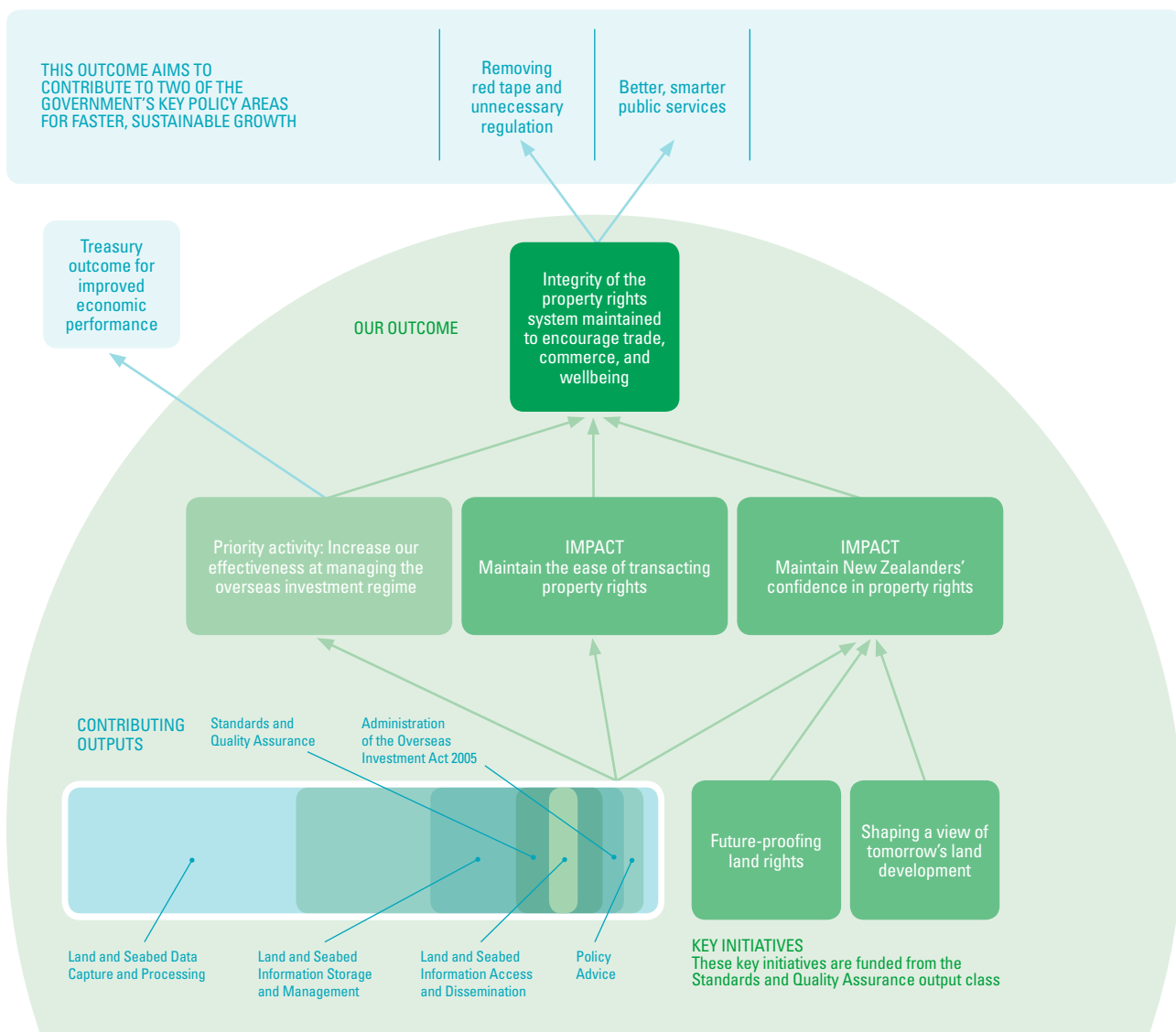
LINZ will continue to keep the technology platform for delivering electronic land transaction services up-to-date, and seek suggestions from customers on priority enhancements. We also intend to develop stronger relationships with our customers and stakeholders, with the aim of improving the customer experience. See page 32 for more detail on our customer strategy activities.

#### ...the sustainability of our funding model...

Ensuring the longer-term sustainability of our land transaction services will be a priority for 2011-14. Our revenue has been heavily affected by the unprecedented decline in property market activity, which means fewer house sales and land developments.<sup>18</sup> Forecasting and analysis indicates to us that the property market has undergone an adjustment and is unlikely to recover to levels of activity seen in the mid-2000s. Consequently, we are undertaking a substantial review of our business model. More detail about the range of activities we are undertaking is on page 32.

<sup>17</sup> That is, property rights are tied to accurate definitions of a property's boundaries.

<sup>18</sup> LINZ operates a full cost-recovery model for land transactions.



**...and manage new property right areas**

In recognition of our expertise in managing property rights, LINZ will begin to administer two new sets of rights in 2011/12. We will be supporting the Minister for Land Information as the decision-maker for the vesting of reclaimed land, and taking on the management and administration of the publicly available Marine and Coastal Area Register, which will record customary interests under the Marine and Coastal Area (Takutai Moana) Act 2011.

**We aim to keep achieving...**

- New Zealanders able to transact property rights efficiently and cost-effectively

**...and as part of this...**

- efficient and effective administration of the property rights system
- highly accurate information in the system
- satisfied customers.

# Our operating intentions continued...

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## Maintain New Zealanders' confidence in property rights

As well as providing an effective system for transacting property rights, we will continue to ensure New Zealanders can be confident in their property rights and minimise the risk to the Crown in doing so.

The removal of red tape and unnecessary regulation is one of the key policy areas under the Government's drive for faster, sustainable growth; as part of this impact, LINZ will also aim to ensure that we minimise the regulatory compliance burden on business.

In 2009/10, we completed a six-year programme to shift our regulation to a regime based around the principle of 'as little as possible, as much as necessary'. We intervene only to the extent that the risk against the property rights system warrants it.

At the completion of the programme, our stock of 291 regulatory documents decreased to 55 standards and guidelines, an 81% reduction. Customers involved in developing the new standards were very positive; 86% reported satisfaction with the development process and results of the programme.

### We will maintain a focus on better and less regulation...

LINZ will continue to monitor the effectiveness of our new regulatory regime. In particular, in response to the Government directive that regulatory agencies commit to better and less regulation, we will annually scan and report on all our known and anticipated proposals to introduce, amend, repeal, or review regulation. This will help ensure our regulatory efforts go into those areas that matter most.

### ...regulate revaluations in Auckland and Christchurch...

Rating valuations are an immediate priority in our work programme, with two one-off events occurring in 2011. The Valuer-General, based in LINZ, is providing regulatory oversight of the revaluations arising from the Auckland local government amalgamations and Christchurch revaluations following the earthquakes.

Approximately 500,000 revaluations are being undertaken in Auckland, three times more than any previous undertaking. Ensuring the Auckland 'super city' proceeds on the economic platform of a nationally consistent and fair rating base will be a critical factor for measuring the success of the amalgamation. LINZ has planned carefully to ensure our regulators, and the valuers we regulate, can operate efficiently at the scale of a 'super city'.

After the first Canterbury earthquake, the Christchurch City Council and the Valuer-General deferred a planned general rating revaluation of 160,000 properties. In light of the second earthquake in February 2011, the Valuer-General will work with the Council to consider the timing for revaluation. When this work commences, LINZ will need to carefully manage valuation auditing resources to ensure work is carried out both efficiently and to standards. This will give the Christchurch City Council certainty about their rating funding base.

### ...and implement new property rights legislation and updated survey rules

LINZ and the Law Commission completed a fundamental review of the 60-year-old Land Transfer Act in 2010. Following that review, Cabinet approved the key recommendations and an updated Act is planned to be introduced in late 2011. The new Act will bring the land transfer system – and people's security over land – into the 21st century electronic environment. LINZ will need to implement the legislation, which will include related changes to our electronic land transaction system, educating conveyancing professionals on the new Act, and developing supporting regulations and guidance.

In 2011/12, we will also update the Rules for Cadastral Survey 2010<sup>19</sup> with the new rules resulting from the Canterbury earthquake, and adjust some of the existing rules based on feedback we received since their launch in 2010.

### We will also help position the system for the future...

LINZ will continue work in 2011-14 on two key initiatives that are helping us prepare for the future of property rights and land development. In particular, we are furthering our understanding of how the definition of 'property rights' might expand, and how we can continue to adapt our regulation in line with where industries involved in land development are heading.

<sup>19</sup> Cadastral survey is the determination and description of the boundaries of rights in land.

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### ...through continuing to focus on the future of property rights...

The current property rights system serves New Zealand well, but LINZ needs to be proactive in ascertaining how property rights might expand into new environments, and how the system might need to adapt.

We are taking both a short-term and longer-term focus. One short-term priority for 2011/12 is to apply lessons learned from the Canterbury earthquakes to assess whether our governing property rights legislation needs to be amended. For instance, legislation might need to incorporate emergency powers for allowing swift recovery of the cadastral and geodetic survey systems, which underpin infrastructure rebuilding in Canterbury.<sup>20</sup>

Another immediate priority has been a project to bring all Māori Land Court order titles into the property rights system we administer, work we completed in 2010. This ensures Māori land owners have the certainty of property rights provided under the land transfer system; specifically clear recording of their Māori land status, a lower risk of claims or disputes, and more comprehensive and accessible information about their land. We will work with the Ministry of Justice over 2011/12 to maintain currency between both systems.

In line with the increasing demand for greater cadastral accuracy – and new technologies that can provide that accuracy – LINZ will also develop a cadastral survey strategy. While the current approach to the cadastre has served New Zealand well and is world-leading, a fresh approach will be needed to maintain a world-class system and take advantage of new and emerging technologies.<sup>21</sup>

A longer-term research project will be to investigate current and emerging property rights that LINZ may be in a position to support and administer. These include rights to water, air, ocean resources, the seabed, customary rights, and new mixed-use land rights (such as public foreshore and seabed rights).

### ...and shaping a view of tomorrow's land development

Working collaboratively with our stakeholders, LINZ is establishing a shared view of the future of land development. LINZ will complete reports on the future needs of the conveyancing and valuation industries in 2011/12 and 2012/13 respectively. These will be combined with completed work on cadastral survey to establish a coordinated approach for creating a more efficient market for land development. This work is already informing LINZ as to how we can improve our end-to-end processes and the compliance burden our regulation places on industry players.

### We aim to achieve...

- New Zealanders confident in their property rights
- New Zealanders confident in the way their properties have been valued for rating purposes

### ...and also...

- optimal regulation and a continued focus on lessening the compliance burden on business
- Māori land owners ensured certainty of property rights provided under the system we administer
- alignment with stakeholders on the future of land development.

### Other priority activities: Increase our effectiveness at managing the overseas investment regime

The functions of LINZ's Overseas Investment Office (OIO) include considering applications for consent from overseas investors to buy sensitive New Zealand assets. For some applications, the OIO advises the relevant Minister or Ministers on whether consent should be granted or declined (other decisions are delegated to the Office). The OIO also monitors any conditions that have been placed on consented applications.<sup>22</sup>

Beneficial overseas investment contributes positively to New Zealand through increased jobs, capital, and access to export markets. The OIO aims to achieve a balance between ensuring New Zealand's sensitive assets are adequately protected while facilitating beneficial overseas investment through timely and high-quality processing of applications. In turn, this objective contributes to LINZ's outcome of ensuring the integrity of the property rights system and the Treasury's outcome for improving overall economic performance.

<sup>20</sup> The geodetic survey system provides the underlying positioning framework for accurate and complete measurements and location of New Zealand's physical features. See page 30 for more information on our support of rebuilding in Canterbury.

<sup>21</sup> The cadastre shows the spatial extent of ownerships of land.

<sup>22</sup> The OIO may approve an application on the condition that an overseas investor obtains a residence visa by a specified date or undertakes development that will benefit New Zealanders, such as building public walk ways across a property. For example, in 2007 the OIO approved the sale of Dry Acheron Station, North Canterbury, to an overseas investor on the condition that a walking track (the Dry Acheron Track, off Lake Coleridge Road) was built.

# Our operating intentions continued...

## We will focus on monitoring post-consent conditions and investigating suspected breaches

Over the past few years, the OIO has worked to improve the speed with which applications are processed, has provided applicants with additional guidance to improve the quality of information supplied by them, and has enhanced the quality of analysis and reporting.

An additional focus in 2011-14 will be to improve performance in investigating suspected breaches of the Overseas Investment Act. In 2010/11, enhancements to its information management system has allowed the OIO to shift a greater amount of resource into monitoring the conditions imposed on overseas investors, and into ensuring applications for consent that have been declined (or applications that have lapsed or been withdrawn) do not proceed in breach of the Overseas Investment Act.

## We aim to achieve...

- robust decisions through high-quality analysis and timely decision-making
- improved post-decision monitoring of conditions of consent
- improved investigation of suspected breaches.

## HOW WE WILL MEASURE SUCCESS

Measuring the outcome: Integrity of the property rights system maintained to encourage trade, commerce, and wellbeing

### MEASURE

In 2006, New Zealanders had approximately 45% of their total net assets invested in housing.<sup>23</sup> This indicates that property is an important factor in New Zealanders' wellbeing and that New Zealanders are confident that their property rights are secure.

As 99% of New Zealand businesses are small and medium enterprises (SMEs), property is likely to be a significant source of collateral used to expand their operations and help drive growth in the economy.<sup>24</sup>

Many factors will influence whether New Zealanders continue to invest in housing at the same rate or whether businesses will use property as collateral. We will monitor the impact measures below to ensure New Zealanders continue to be confident in property rights and can transact their rights easily.\*

Measuring the impact: Maintain the ease of transacting property rights

### WHAT WE AIM TO ACHIEVE

New Zealanders able to transact property rights efficiently and cost-effectively.

### MEASURE

Maintain an overall top-five ranking in the area of 'ease of registering property' in the World Bank Doing Business survey.<sup>25</sup>

### BASELINE

LINZ has retained a top-three OECD ranking for 'ease of registering property' for the past three years.

This area of the World Bank survey measures the number of procedures, and time and cost involved for SMEs in registering property. In New Zealand:

- two procedures are needed (OECD average is 4.8)
- two days are taken (OECD average is 32.7)
- the cost as a percentage of the property's value is 0.1% (OECD average is 4.4%).

\* Other parties will also be involved in helping to achieve this measure.

<sup>23</sup> 'What do New Zealanders own and owe?', 24 May 2010.

<sup>24</sup> New Zealand Centre for SME Research, Massey University.

<sup>25</sup> Data for the World Bank 'Doing Business 2011: Making a Difference for Entrepreneurs' survey is current as of 1 June 2010. See page 36 for more information on how New Zealand's land transaction system compares to other OECD countries for cost-effectiveness.

Other measures that contribute to this impact		
WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Efficient and effective administration of the system.	Maintain or improve a performance rating of 'well placed' in the Performance Improvement Framework (PIF) review for our core business of administering land transactions and management of land and seabed information.	Assessed as 'well placed' in our formal PIF review in 2010.
Highly accurate information in the system.	Less than 0.2% of titles registrations require amendment.	0.17% in February 2011.
Satisfied customers.	Maintain or improve customer satisfaction levels with our land transaction service delivery in our annual customer research.	Research on survey and title customers in 2009 found: <i>Overall satisfaction with LINZ relationship</i> Conveyancers – 85% Surveyors – 68% Territorial authorities – 66%.  <i>Overall satisfaction with LINZ products and services</i> Conveyancers – 84% Surveyors – 62% Territorial authorities – 75%.
Measuring the impact: Maintain New Zealanders' confidence in property rights		
WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
New Zealanders confident in their property rights. <sup>26</sup>	Maintain the number of upheld High Court challenges under section 216 of the Land Transfer Act.	No High Court challenges against the Registrar-General of Land were upheld in 2009/10.
	We will commission research in 2011/12 to evaluate the effectiveness of our regulation in maintaining confidence in property rights and the cost-effectiveness of our regime in doing so.	
New Zealanders confident in the way their properties have been valued for rating purposes.	Maintain a low level of objections to territorial local authority (TLA) rating revaluations.*	2% in 2010/11.
	80% of objections to TLA rating revaluations are settled within 30% of the original valuation.*	87% in 2009/10.
	Carry out 2011 revaluation of Auckland to agreed timeframes.	
Other measures that contribute to this impact		
WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Optimal regulation and a continued focus on lessening the compliance burden on business.	Maintain the number of regulatory documents at below 90. <sup>27</sup>	LINZ reduced the number of regulatory documents from 291 to 55 in 2009/10.
	Maintain overall satisfaction with the level of regulation in periodic external review of our regulation.	In 2008, external reviewers gave our regulatory standards an overall rating of 4.32 out of a possible 5 (or 83%).
	Maintain or improve a performance rating of 'well placed' in the Performance Improvement Framework (PIF) review for our core regulatory business delivery of regulatory impact.	Assessed as 'well placed' in our formal PIF review in 2010.

\* Other parties will also be involved in helping to achieve these measures.

<sup>26</sup> See page 37 for information on our monitoring of the cost-effectiveness of our administration and regulation of property rights.

<sup>27</sup> This measure is set at 90 documents because we are required to publish new guidelines for every Treaty settlement we contribute work to.



## Our operating intentions continued...

Other measures that contribute to this impact, continued		
WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Māori land owners ensured certainty of property rights provided under the system we administer.	Develop a system for ensuring maintenance of currency between Māori Land Court orders and our property rights system by June 2012.*	
Alignment with stakeholders on the future of land development.	Deliver an integrated report for creating a more efficient market for land development in the future (in conjunction with our stakeholders) by June 2012.	
Measuring the priority activity: Increase our effectiveness at managing the overseas investment regime		
WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Robust decisions through high-quality and timely decision-making.	90% of accepted applications under active consideration by the OIO that are processed within the timeline for each of the following categories: <ul style="list-style-type: none"> <li>• Category 1 applications – 30 working days or less</li> <li>• Category 2 applications – 50 working days or less</li> <li>• Category 3 applications – 70 working days or less.**</li> </ul>	Baseline to be established.
	100% acceptance by Ministers of recommendations on applications, for those applications requiring Ministerial decisions.**	Baseline to be established.
Improved post-decision monitoring of conditions of consent.	100% of non-consented applications monitored to ensure the transaction did not proceed within 40 working days of the scheduled monitoring date.	95% in February 2011.
	90% of the monitoring of consent conditions completed within 40 working days of the scheduled monitoring date.**	86% in February 2011.
Improved investigation of suspected breaches.	90% of public alerts about potential breaches that are assessed for possible investigation within 10 working days of receipt.**	Baseline to be established.

\* Other parties will also be involved in helping to achieve these measures.

\*\* These are output measures contained in the Information Supporting the Estimates of Appropriations for Vote Lands.

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## OUTCOME TWO

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### INCREASING THE PRODUCTIVE USE OF GEOSPATIAL INFORMATION

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LINZ aims to significantly increase the estimated \$1.2 billion in productivity benefits that geospatial information provides to New Zealand every year.

We all need to know where things are and how they relate to each other. Geospatial (location-based) information tells us this via technologies as complex as the geospatial information systems used by businesses and government, down to the many location applications available on mobile phones.

Currently, the use of geospatial information creates an estimated annual \$1.2 billion in productivity benefits for the economy.<sup>28</sup> For example, Fonterra uses GIS tools to optimise the routes taken by their fleet of milk-tankers. Internationally, finance companies prevent internet credit card fraud by matching credit card details with geographically fixed IP addresses.

A few years ago, LINZ began to plan for how New Zealand can best take advantage of the opportunities **all** the geospatial information collected by public and private agencies offer to government, business, and society **if** we can make it more available and of better quality.

Opportunity is directly related to timing. Geospatial information is currently undergoing a paradigm shift in step with evolving internet technologies. More and more up-to-date data is being collected, much of it crowd-sourced.<sup>29</sup> Mobile technology will deliver increasingly niche geospatial applications into millions of people's hands.

Another timing factor is that government agencies will continue to operate in a climate of fiscal constraint. The use of geospatial information will be a powerful tool for increasing efficiencies and fine-tuning State services decision-making.

New Zealand also has the opportunity to develop the growing geospatial sector. Developed economies like New Zealand's are increasingly focusing on information as a competitive advantage and looking to harness it to create products and services for export.

However, a major barrier to increasing the use of geospatial information is the current difficulty in linking providers and their data with potential users. Along with other barriers, this is estimated to cost New Zealand \$0.5 billion in lost potential productivity benefits every year.<sup>30</sup>

Based in LINZ, the New Zealand Geospatial Office (NZGO) is leading the cross-sector establishment of the core infrastructure for connecting the country's geospatial information with users. The Government strengthened the NZGO's leadership mandate in 2010, and has made the delivery of more available, accessible, and useable geospatial information and infrastructure a Ministerial priority for LINZ.<sup>31</sup>

As well as playing a leadership role across the sector, LINZ also manages important geospatial datasets that are essential to everyday activities such as timely disaster response by emergency services or safe navigation at sea, and to long-term decision-making on our natural resources and infrastructure. Over 2011-14, we will improve the accessibility, availability, and quality of our own data so it can help to make a greater productive contribution to New Zealand, as well as support other government departments as they improve their own data.

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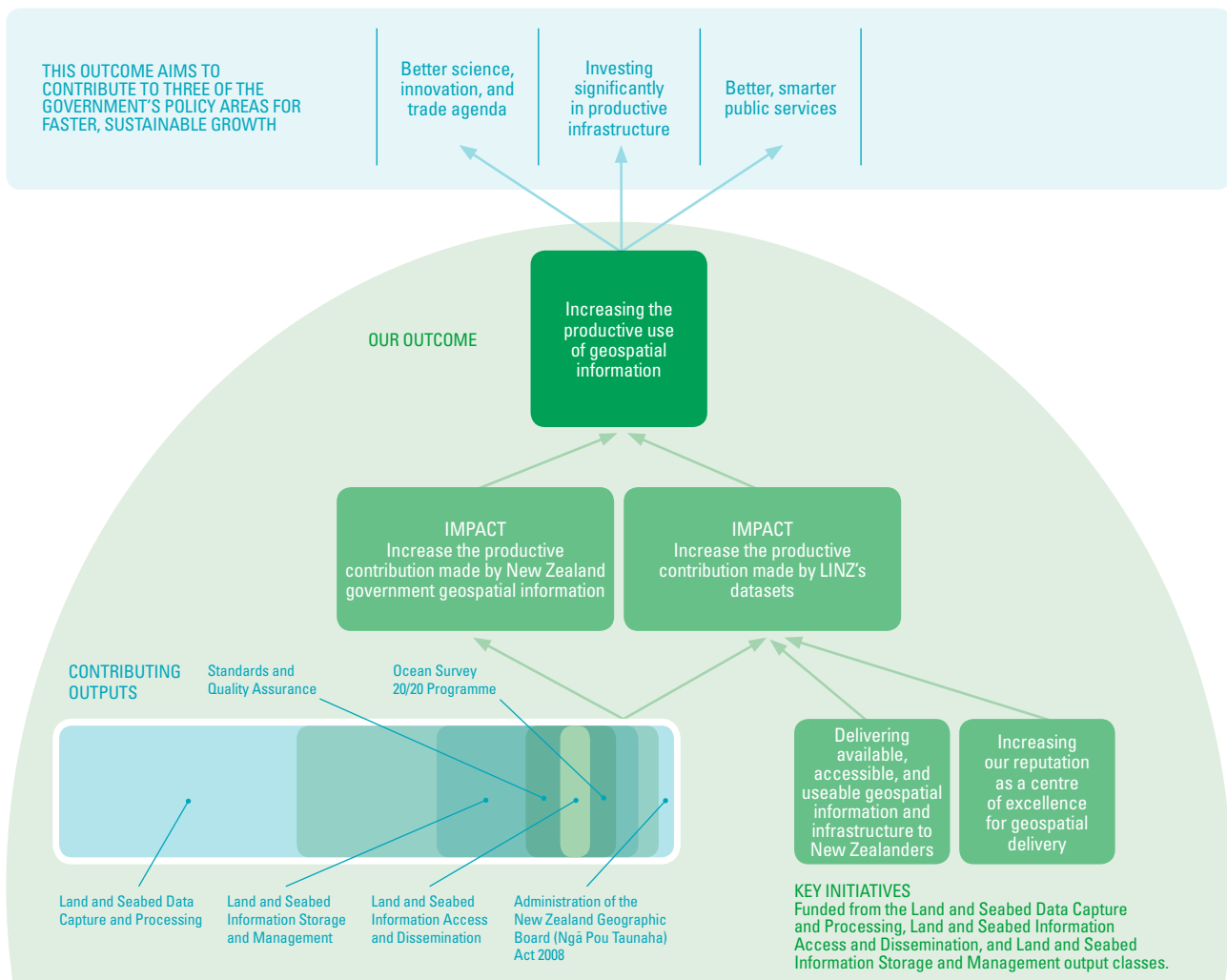
28 'Spatial information in the New Zealand economy', August 2009. The non-productivity benefits of geospatial information were not quantified in the report, but are thought to be a multiple of \$1.2 billion.

29 For example, users uploading photos or information to Google Maps or Google Earth.

30 Key barriers identified in 'Spatial information in the New Zealand economy' include problems in accessing data, inconsistency in data standards, and a general lack of skills and knowledge about modern geospatial technology.

31 This work will also form an important part of delivering the Directions and Priorities for Government ICT, several of which relate directly to the geospatial agenda: provide clear leadership and direction, support open and transparent government, and improve integrated service delivery.

# Our operating intentions continued...



## THE IMPACTS WE WILL MAKE IN 2011-14

### Increase the productive contribution made by New Zealand government geospatial information

In 2011-14, the NZGO aims to increase the productive contribution of all New Zealand geospatial information – and government information in particular – through coordinating development of a formal spatial data infrastructure (SDI). Simply put, a formal SDI will give New Zealanders the best possible access to geospatial information held by a wide range of data owners across all industry sectors. It is a prioritised deliverable because it offers a substantial national return on investment over time:<sup>32</sup>

- A formal SDI will improve government agencies' collection, management and delivery of geospatial information, thus reducing duplication and increasing cost-efficiencies and economies of scale.
- The greatest gains will come from the transformative uses inter-operable geospatial data can be put to. For government, combining different types of data more quickly and cheaply will enhance decision-making. In New Zealand's economic sectors, more entrepreneurial use of data will act as a catalyst for greater growth and innovation.

<sup>32</sup> 'Spatial information in the New Zealand economy' estimated a benefit-to-cost ratio of 5:1.

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### The NZGO will coordinate development of the SDI...

Sound governance has been put in the place to ensure that central and local government agencies, spatial sector industries, and academics are all involved in discussion and decision-making around the SDI. The NZGO will now continue to work with the geospatial sector to bring together the key elements of an effective formal SDI:

- creating awareness with potential users of geospatial data and the right conditions for agencies to commit to open sharing of their geospatial data, and
- the technologies, policies, standards, and human resource capability for better data-sharing.

### ...including fundamental geospatial datasets...

Thirteen data themes have been identified as the base building blocks of an effective New Zealand SDI. These are the groups of fundamental datasets that are most regularly used and which will provide greater innovative use of geospatial information in New Zealand.

Each of the data themes will have a government agency custodian. The role of the custodian will be to bring together the different datasets and owners under each theme, and identify ways to coordinate data to the best advantage of New Zealand. Over 2011-14, the NZGO will support each custodian in their role of applying the relevant standards and licensing to their datasets to enable participation in the SDI.<sup>33</sup>

Three datasets from the 13 data themes have been identified as priorities and will be used to help develop the rules and responsibilities for data and data owners: the cadastre, imagery, and road transportation. LINZ is the custodian for the cadastre, and is taking on the custodian role for imagery. Our plans for bringing these under the SDI are on pages 20 and 21.

#### Thirteen fundamental data themes

- the geodetic system, which provides the underlying positioning framework for accurate and complete measurements and location of New Zealand's physical features
- the cadastre, which shows the spatial extent of ownerships of land
- addresses, such as physical and postal addresses
- transportation networks
- geographic names, such as official or recorded place names
- elevation, such as the digital elevation model, which shows ground surface terrain
- imagery, such as satellite and aerial imagery
- administrative units, areas for local and central governance
- hydrology, which is the study of the movement, distribution, and quality of water throughout the Earth
- hydrography, the charting of surface waters
- culture: for example, datasets that define built-up areas, fences, and built infrastructure
- vegetation, such as forested areas
- natural features, such as glaciers, geothermal areas, or volcanoes.

### ...and research and capability in the geospatial sector

The NZGO has been coordinating a programme for developing research opportunities and building capability in the geospatial sector.

This includes establishment in 2010 of a New Zealand node of the Cooperative Research Centre for Spatial Information (CRCSI), which is based in the NZGO. This trans-Tasman initiative brings together government, academic, and private sector organisations to collaborate on critical research and development initiatives, and works with several international partners.

<sup>33</sup> The NZGO is leading development of the necessary standards for providing accurate and current data, access to it, and metadata about it. To date, eGIF has adopted a metadata profile for enhancing data discoverability (the ability of users to find out about data), and the NZGO is promoting web standards for accessing data online, and format standards for ensuring geospatial data is in the same 'language'. Cabinet has approved the NZGOAL (New Zealand Government Open Access and Licensing), a creative commons licensing framework that helps government agencies release data with appropriate licensing.

## Our operating intentions continued...

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In 2011-14, the New Zealand node will seek to participate in projects such as research into:

- delivering the value of geospatial information to decision-makers through 'end-user-ready' infrastructure and applications, and
- a national positioning infrastructure that enables the use of new and developing Global Navigation Satellite Systems.<sup>34</sup>

The New Zealand node will also focus on developing geospatial applications in sectors such as health, sustainable urban development, and groundwater management.

To assist with growing geospatial capability throughout New Zealand, the NZGO will continue to work on initiatives aimed at secondary and tertiary education students, and those currently working in the geospatial profession. Activities will include:

- developing a web portal with the private sector for improving school students' geospatial literacy
- continuing to support the University of Canterbury's Masters programme in Geographic Information Science (MGIS), which is designed to grow into a New Zealand-wide collaborative university programme
- implementing a shared services approach to geospatial professional development for current government workers, particularly those in the natural resources sector
- supporting the growth of geospatial professional certification, and
- working to create geospatial classifications in New Zealand's official labour categories, which will help businesses attract and retain geospatial workers and provide better statistics on the status of the profession in New Zealand.

### We aim to achieve...

- an effective formal SDI that increases the economic contribution made by geospatial information

### ...and also...

- readily available, accessible, and useable government geospatial information by 2015
- an increase in capability and research in the geospatial sector.

### Increase the productive contribution made by LINZ's datasets

LINZ will show leadership in 2011-14 with our own geospatial datasets through the following:

#### We will remove access barriers to our data...

LINZ is launching an online data service in July 2011 to help remove barriers to the geospatial data we produce.<sup>35</sup> Our data is already widely used by surveyors and other land professionals, emergency services, defence, and mariners. Organisations with GIS systems and a range of other agencies also use it to support planning, service delivery, or marketing.

The service is projected to result in efficiency savings of between \$680,000 and \$1.3 million per year across government.<sup>36</sup> In addition, we estimate the data service will show a national return on investment of 5:1 through removing access barriers and increasing the market use of our data by \$4-7 million a year.

The data service will form an integral part of the New Zealand SDI, as our data represents a significant number of the identified fundamental datasets. LINZ's intention is to show leadership by complying above the minimum standard for providing access. Over 2011-14, we will refine and improve the data and the way it is delivered, and look to make more of our datasets available through the service.

#### ...improve the cadastre...

As noted above, the digital cadastre (the dataset of survey data which provides information on the spatial extent of land rights) is a fundamental dataset for building the New Zealand SDI.

While cadastral data is widely used by central and local government agencies, State-owned enterprises and private companies, accuracy issues impact on the ability of users to layer it with other datasets, such as overlaying property boundaries on aerial photography.

<sup>34</sup> This would provide accurate, fit-for-purpose, real-time positioning.

<sup>35</sup> The datasets that will be available online through the data service from July 2011 are our geodetic, cadastral, title, addressing, topographic, and hydrographic data.

<sup>36</sup> Research undertaken by LINZ indicated that 68 central and local government agencies currently use third parties to access our data but would prefer to source it directly from LINZ.

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Following research with the geospatial sector, LINZ began two projects in 2010 to improve the cadastre in priority areas. Our aim is to enable the wider application of the data, and to shift value-add work from re-processing data (that is, making it more readily useable) to creating more innovative spatial processing products and services.

In our first project, we are improving the digital linkages between our cadastral survey and title datasets to make it easier to map the location of a title, or conversely find a title from a map.

We are also continuing a two-year project to improve the accuracy of the digital cadastre in high-priority areas. 70% of the digital cadastral parcels (predominantly in urban areas) were upgraded to survey accuracy as part of our decade-long programme to introduce an electronic survey and title system, Landonline.<sup>37</sup> The remainder, some of which this project is targeting, can contain inaccuracies in excess of 100 metres.

As part of this project, LINZ will examine the costs and benefits of completing the digital cadastre accuracy upgrade so it can be layered effectively with other geospatial data. The amount of work required is significant so LINZ will need to carefully establish costs and funding models for these further improvements.

#### ...coordinate a national approach for imagery...

Imagery is another priority among the fundamental SDI data themes. Many central and local government agencies – including LINZ – purchase and own imagery data. Its use as the basis of most geospatial applications in central and local government, science agencies, and private industries continues to grow.<sup>38</sup>

LINZ will take custodianship of imagery and seek better coordination of New Zealand's total imagery collection. This is a role we have taken on after the February 2011 Canterbury earthquake, when we helped coordinate the licensing and efficient release of government imagery to organisations involved in rescue, recovery, and rebuilding in the region.

Over 2011-14, we will investigate and implement a national approach for purchasing, collecting, and disseminating imagery. Cost is a significant factor, as the total spend on imagery and associated data across central and local government exceeded \$6 million in 2010/11. Although it is assumed that there will be cost-efficiencies in a national model, LINZ will work to identify and manage the potential issues and benefits in coordinated purchasing and dissemination.

We will also establish clarity around our roles and responsibilities as the principal data custodian for imagery, and a shared understanding of how this dataset will be funded and resourced.

#### ...and investigate New Zealand's future needs for other geospatial datasets

Over the next three years, LINZ will investigate the evolving needs for other national geospatial datasets that are important to New Zealand. These will include national addressing, the national elevation network, gravity, and bathymetry.<sup>39</sup>

Where feasible and appropriate, we will begin to establish new datasets from 2012.

#### We aim to achieve...

- a 5:1 national return on investment for our online data service

#### ...and also...

- greater availability of, access to, and useability of, LINZ data
- quality improvements to the cadastre in priority areas
- an optimal national approach for purchasing and disseminating imagery.

<sup>37</sup> Survey accuracy means better than half a metre.

<sup>38</sup> For example, imagery is used to inform the monitoring of seasonal weather patterns for planning in Antarctica, tracking the health of forests, and mapping changes to the physical environment. More simply, it provides a visual assessment of an area or region.

<sup>39</sup> Elevation refers to the height of a location above a fixed reference point. Bathymetry is the study of underwater depth of ocean or lake floors.

# Our operating intentions continued...

## HOW WE WILL MEASURE SUCCESS

### Measuring the outcome: Increasing the productive use of geospatial information

MEASURE	BASELINE
We will commission research in 2014 to evaluate whether barriers to greater use of geospatial information have decreased significantly and the extent to which productivity benefits have accrued from the formal SDI.*	'Spatial information in the New Zealand economy' conservatively estimated that geospatial information contributed \$1.2 billion in productivity-related benefits to the economy in 2008. The report also estimated that a further \$0.5 billion in benefits could have been added through removing barriers.

### Measuring the impact: Increase the productive contribution made by New Zealand government geospatial information

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
An effective formal spatial data infrastructure (SDI) that increases the economic contribution made by geospatial information.	<p>As outlined in the outcome measure above, research in 2014 will evaluate the extent to which benefits have accrued from the formal SDI.</p> <p>NZGO will also ask individual government agencies to undertake cost-benefit analysis for their own geospatial data over 2011-14, which will be used to provide an aggregated picture for central government.</p> <p>NZGO will also use our existing economic impact modelling to measure the impacts of the different components of the SDI on the economy.*</p>	The 2009 report indicated that securing an effective SDI would have a benefit-to-cost ratio of at least 5:1 where it is costed at \$100 million and only one year of benefits is counted. <sup>40</sup>

### Other measures that contribute to this impact

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Readily available, accessible, and useable government geospatial information by 2015.	<p><b>Available</b></p> <p>30% of central and local government datasets released as part of their participation in the SDI meet recommended discoverability standards in 2012/13 (100% by 2015).*</p>	Baseline to be established in 2011/12.
	<p><b>Accessible</b></p> <p>30% of central and local government datasets released as part of their participation in the SDI meet recommended dissemination standards in 2012/13 (100% by 2015).*</p>	Baseline to be established in 2011/12.
	<p><b>Useable</b></p> <p>The % of central and local government datasets released as part of their participation in the SDI meet recommended content standards.*</p>	Baseline to be established in 2012/13.
	<p><b>Useable</b></p> <p>Two fundamental geospatial datasets captured, made accessible, and maintained in 2011/12, three in 2012/13, four in 2013/14.*</p>	
	<p>Improve a performance rating of 'needing development' in the Performance Improvement Framework (PIF) review for delivering the Government priority of 'Implementing the Geospatial Strategy'.</p>	LINZ was assessed as 'needing development' in our formal PIF review in 2010.

\* Other parties will also be involved in helping to achieve these measures.

<sup>40</sup> 'Spatial information in the New Zealand economy', August 2009.

Other measures that contribute to this impact, continued

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
An increase in capability and research in the geospatial sector.	100% increase over the next three years in the number of certified GIS professionals in New Zealand.*	8-10 people are certified as of February 2011.
	Increase in the number of people involved in the geospatial sector over the next three years.*	A baseline will be established in 2012/13 once a geospatial employment classification code is established.
	Increase the number of schools able to access the education web portal (for GIS lessons) by 50% every year for the next three years.	Baseline to be established in 2010/11.
	The Australia/New Zealand CRCSI research work programme delivered to agreed timeframes.	The work programme will be established by the end of June 2011.

Measuring the impact: Increase the productive contribution made by LINZ's datasets

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
A 5:1 national return on investment for LINZ's online data service.	LINZ will survey users 12-18 months after the launch to establish whether it has increased efficiencies for users and stimulated growth and innovation.*	LINZ is conducting baseline research in May 2011 to understand more about the geospatial market (who is using our data, and who could be), and their current access to and use of our data.

Other measures contributing to the impact

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Greater availability of, access to, and useability of, LINZ data.	As above, 12-18 months after the launch of the online data service, LINZ will survey the market again to establish whether or how their access to our data, and use of it, has changed.*	A baseline will be provided in the research outlined in the measure above.
	100% of our datasets released through the LINZ data service will comply with recommended dissemination and discoverability standards from July 2011 onwards.	
	A specific measure for content will be established once a recommended standard has been approved.	
Quality improvements to the cadastre in priority areas.	90% of live title records are linked to all of their spatially defined current parcels by 30 June 2012.	85.8% in February 2011.
	50.5% of the cadastre will have boundary points with survey-accurate coordinates by the end of the project on 30 June 2012.	49.6% in February 2011.

\* Other parties will also be involved in helping to achieve these measures.



# Our operating intentions continued...

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## OUTCOME THREE

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### ENABLING APPROPRIATE ECONOMIC, ENVIRONMENTAL, AND RECREATIONAL USES OF CROWN-OWNED AND USED LAND<sup>41</sup>

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LINZ manages 8% of New Zealand's land area, some of it among the most iconic land in our country. We aim to effectively and efficiently manage and safeguard land under our administration so it can be put to its best use now and in the future.

#### Our portfolio

The portfolio under LINZ's management totals almost 3 million hectares of Crown land outside of the conservation estate. Of this total, approximately 1.5 million hectares is in 215 pastoral leases in the South Island High Country. The rest of the portfolio numbers approximately 5,000 properties, both big and small. These include the beds of some of New Zealand's iconic lakes, such as Lake Wanaka and Lake Wakatipu, as well as a significant amount of riverbed land.

We also administer major sites such as the Waihi gold mine and 48 Crown forestry licences on land held specifically for Treaty settlements. The forests on the land, totalling approximately 306,111 hectares, are commercially owned and operated by private companies.

#### Enabling appropriate use

Our land portfolio presents a number of challenges, including risk identification and mitigation, biosecurity, managing tenancies, resolving unauthorised uses, general maintenance and, where appropriate, developing strategies for future disposal.

Correspondingly, our aim to enable appropriate economic, environmental, and recreational uses of Crown-owned and used land will take many forms, depending on the value or potential uses of the land involved.

To be successful in managing our property assets, we must constantly balance economic, recreational, and environmental considerations. Impacting on these considerations are the competing demands of central, regional and local government, lessees and licensees, iwi, and public interest groups. These demands influence many of the decisions we make around core issues such as public access, biosecurity, and tenure review.

LINZ also regulates the acquisition and disposal of land by all government agencies. In this role, we aim to enable appropriate use of Crown-owned and used land by ensuring the Crown buys and sells land in a way that meets legislative requirements, and advances the public interest and protects private rights.

## THE IMPACTS WE WILL MAKE IN 2011-14

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### Manage Crown land more effectively and sustainably

In 2011-14, LINZ will continue to focus on increasing the effectiveness of our everyday management to ensure the land we administer is put to its best use.

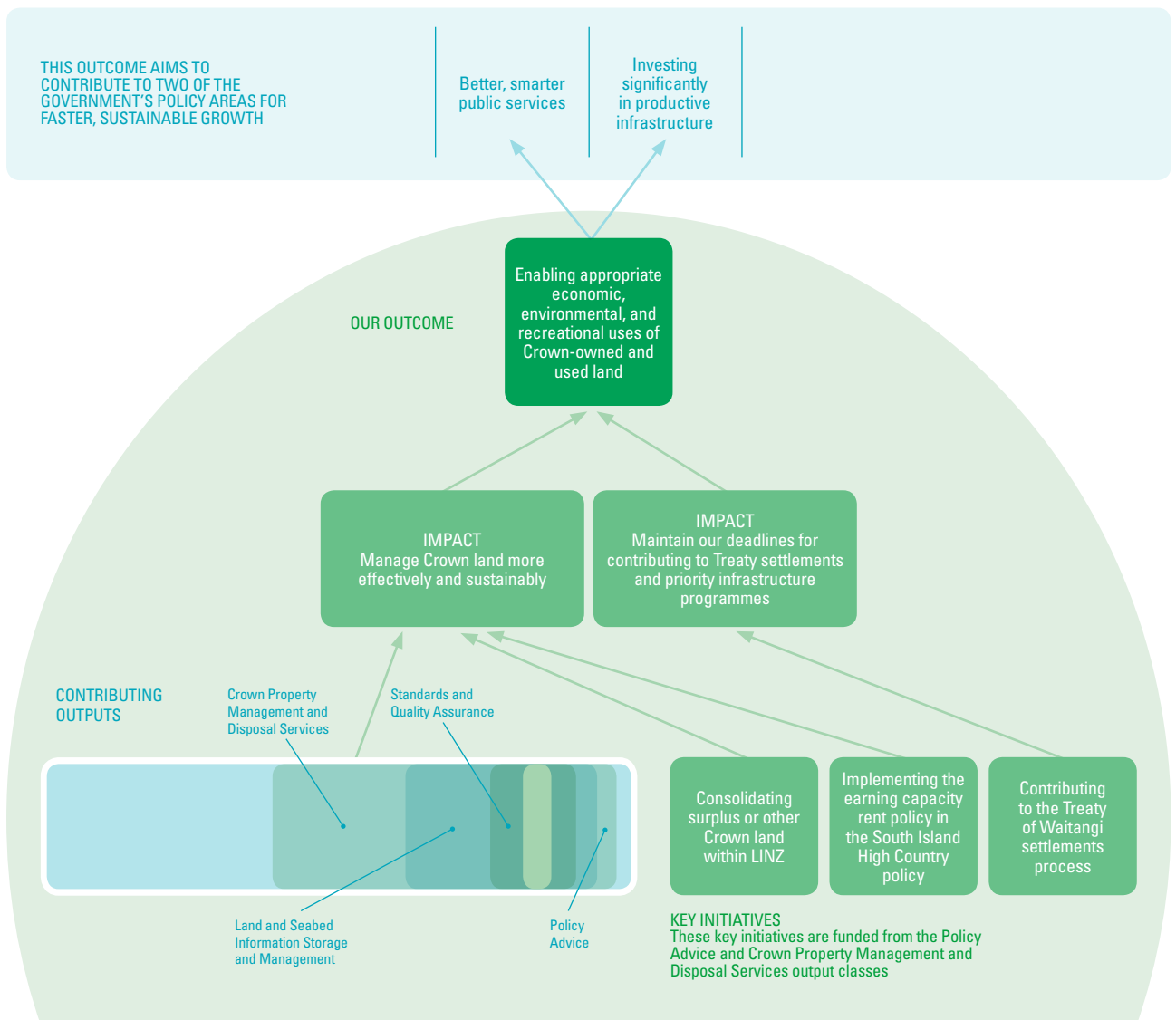
#### We will continue to improve our everyday land management...

As part of our business-as-usual outputs, LINZ will focus on being diligent in risk mitigation, flexible in tenancing, and cost-effective in our maintenance and biosecurity work.

We will also continue to contribute our specialist land administration expertise to the Natural Resources Sector Network and explore opportunities for sharing services. For example, we are developing a joint information system with the Department of Conservation for better management of, and reporting on, the 40% of New Zealand land administered between us.<sup>42</sup>

<sup>41</sup> In the past year, LINZ has worked to enhance the outcome we seek for Crown land. We will continue to progress work in this area in 2011/12 and look at more clearly defining measures for demonstrating the effectiveness and sustainability of our land management activities.

<sup>42</sup> See page 34 for more information on LINZ's involvement in the Natural Resources Sector Network.



### ...implement earning capacity-based rents for pastoral leases...

An immediate Ministerial priority is to implement the earning capacity rent policy for pastoral leases, which was agreed to as part of the Government's strategic direction for the South Island High Country.<sup>43</sup> The Government has prioritised the development and implementation of this new strategic direction since 2009 due to the national significance of the High Country to the economy (tourism and primary production) and the environment.

In 2011/12, LINZ will put in place a new system for setting rents on pastoral land.<sup>44</sup> Rents will be tied to the earning capacity of each lessee's property from pastoral farming, and allow lessees to farm their leases sustainably and safeguard the land for the future. Our activities include working with the Valuer-General to put in place a method for calculating earning capacity-based rents and an effective disputes resolution process for valuations. We will also publish new regulatory rules and guidelines as necessary.

LINZ will also work to resolve the rental disputes that have caused more than half of all lessees to object to their rental valuations made under the previous rent-setting system. These disputes could be settled under the existing system or by opting into the new system.

<sup>43</sup> The new strategic approach is set out in the paper, 'Crown Pastoral Land: 2009 and Beyond', which is available on the Crown Property section of our website, [www.linz.govt.nz](http://www.linz.govt.nz).

<sup>44</sup> Completion of this priority is dependent on the passing of legislation for earning capacity-based rents, which was introduced to Parliament in December 2010.

# Our operating intentions continued...

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## ...and plan for further consolidation of Crown-owned land under our management

LINZ has increasingly taken on land from other Crown agencies.<sup>45</sup> This is in recognition of the better results our specialist team offers in managing property portfolios, the risks associated with Crown land and its acquisition and disposal, and in managing the rights to Crown land that provide both economic and recreational opportunities to New Zealanders.

LINZ sees the potential to consolidate further surplus (and other) Crown land under our administration. We are confident that we can deliver more effective management, and free up other agencies' resources to focus on their core business. LINZ should also be able to reap scale benefits across our overall portfolio through the addition of this land, contributing to a more efficient public sector.

LINZ needs to be prepared to effectively manage an expanding portfolio, which is why we will develop a clearer framework and processes for further consolidation in 2011/12. Due to the ongoing climate of fiscal constraint, establishing effective due diligence processes and good communication protocols with other agencies will be particularly important.

With this framework in place, LINZ will concentrate on communicating our expertise and willingness to transfer Crown land that matches our management competencies, and where transfer to us will offer the greatest benefit to the Crown.

### We aim to achieve...

- a simpler, fairer, more cost-effective system for setting pastoral rents
- maintained or increased effectiveness in our management of Crown land
- a proactive strategy for consolidating surplus (or other) Crown land within LINZ.

## Maintain our deadlines for contributing to Treaty settlements and priority infrastructure programmes

2011-14 will see LINZ making contributions to the Government's infrastructure growth agenda and to settling historic Treaty of Waitangi claims.

### We will contribute to the negotiation of historic Treaty claims by 2014...

The Government is continuing to place importance on completion of fair and final settlement of historic Treaty of Waitangi grievances.<sup>46</sup>

LINZ is contributing to the Office of Treaty Settlements-led programme to substantially complete negotiation by 2014, and sign deeds of settlement with all claimant groups by the end of 2015.

Ensuring we play our part in settling historic Treaty claims by 2014 is one way LINZ can contribute to the Government's intention to provide an asset base for enhancing Māori economic development, and iwi investment in regional development, industries, and jobs.

LINZ plays a key role in supporting the Treaty settlements process. We are involved in every settlement and at crucial stages, including:

- providing policy and land transaction advice
- managing land held for future settlements, and
- processing land transactions at the stage when Crown-owned lands (including Crown forest licensed land) are transferred to iwi.

<sup>45</sup> For example, a State Coal reserve land portfolio was transferred from the Ministry of Economic Development to LINZ in 2011.

<sup>46</sup> Statement to Parliament 2011 by the Prime Minister Rt Hon John Key, 8 February 2011.

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Where LINZ-administered land is proposed as part of a settlement deal, we are also involved in direct negotiations with Treaty claimants on the land's value. In our regulatory role, we ensure the disposal of property by government agencies meets all Treaty settlement requirements.

Given the complex range of our activities, LINZ has carefully prioritised our financial and people capability to meet the 2014 timeframe. Specialist technical staff drawn from our business groups work collaboratively to progress each Treaty claim. In 2010/11, we put particular effort into establishing formal relationship management structures with the Office of Treaty Settlements (OTS) and other organisations to ensure our work is delivered in line with OTS's timeframe and the overall deadline of 2014.

#### **...infrastructure for growth...**

A key area of the Government's economic agenda is building infrastructure for growth, in particular to ensure that New Zealand businesses can compete as efficiently and productively as possible.

LINZ's clearances team provides quality assurance and sign-off of all acquisition and disposal of land by Crown agencies.<sup>47</sup> In doing so, we will play a small but significant role in progressing key infrastructure projects over 2011-14. For example, the seven Government-designated Roads of National Significance are the priority projects for developing New Zealand's State Highway Network.

Our workload will increase in line with the timeframes for delivering a number of priority infrastructure projects. LINZ will work within these deadlines, while ensuring all acquisitions and disposals are conducted in ways that protect the interests of both government agencies and private landowners.

Agencies leading infrastructure projects face substantial risks when acquiring land from private land owners under the Public Works Act (PWA) 1981. Our Crown property regulatory team will also continue to provide a specialist centre for regulating and helping to manage these risks on behalf of all agencies.

#### **...and lead Public Works Act policy for the RMA review**

LINZ is working closely with the Ministry for the Environment and other agencies on the second phase of the Resource Management Act (RMA) review. There are several interface issues associated with the PWA and the RMA, as the PWA provides key powers to agencies acquiring land for infrastructure projects.

LINZ is leading the policy work on all PWA issues for the course of the RMA review, and advising on policy options and implementation. It is likely that a Bill amending both the PWA and RMA will be developed in 2011/12 and introduced to Parliament in 2011/12 or 2012/13.

#### **We aim to...**

- maintain our commitments to the negotiation of historic Treaty settlements by 2014
- meet our timeframes and quality standards for signing off Crown acquisitions and disposals (making statutory decisions) for infrastructure projects and other public works
- contribute to amended public works and resource management legislation.

<sup>47</sup> The clearances team assesses compliance for the acquisition and disposal of Crown-owned land under the Public Works Act 1981 and related legislation for government agencies.

# Our operating intentions continued...

## HOW WE WILL MEASURE SUCCESS

Measuring the outcome: Enabling appropriate economic, environmental, and recreational uses of Crown-owned and used land  
Measuring the impact: Manage Crown land more effectively and sustainably

### MEASURE

The South Island High Country pastoral leases make up approximately 70% of the land area under our management (and approximately 5.5% of New Zealand's total land area).

We will commission research in 2011/12 to evaluate the economic and social benefits created by tenure review, and commission research in 2012/13 to evaluate the range of benefits associated with the commercial and recreational uses of high country land.

We will also measure our contribution to our outcome and the impact of managing Crown land more effectively and sustainably by monitoring the other measures listed in this table.\*

### Other measures that contribute to this impact

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
A simpler, fairer, more cost-effective system for setting pastoral rents.	Lessees understand the basis of the new rent-setting policy.	LINZ will seek feedback from the High Country Accord in 2012/13 after earning capacity rents legislation has been implemented.
	95% of the pastoral lease rent reviews in dispute as at February 2011 resolved by 2014.*	As at February 2011, 94% of pastoral lease rent reviews are in dispute.
	\$ cost per pastoral lease rental assessment lower than under the present system.	\$10,000 is the current baseline.
	A lower rate of disputes over rents set under the new system than under the current system.*	94% of the rents notified to lessees were objected to through either the Land Valuation Tribunal (LVT) or Alternative Dispute Resolution <sup>48</sup> over the last five years.
Maintained or increased effectiveness in our management of Crown land and Crown forest licences.	In 2011/12, we will release approximately 86,031 hectares of pastoral lease land into freehold or designated for public conservation land. <sup>49</sup>	In 2010/11, 25,432 hectares were released into freehold and 23,467 into conservation land.
	In 2011/12, we will:	
	• release 840 hectares of non-pastoral, non-Crown Forest land for disposal to the private sector	110 hectares in 2010/11.
	• transfer 46 hectares of non-pastoral, non-Crown Forest land for community or other government use <sup>50</sup>	120 hectares in 2010/11.
	• release 155,874 hectares of Crown Forest land for disposal to the private sector.	6,877 hectares in 2010/11.
Achieve \$6 million revenue sales target for the year from properties released for disposal (range +/- 10%).**	\$6 million in 2010/11.	
Maintain or decrease value of aged debtors on a monthly basis.	Baseline to be established.	

\* Other parties will also be involved in helping to achieve these measures.

\*\* These are output measures contained in the Information Supporting the Estimates of Appropriations for Vote Lands.

48 The LVT is a specialist tribunal that deals with matters arising from a number of Acts, including matters to do with land valuations and title.

49 This is subject to unconditional substantive proposals being completed. Substantive proposals are a stage of tenure review, which is a voluntary process pastoral lessees can enter into if they wish to gain freehold title to the land they are leasing.

50 The first two parts of this measure involve an annual risk-based analysis of properties for inclusion in our disposal programme. This work identifies properties that may be released to the private sector as well as land that may be transferred for community or other government use, for example roading projects or reserves. The revenue sales target measure provided above is the revenue we aim to achieve from such disposals.

Other measures that contribute to this impact continued

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Maintained or increased effectiveness in our management of Crown land and Crown forest licences.	Resolve/settle 15 land-related liabilities each year (range 10-30).**	15 in 2010/11.
	Achieve an average rating of 3 (satisfactory) out of 5 or above from our annual satisfaction survey of biosecurity stakeholders. <sup>51**</sup>	Stakeholders responding to our inaugural survey in March 2010 rated us as 3 out of 5. They felt overall that: <ul style="list-style-type: none"> <li>• our engagement on biosecurity matters was good</li> <li>• we did our best to meet our obligations within our available funding, and</li> <li>• we achieve good value in our biosecurity work within our available funding.</li> </ul>
	Maintain or improve a performance rating of 'well placed' for Crown property management and disposal core business in the Performance Improvement Framework (PIF) review.	Assessed as 'well placed' in our formal PIF review in 2010.
A proactive strategy for consolidating surplus (or other) Crown land within LINZ.	Complete an optimised framework for property transfer by December 2011.	

Measuring the impact: Maintain our deadlines for contributing to Treaty settlements and priority infrastructure programmes

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Maintain our commitments to the negotiation of historic Treaty settlements by 2014.	100% of our input to Treaty matters will be implemented within the required timeframes and to regulatory and statutory requirements.***	
Meet our timeframes and quality standards for signing off Crown acquisitions and disposals (making statutory decisions) for infrastructure projects and other public works.	95% of property reports and recommendations are cleared or responded to within 10 working days.**	88% in February 2011.
	100% of statutory decisions meet or better other agencies' timelines for their property acquisition and disposals.**	90% in February 2011.
	100% of statutory decisions meet regulatory and statutory requirements.**	100% in 2010/11.

Other measures that contribute to the impact

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
	Maintain or improve a performance rating of 'well placed' for delivering the Government priority of 'Contributing to the Treaty settlements process' in the Performance Improvement Framework (PIF) review.	Assessed as 'well placed' in our formal PIF review in 2010.

\*\* These are output measures contained in the Information Supporting the Estimates of Appropriations for Vote Lands.

\*\*\* This measure combines two output measures contained in the Information Supporting the Estimates of Appropriations for Vote Lands.

51 This survey assists LINZ in enhancing relationships with biosecurity stakeholders to improve the effectiveness of programmes. Respondents to the 2009/10 survey were mainly from regional government agencies and the Department of Conservation.

# Our operating intentions continued...

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## OTHER PRIORITY ACTIVITIES

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### Supporting the rebuilding of Canterbury

Since the first Canterbury earthquake in September 2010, LINZ has been coordinating a series of activities to support rebuilding in the region. Our involvement in Canterbury over the next three years is likely to be significant, and we anticipate activity across all our three functions – managing land, geospatial information, and land transactions.

In 2011/12, much of our focus will continue to be on re-establishing positioning infrastructure in Canterbury, and taking a leadership role to ensure the critical decisions that will be required to drive recovery and rebuilding work are informed by high-quality, consistent, and coherent geospatial information.<sup>52</sup>

#### **We will continue re-surveying in Canterbury...**

LINZ is carrying out re-survey work in the Canterbury region. The earthquakes caused considerable earth movement – both vertical and horizontal – and widespread property damage and destruction of infrastructure such as roading, sewerage, and storm water systems. The re-survey work is establishing positions of where the land is now, which is vital to the effective rebuilding in the region and monitoring of hazards.

We are coordinating extensive levelling surveys – which determine the change in land heights – to fast-track rebuilding of infrastructure and hazard monitoring. For example, many kilometres of sewerage pipes are being laid in Canterbury; height data will be essential for predicting the direction and speed of waste fluid flow to ensure the re-laid pipes carry waste water downhill.

Height data will also be a priority for mitigating the risk that floods pose in the flat landscape due to localised vertical changes caused by liquefaction, and more regionally, the vertical movements associated with the earthquakes. Our re-survey work will help ensure the region's hazard monitoring abilities are not compromised.

A second priority is the restoration of the horizontal control system – the network of survey marks with coordinates used for mapping. This work is essential for rebuilding infrastructure and homes, as surveyors will be able to use these markers when re-establishing existing or new property boundaries.

#### **...hydrographic surveying...**

LINZ is also overseeing a hydrographic survey of Lyttelton Harbour and Akaroa Harbour. The surveying is necessary for providing safe passage for cruise ships using the harbours. We will use the results of these surveys to determine any revisions to our charting programme.

#### **...and coordinating geospatial data for rebuilding**

Over 2011-14, LINZ will continue to coordinate the expedient release of Christchurch-related government geospatial data to – and actively encourage its use by – central and local government agencies, and private sector and community groups involved in making decisions about rebuilding. Specifically, we will be actively facilitating the use of the spatial data infrastructure to enable easy collection of, access to and dissemination of this data.

### Determining new electoral boundaries

The Representation Commission provides new electoral boundaries, which are determined by analysing population changes highlighted in each five-year census. These new general electorates and Māori electorates are then used in subsequent elections.

The Surveyor-General, based in LINZ, is a member of the Commission and is responsible for providing the Commission with a provisional set of the new boundaries and managing publication of boundary maps.

#### **We will...**

For the 2014 election, LINZ will use geospatial tools and mapping to provide these provisional boundaries, taking into account prescribed population quotas, communities of interest, communications and topographical features, and tribal affiliations in the case of Māori electorates. Once the boundaries have been finalised, LINZ will also manage production of election mapping for official and public use.

<sup>52</sup> As noted on pages 12 and 13, other activities connected to the earthquakes are our work with the Christchurch City Council on revaluations in Christchurch and our plans to assess whether our governing property rights legislation needs amending.

As with previous elections, the support that the Surveyor-General and staff in LINZ will provide to the Commission for the 2014 general election will be extensive and carried out within a relatively tight timeframe. The cancellation of the March 2011 census, as a consequence of the February 2011 Christchurch earthquake, is likely to have an impact on the commencement of our work.

Our commitment is to support the Electoral Commission<sup>53</sup> in helping to run a fair and efficient 2014 general election for New Zealand by working to these timeframes.<sup>54</sup>

**Measuring our performance in contributing to a fair, efficiently run 2014 general election and Māori electoral option**

WHAT WE AIM TO ACHIEVE	MEASURE
LINZ will support the Electoral Commission through meeting timeframes and quality standards aligned to the fair, efficient running of the 2014 general election and Māori electoral option.	<p>All provisional electoral boundaries will be delivered to the Representation Commission on time.</p> <p>Final electoral boundary maps will be produced on time and to required quality standards.</p>

<sup>53</sup> The Electoral Commission, as distinct from the Representation Commission, is an independent Crown entity responsible for all electoral functions at the national level, including public education, research, conduct of general elections, by-elections, and referenda.

<sup>54</sup> While LINZ's support of the Representation Commission is tied to the three-yearly general election cycle, we manage on an ongoing basis the electoral streets and places database, which assists electoral returning officers registering special votes on election day (that is the votes cast by electors in a polling booth located outside of their electorate or overseas).



# Improving our organisational performance

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Our strategic direction sees LINZ expanding our boundaries beyond the traditional ways we manage transactions, information, and land, and taking a leadership role in the geospatial sector. Over 2011-14, we will continue to implement the capability shifts needed to achieve this.

Because the economic climate will continue to affect a large portion of our revenue, a major priority is to ensure our survey and title services are supported by a robust, sustainable business model able to withstand significant fluctuations in market activity.<sup>55</sup>

## **We will develop a sustainable business model...**

A coordinated suite of activities will improve the sustainability of our third-party revenue and ability to manage costs over 2011-14. Already, we have sought fee adjustments for survey and title fees from July 2011 and are leveraging all-of-government or agency cluster procurement initiatives.<sup>56</sup> Our activities will include:

### *Funding*

Over 2011-14, we will investigate the revenue and cost aspects of administering the survey and title system, and the most appropriate ways to charge for and fund these services. To provide high-quality data to do this, LINZ is investing in an improved financial management information system, which will drive more transparent cost-modelling. We are also developing a more sophisticated set of indicators and analysis for forecasting land transaction volumes.

### *Staff capacity and productivity*

Improving productivity will be another priority; we will establish a joint working group with the PSA to further increase productivity gains and value-for-money.

We are also reviewing our model for setting current and future processing staffing requirements and developing ongoing process improvements to increase efficiencies across survey and title operations.

### *Shared services*

LINZ will drive efficiencies in our corporate services through using the benchmarking results provided by the State-sector-wide Better Administration and Support Services (BASS) initiative.<sup>57</sup> Where possible, we will leverage or support any shared services arrangements arising from BASS and our participation in the Natural Resources Sector Network.

## **...continue to implement our customer strategy...**

Our customer base has expanded in keeping with our strategic direction (in particular, the focus on geospatial information).

LINZ developed a new customer strategy in 2010, which has improved our understanding of this growing customer base. We need to manage our customer expectations because, as a government agency, we cannot always deliver everything our customers want. This strategy has clarified how we can best deliver customers' needs in cost-effective ways.

A priority is to significantly improve the experience for the majority of our customers, particularly through increased access to information and services, multiple channel options, more personalised offerings, and convenient services. In doing so, we will also optimise our total cost-to-serve, due to operational efficiencies and improved customer-focused decision-making. In turn, this will assist us in our development of a sustainable business model, and more widely deliver improved value-for-money for customers and taxpayers.

LINZ will continue to implement the customer strategy in 2011/12. Activities will include reviewing our service levels, service delivery model and the resources required to support that delivery. We will also investigate the possibility of further automating services and delivery mechanisms.

We are currently streamlining our organisational design to provide more direct customer relationships and to increase accountability and decision-making at the front line.

<sup>55</sup> Mainly survey and title (land transaction) services, which accounted for approximately 84% of our third-party revenue in 2009/10.

<sup>56</sup> Our customer strategy and IT review (detailed on this page and page 33 respectively) will also contribute to the sustainability of our business model.

<sup>57</sup> See page 38 for more on our benchmarking against other agencies for administration and support services. See page 34 for more information on the shared capability work we are leading in the Natural Resources Sector Network.

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### ...realise the benefits of our IT review...

LINZ will continue to rely heavily on technology to provide our services and to drive innovation. We will need to do so in an ongoing environment of constrained funding.

To ensure our technology platform is best positioned to support delivery of our strategic direction within current and future constraints, we undertook a major review of our IT services in 2009 and 2010. As a result, we have outsourced more of our IT services to a single supplier, Datacom. This new commercial arrangement will give us a higher degree of visibility of IT costs and flexibility in delivering our priorities, and will allow us to deliver our data and services in more innovative ways. We anticipate cost-savings of approximately 7% in 2011/12 and 11% in out-years.<sup>58</sup>

Under our new model, our core IT group is built around strong architectural consultancy, project management, and outsourced service management capabilities. This is enabling the IT group to shift its focus away from managing infrastructure to anticipating the strategic needs of the organisation and providing coherent solutions.

LINZ is also:

- a member of the steering group for the cross-government Infrastructure As A Service (IAAS) initiative being led by the Department of Internal Affairs, and
- signing up to government initiatives such as one.govt and the Ministry of Economic Development-led programme for procurement of PCs, printers and multi-functional devices.<sup>59</sup>

### ...continue our people strategy...

In 2011/12, LINZ will continue to implement a two-year strategy for building the culture and people capabilities we need over the next decade and beyond.

#### *Organisational design*

We are fortunate to have a committed, specialised, and passionate workforce with some unique and critical skills. At the organisational design level, our structure needs to allow our people the agility to respond quickly to new challenges, innovate, and collaborate more widely.

Our teams are built around logical clusters of technical experts supported by streamlined corporate services and an integrated strategy for delivering to customers.<sup>60</sup> In 2011/12, we will continue to fine-tune our organisational design to ensure our structure is as flat, simple, and logical as possible. Such a design will help develop our people's skills, promote collaboration between teams, and ensure logical work-flows eliminate duplication.

#### *Investing in technical skills and leadership*

We are continuing to invest in the technical capability of our teams, and in people and leaders who can work across teams and government to leverage better value-for-money.

In addition to the solid core of professionalism we expect from our leaders, LINZ will continue to develop our technical and people managers' abilities to articulate our strategic direction and ensure our teams are focused on innovation and service delivery within the more complex environments we are moving in.

We will continue to operate a suite of targeted leadership development activities first introduced in 2009/10, including capability-building for Natural Resources Sector managers and fuller introduction of 360 degree feedback for managers.

Growing the technical capability of our workforce will continue to be a priority in 2011-14. LINZ performs wide-ranging activities and we need to retain and develop the specialist skills and knowledge of the technical staff who deliver them.

Demographic factors also make this a priority. Like many organisations, our workforce is ageing, especially in our technical areas; 16% of our current workforce will be aged 65+ in 10 years' time. Younger staff seek career paths and more flexible work practices.

Over the next three years, LINZ will finalise career pathways for our technical roles, and advance our work in transferring technical knowledge from our senior experts to the younger generation.

<sup>58</sup> See page 38 for more information on our anticipated IT cost-savings.

<sup>59</sup> one.govt is the IT networking service being offered to State agencies.

<sup>60</sup> For example, we reviewed our IT business group (as noted above) and Overseas Investment Office (OIO) in 2010/11. A redesign in the OIO team is improving the end-to-end processing of overseas investment applications.

# Improving our organisational performance continued...

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We will also continue to focus on providing learning and development opportunities that will help our people best achieve LINZ's strategic aims.

## ... contribute to the Natural Resources Sector Network...

New Zealand's economy is dominated by industries that depend on natural resources; how we use, re-use, and manage them has implications for our future prosperity.

LINZ is one of seven agencies in the Natural Resources Sector Network,<sup>61</sup> which is taking a coordinated central government approach to understanding the often complex issues involved in managing natural resources, and developing effective responses. Network agencies will continue to encounter constraints – whether ecological, fiscal, or the limitations of science – requiring the Network to find smarter, more strategic, ways of working.

LINZ's contribution to coordinated natural resource management will include:

- our General Manager for Policy and Regulatory leading work to develop a set of options for strategic policy capability-building across the Network, and
- continuing to lead priority shared capability initiatives, such as the development of a sector strategy and strategic plan for coordinating geospatial information resources and maximising their use for natural resources decision-making.<sup>62</sup>

## ...and continue to strengthen our performance

The independent Performance Improvement Framework (PIF) review of LINZ by the SSC in 2010 highlighted the need for us to improve organisational planning, and measurement and review of our activities.<sup>63</sup> LINZ has since redesigned our outcomes system, aligning our activities to our three outcomes and the Government's economic and social objectives. We have also developed a more comprehensive set of measures. This system will allow us to demonstrate our performance over time more effectively and improve our planning, strategic decision-making, and reporting capability.

We will continue to develop a comprehensive set of measures in 2011/12 as well as our research and evaluation capability.

## We will achieve...

- a sustainable business model by 2014
- improvements in staff engagement, and technical and leadership capability
- increased quality in our customer service delivery
- greater value-for-money from our IT services
- continuing improvement in our ability to demonstrate performance.

<sup>61</sup> The other agencies are the Ministry for the Environment, Ministry of Agriculture and Forestry, Te Puni Kōkiri, Ministry of Fisheries, Department of Conservation, and the Ministry of Economic Development.

<sup>62</sup> As noted on page 24, LINZ and the Department of Conservation are developing a joint land information system. In time, the system will be made available to other government agencies, State-owned enterprises and local government.

<sup>63</sup> As noted throughout the measurement tables of this Statement of Intent, the PIF review also assessed our performance in delivering Government priorities and our core business. LINZ is implementing an action plan to improve our performance in the areas the review identified as 'needing development' or 'weak'.

## HOW WE WILL MEASURE SUCCESS

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
Develop a sustainable business model by 2014.	Develop an appropriate funding model by 2014.	
Improved staff engagement.	Increase in the engagement of our staff as measured in our employee engagement survey.	Our overall engagement score was 3.64 in 2009/10.
Improved technical capabilities and career pathways for staff.	Improvement in our turnover rate of staff with less than two years' tenure in the technical stream.	25% turnover of the technical workforce in our Customer Services and Crown Property and Investment business groups with less than two years' tenure in 2010/11.
	Improvement in the technical competency levels in workforce groups.	Baseline to be established.
	Increased internal mobility.	11.7% of the workforce moved to new roles internally in 2010/11.
	Increase in critical roles being filled internally.	Baseline to be established.
Improved leadership capability.	Improvement in ratings of questions related to leadership in our employee engagement survey.	The score for the question, "the leadership of my organisation makes me enthusiastic about the future", was 3.20 in 2009/10.
	Maintain or improve a performance rating of 'well placed' in the Performance Improvement Framework (PIF) review for leadership and workplace development.	Assessed as 'well placed' in our formal PIF review in 2010.
Improved people performance management.	Improve our performance rating in the PIF review for management of people performance.	Assessed as 'needing development' in our formal PIF review in 2010.
Increased quality in our customer service delivery and understanding of costs in serving customers.	As part of our implementation of the Customer Strategy, LINZ is currently developing key performance indicators.	In 2010/11: <ul style="list-style-type: none"> <li>we achieved an average rating of good or better from a monthly survey of randomly selected survey and title customers</li> <li>70% of our customers were satisfied with our survey and title bulk data service</li> <li>85% of our customers were satisfied overall with hydrographic product/service provision</li> <li>65% of our customers were satisfied overall with topographic product/service provision</li> <li>65% of our customers were satisfied overall with geodetic product/service provision.</li> </ul>
Improved value-for-money and reliability of our IT systems.	Reduce core IT costs by 7% in 2011/12, and 11% in out-years.	\$27 million in 2010/11.
	Six-monthly internal survey of satisfaction with services provided by the internal core IT group and external supplier Datacom.	Baseline to be established.
	Maintain our performance rating for information management in the PIF review.	Rated as 'strong' in 2010.
Continuing improvement in our ability to demonstrate performance	Improve our performance rating in the PIF review for measurement and review.	Rated as 'weak' in 2010.
	Achieve 'good' ratings or above from the Office of the Auditor-General's auditing of our management control environment; financial information, systems and controls; and service performance information and associated systems and controls.	Our ratings in 2009/10 were: <ul style="list-style-type: none"> <li>management control environment: 'very good'</li> <li>financial information, systems and controls: 'good'</li> <li>service performance information and associated systems and controls: 'needs improvement'.</li> </ul>

# Improving our organisational performance continued...

## Shared goals and measures for the Natural Resources Sector Network

WHAT WE AIM TO ACHIEVE	MEASURE	BASELINE
<b>Better analysis and advice</b> Decision-making by Government is supported by high-quality advice that provides an integrated Natural Resources Sector understanding of key issues.	Ministers report that coordinated advice is delivered to them in priority areas of water, aquaculture, environmental governance, climate change, and Māori/Treaty issues.	Evidence gathered anecdotally by the Network suggests Ministers are receiving coordinated advice on the NRS priority issue areas.
	The quality and level of integration of policy advice shows improvement over time.	Discussions on the role and performance of the Network have shown some improvement in integrated policy advice. However, attributing this to the NRS is not possible. More formal evaluation will take place in 2011.
<b>Working together better</b> All seven agencies actively participate in the work of the Network, adopting a collaborative ethos which focuses on forming a common understanding of strategic issues and delivering on shared goals.	Each agency contributes to work that develops a shared understanding of strategic natural resource issues.	LINZ has led development of a long-term strategic issues paper on land use, and has contributed to papers on biodiversity, marine issues, the Crown/Māori relationship, and valuation.  During the first half of 2011, work has focused on Network agencies collaborating on a piece of strategic policy development relating to the economy and the environment.
	Each agency contributes to resourcing the support unit.	LINZ seconded a full-time staff member to the support unit for 2010/11.  LINZ led the governance arrangements for shared capability activity across the sector.

## MEASURING OUR COST-EFFECTIVENESS

Over the past few years, LINZ has continued our good track record of maximising value-for-money in our services by reducing costs and allocating our baseline into priority areas. For instance, we reduced total operating costs in our largest service delivery area – land transactions – from \$52 million in 2007 to \$46 million in 2011.

In 2011-14, as part of our development of a more sustainable business model, LINZ will more accurately assess the cost-to-serve across all our operations as well as continue to seek cost-efficiencies in our land transactions service delivery.

Below are some key areas where we are assessing and monitoring our cost-effectiveness. We will report on any further activities in future annual reports.

### Our land transaction system

We will continue to internationally benchmark our land transaction system service delivery through the World Bank's Doing Business survey. The survey compares how OECD countries perform in terms of delivering regulations that enhance business activity or constrain it.

One aspect of the survey is the number of procedures and time and cost involved for SMEs in registering property.<sup>64</sup> New Zealand has ranked third in this area for the past three years. As our service delivery for land transactions – including registering property – is funded through customer fees, benchmarking performance in this area is one indication of whether we offer a simple, fast, and cost-effective process.

<sup>64</sup> The World Bank assumes a standardised case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute.

### Current cost-effectiveness rating

The table below ranks our 2011 performance against previous years and other countries.

Benchmarking the 'ease of registering' property by an SME	Number of procedures needed	Time needed	Cost of registering a property <sup>65</sup>	Overall ranking for 'ease of registering property'
New Zealand 2005	2	2	0.2%	Not ranked
New Zealand 2010	2	2	0.1%	3
<b>New Zealand 2011</b>	<b>2</b>	<b>2</b>	<b>0.1%</b>	<b>3</b>
<b>OECD 2011</b>	<b>4.8</b>	<b>32.7</b>	<b>4.4%</b>	
Singapore 2011 <sup>66</sup>	3	5	2.8%	15
Hong Kong SAR, China 2011 <sup>66</sup>	5	36	4.2%	56
Saudi Arabia 2011 <sup>67</sup>	2	2	0.0%	1
Australia 2011	5	5	5.0%	35
United Kingdom 2011	2	8	4.1%	22
United States 2011	4	12	0.5%	12

### Our property rights regulation

LINZ will track the ongoing cost-effectiveness of our property rights system by monitoring the costs of administering and regulating the land titles register,<sup>68</sup> and our effectiveness at providing:

- certainty for property rights to New Zealanders, and
- a minimised financial risk to the Crown, which provides a State guarantee of title for property owners.

#### What we will measure

We will track compensation payments and Crown Law Office legal fees paid out under the State guarantee of title due to factors such as staff errors or lost documents.<sup>69</sup> Staff error and lost documents are the areas that most directly relate to the effectiveness of our business systems and controls, and where we will target activities to improve our performance over time.

A number of claims arise annually due to historical errors or documents lost in the period when the land titles system was made up of paper records. Because we are aiming to monitor and improve performance in our now electronic system, we will only include claims (called 'current claims' in the table overleaf) arising since the electronic system became mandatory.

#### When we will measure

LINZ investigates approximately 50 compensation claims annually.<sup>70</sup> However, because one-off claims or compensation payments can significantly decrease or increase results in any one year, we will concentrate on trends over 5-10 years. This will provide us with the most useful picture for determining how to increase our cost-effectiveness.

65 The World Bank records cost 'as a percentage of the property value, assumed to be equivalent to 50 times income per capita'.

66 Singapore and Hong Kong SAR, China ranked first and second respectively for overall ease of doing business.

67 Saudi Arabia ranked first for ease of registering property.

68 LINZ's overall property rights system is made up of the electronic land titles register and the digital cadastre. This measure focuses on titles (the record of people's property rights).

69 LINZ will also include compensation and legal fees paid out if registration of post-settlement documents is prevented by the intervention of an instrument missing from our electronic system at the pre-settlement stage.

70 The average for 2004/05 to 2009/10 was 48.5 claims, both historical and current.

# Improving our organisational performance continued...

	Snapshot as at 2009/10
The amount of net housing assets owned by New Zealanders in 2006 <sup>71</sup>	\$325b
The approximate cost of administering and regulating the land titles register in 2009/10 <sup>72</sup>	\$31m
Number of current compensation claims administered	12
Compensation paid out for current claims <sup>73</sup>	\$23,667.18
Legal fees paid out to the Crown Law Office for current claims <sup>74</sup>	\$116,423.47

## Our administration and support services

LINZ aims to increase the effectiveness and efficiency of our administration and support services over the next three years. We are taking part in the BASS cross-government initiative, which has benchmarked our costs (efficiencies) and management practices (effectiveness) against other public service agencies.

At a high level, with the exception of IT and property services, LINZ was in line with median results for the agencies in the Natural Resources Sector Network.

When compared to the median for public services generally, we were benchmarked as higher in all the administration and support services areas. We are seeking to improve our performance over the next three years by focusing on the priority areas of IT services, financial management, and accommodation costs.

### IT

Because LINZ relies heavily on technology to help deliver our services, IT is a significant proportion (74%) of our overall administrative and support service costs. As noted on page 33, LINZ has implemented a new IT structure and single supplier contract, which will reduce our costs by 7% in 2011/12 and 11% in out-years.

The IT baseline is approximately \$27 million. We anticipate annual savings of between \$2 million and \$3 million per annum for five years.

IT Review	2010/11 (baseline)	2011/12	2012/13	Ongoing to 2015/16
Annual IT baseline	\$27m	\$25m	\$24m	\$24m
Annual baseline saving	\$0	\$2m	\$3m	\$3m
Annual baseline saving (%)		7%	11%	11%

### Financial management

LINZ is implementing a new financial management information system in 2011/12, which will increase the efficiency and effectiveness of our finance team. Across our operations, the new system will also provide real-time cost and activity information to enhance managers' accountability and decision-making, and in turn enable LINZ to more proactively target efficiency improvements in areas such as staffing levels.

The BASS metric results for the finance function highlighted areas for improvement, both in terms of cost and resource effectiveness.

BASS Metric	Baseline	Full realisation of expected efficiencies by 2012/13	Full realisation of estimated savings by 2012/13
Cost of finance function by process	\$1.483m	\$1.383m	\$100,000
Total cost of finance function per organisational FTE	\$3,126 per FTE	Between \$2,700-\$2,800 per FTE	Between \$326- \$426 per FTE

71 'What do New Zealanders own and owe?', 24 May 2010.

72 LINZ collected approximately \$19.3 million in titles revenue in 2009/10. The remainder of the \$31 million was provided through a capital injection.

73 The bulk of the compensation paid was \$22,222.23 for a single case. This illustrates the effects of 'one-off' payments.

74 Crown Law fees include \$109,918 expended in ongoing litigation for two cases which were not settled until 2010/11.

### Wellington accommodation

LINZ is relocating our Wellington office in late 2011. The new premises will reduce our annual costs and improve total office-space usage and square metres allocated to each FTE.

The following metrics have been identified as areas for improvement and the Wellington office relocation will facilitate this improvement.

Metric	Baseline	Full realisation of expected efficiencies by 2012/13	Full realisation of estimated savings by 2012/13
Annual rental saving	\$2.195m	\$1.628m	\$567,000
BASS metric – average square metres (sqm) per workstation	19.20sqm	15.00sqm	4.20sqm

## CAPITAL INTENTIONS

LINZ annually reviews capital expenditure requirements to ensure we are maintaining and developing our capability.

Funding has been set aside in 2011/12 for upgrading our financial information management system, joint development of a Crown property management information system with the Department of Conservation, and relocation of our Wellington office.<sup>75</sup>

LINZ will also review the architectural direction for the Landonline system in 2011/12 to ensure we can continue to provide an effective and efficient system into the future. The system was first designed and built 13 years ago, and while we have been active in maintaining the currency of the system and taking advantage of technology advancements, it is timely to review the application in line with our strategic direction and the needs of our customers.

Capital funding has been ring-fenced for this work in 2012/13 and 2014/15.

We also maintain a programme of prioritised asset replacement within available capital budgets.

Asset categories	2011/12	2012/13	2013/14	2014/15
Leasehold improvements	\$2.8m			
Computer software	\$3.334m	\$4.28m	\$3m	\$10.65m
<b>Total capital</b>	<b>\$6.134m</b>	<b>\$4.28m</b>	<b>\$3m</b>	<b>\$10.65m</b>

<sup>75</sup> See pages 32, 24 and the section above for more information on these projects.



# Our operating environment

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LINZ is presented with both risks and opportunities by the drivers in the environment in which we operate. To ensure that we efficiently deliver our services, react to unexpected developments, achieve the Government's priorities, and take on new opportunities, we monitor changes in the environment, identify risks, and prioritise accordingly.

As noted in our strategic direction section on page 4, three major drivers in our operating environment are the effect that structural change in the property market has had on our revenue, the growth in geospatial technologies, and the Canterbury earthquakes.<sup>76</sup>

Some other key drivers are:

## **The drive for better, smarter public services**

Within the ongoing climate of fiscal constraint, expectations are that agencies will deliver better public services from within existing baselines. Agencies will need to achieve the expected value improvements through coordinating and sharing resources with other agencies, and innovating to create new value (not just cost-efficiencies) within existing baselines. This demands more rigour in assessing the effectiveness of agencies' outputs and how we can deliver results to New Zealanders.

## **Increasing pressures on natural resources**

New Zealand's finite natural resources are under increasing pressure from a complex range of issues and interested parties. LINZ and other agencies that manage natural resources will need to further coordinate our resources and strategies to ensure ongoing sustainability.

In particular, resource-focused drivers for LINZ may include any reform of the Resource Management Act, biosecurity pressures, as well as the increasing demand for dairying in areas such as the Mackenzie Basin and consequent environmental considerations. More widely, the Government focus on fresh water is an area that may impact LINZ, which administers river and lake beds.

## **Cross-government timeframes for Treaty settlements and infrastructure growth**

Settling historic Treaty of Waitangi claims and building infrastructure for growth are key aspects of the Government's agenda. LINZ will need to carefully prioritise resources to meet the complex work and often tight timeframes involved in both areas.

## **Auckland super city**

The new Auckland Council is a local government body of unprecedented size in New Zealand. As an agency looking to increase productivity through using geospatial information, maturing strategic relationships with key people in the new Council will be important to us. Also important will be ensuring our normal operations with local government (such as our regulation of rating valuations) are scalable to the size and timeframes of the Auckland Council.<sup>77</sup>

## **ORGANISATIONAL RISKS AND MITIGATION**

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In line with monitoring our operating environment to assess the drivers within it, LINZ has a formal process for managing organisational risks. This is set out in our risk management policy and framework, which are based on the ISO 31000 Risk Management – Principles and Guidelines.

The framework promotes a 'no surprises' risk aware culture and requires our managers to:

- identify, treat, monitor, and report risks as part of their daily operations and their management of projects, and
- identify and consider opportunities which may enhance our effectiveness.

Our business and regulatory assurance team and the LINZ audit committee provide independent advice to our Chief Executive on the effectiveness of risk management, controls, and governance processes within LINZ.

<sup>76</sup> For more information on these drivers, and our activities in response to them, see pages 32, 17 and 30.

<sup>77</sup> As noted on page 12, the approximately 500,000 revaluations being undertaken for Auckland City this year is three times higher than LINZ has managed before.

The following table links the drivers mentioned on the previous page to key organisational risks and our initiatives for mitigating them.

Drivers	Key risks	Mitigating these risks
Canterbury earthquake	<b>LINZ may be unable to:</b> <ul style="list-style-type: none"> <li>deliver priority projects, such as rebuilding geospatial infrastructure, to tight timeframes.</li> </ul>	<b>LINZ has:</b> <ul style="list-style-type: none"> <li>implemented lessons learned from our response to the first earthquake in September 2010</li> <li>received additional funding for re-surveying work in Canterbury.</li> </ul> <b>LINZ is:</b> <ul style="list-style-type: none"> <li>coordinating a response programme with oversight from our Chief Executive</li> <li>re-prioritising our resources across the organisation</li> <li>working closely with lead agencies for Christchurch recovery and looking for opportunities to further provide our geospatial expertise.</li> </ul>
Growth in geospatial technologies	<b>LINZ may be unable to:</b> <ul style="list-style-type: none"> <li>coordinate and influence enough players in the sector</li> <li>respond to emerging geospatial opportunities.</li> </ul>	<b>LINZ is:</b> <ul style="list-style-type: none"> <li>cementing strong cross-sector relationships through groups such as the Geospatial Executives Group and Spatial Industries Business Association<sup>78</sup></li> <li>implementing a structured stakeholder engagement programme</li> <li>working with agencies to help develop strong business cases for their involvement in developing the SDI</li> <li>developing our leaders' abilities to influence and work collaboratively</li> <li>building our technical competency in geospatial standards and technologies.</li> </ul>
Cross-government initiatives	<b>LINZ may be unable to:</b> <ul style="list-style-type: none"> <li>meet the Treaty Settlements 2014 timeframe.</li> </ul>	<b>LINZ has:</b> <ul style="list-style-type: none"> <li>formalised relationship management structures with the Office of Treaty Settlements and aligned our work programmes</li> <li>continued careful planning to enable us to resource and monitor the level of work required.</li> </ul>
Drive for better, smarter public services	<b>LINZ may be unable to:</b> <ul style="list-style-type: none"> <li>maintain our core service delivery while also looking to develop new activities that will provide value to New Zealand</li> <li>accurately assess our costs and priorities</li> <li>demonstrate the value and effectiveness of our work.</li> </ul>	<b>LINZ has:</b> <ul style="list-style-type: none"> <li>implemented a more cost-effective, strategically aligned IT platform</li> <li>enhanced our outcomes framework to tell a clearer performance story.</li> </ul> <b>LINZ is:</b> <ul style="list-style-type: none"> <li>improving our performance measurement system and planning and financial information management to enhance prioritisation of resources</li> <li>developing capability and service-sharing initiatives in the NRSN</li> <li>implementing a people strategy to increase our organisational 'agility'.</li> </ul>
Increasing pressures on natural resources	<b>LINZ may be unable to:</b> <ul style="list-style-type: none"> <li>fully take advantage of opportunities to coordinate across the natural resources sector.</li> </ul>	<b>LINZ is:</b> <ul style="list-style-type: none"> <li>developing our people's relationship management skills and promoting cross-sector capability development programmes</li> <li>actively engaged (at the Chief Executive and general manager level down) and looking for opportunities to provide our specialist land and geospatial expertise</li> <li>using BASS data to help drive opportunities for sector efficiencies</li> <li>contributing to development of common principles for natural resources management within the NRSN.</li> </ul>
Structural change in the property market	<b>LINZ may be unable to:</b> <ul style="list-style-type: none"> <li>sustainably manage our operations through any ongoing property market volatility.</li> </ul>	<b>LINZ is:</b> <ul style="list-style-type: none"> <li>comprehensively re-working our business model for third-party funded services, with strong governance by our Senior Leadership Team.</li> </ul>
Auckland 'super city'	<b>LINZ may be unable to:</b> <ul style="list-style-type: none"> <li>respond quickly enough to opportunities to assist in strategic planning for Auckland</li> <li>scale our activities (for example regulating rating valuations) to the 'super city' level.</li> </ul>	<b>LINZ is:</b> <ul style="list-style-type: none"> <li>proactively developing relationships in Auckland and opportunities to provide geospatial expertise<sup>79</sup></li> <li>working closely with the Council to manage timeframes for 2011 rating revaluations</li> <li>increasing our capability to work with other local government bodies on similar opportunities.</li> </ul>

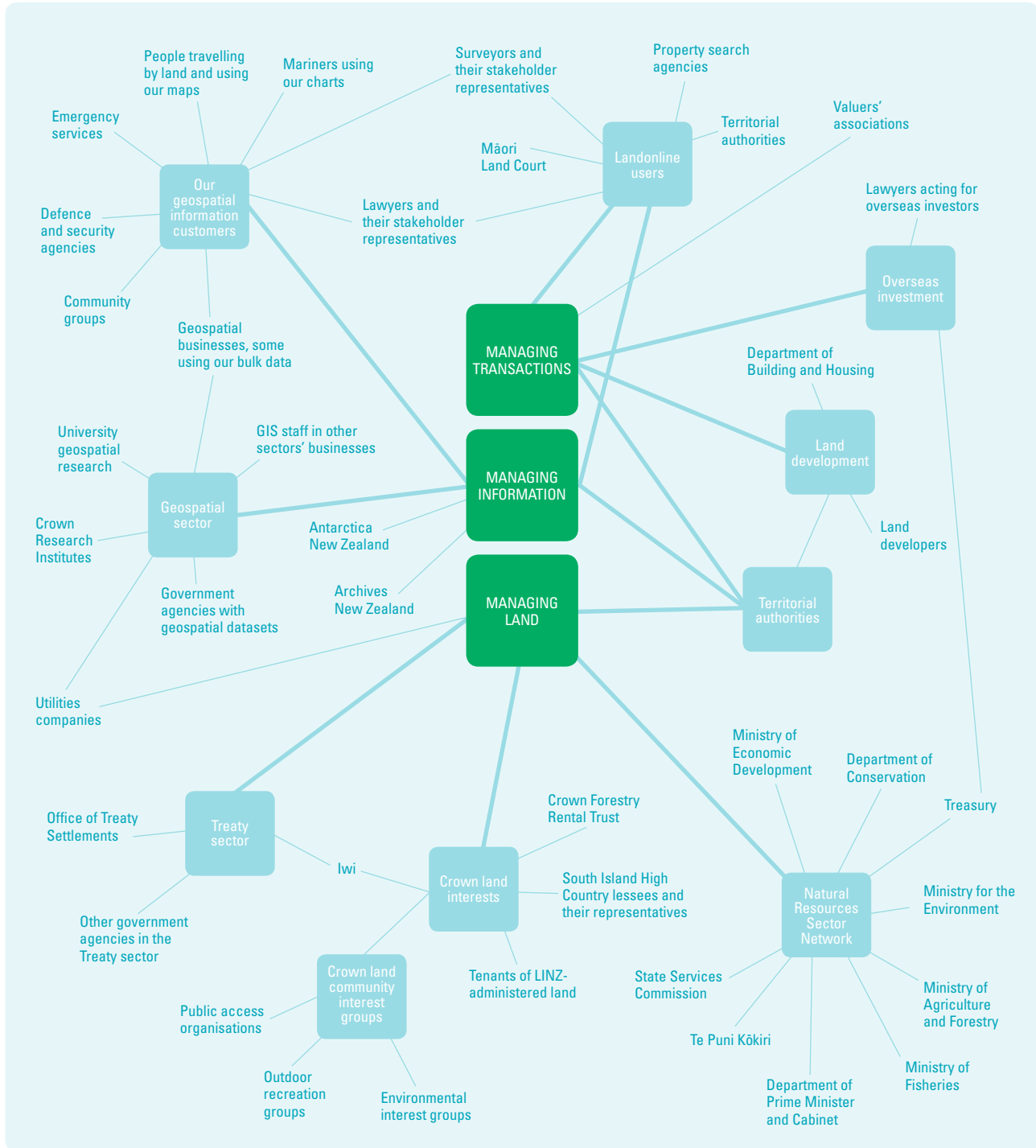
78 The Geospatial Executives Group is responsible for managing the successful delivery of the New Zealand Geospatial Strategy. The GEG represents various sectors and agencies with significant geospatial programmes of work. It is chaired by the Chief Executive of LINZ and is comprised of five government agency Chief Executives, as well as Chair of the Spatial Industries Business Association and the CEO of the New Zealand ICT Group.

79 For example, LINZ has developed an online spatial viewer for supporting central government agencies' input into the Auckland spatial plan. We are in the process of rolling this out, with an anticipated completion by July 2011.

## OUR RELATIONSHIPS

Building and maintaining collaborative relationships with our stakeholders, customers, and other government agencies will be core to our delivering value-for-money services and positive impacts for New Zealand.

The diagram below demonstrates that, in line with the wide range of activities we deliver, LINZ manages a complex web of relationships and often works through complex issues with our many stakeholders.



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## DIRECTORY

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### WELLINGTON OFFICE

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Lambton House  
160 Lambton Quay  
PO Box 5501  
Wellington 6145

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

Web: [www.linz.govt.nz](http://www.linz.govt.nz)  
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[www.newzealand.govt.nz](http://www.newzealand.govt.nz)

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### HAMILTON OFFICE

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Cnr Victoria & Rostrevor Streets  
Private Bag 3028  
Hamilton 3240  
DX GX 10069

Ph: 0800 665 463 (New Zealand callfree only)  
Fax (main): +64 7 858 5488  
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Public services provided:

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

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### CHRISTCHURCH OFFICE

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112 Tuam Street  
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Christchurch 8140  
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Public services provided:

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

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