

Vote Treaty Negotiations

APPROPRIATION MINISTER(S): Minister for Treaty of Waitangi Negotiations (M74)

APPROPRIATION ADMINISTRATOR: Ministry of Justice

RESPONSIBLE MINISTER FOR MINISTRY OF JUSTICE: Minister of Justice

Overview of the Vote

The Minister for Treaty of Waitangi Negotiations is responsible for appropriations in Vote Treaty Negotiations for the 2020/21 financial year covering the following:

- a multi-year appropriation of \$1,400 million for the four-year period 2020 to 2024. This appropriation is for the settlement of historical Treaty of Waitangi claims and provides for the payment of redress through the transfer of assets (cash and property) from the Crown to claimant groups, and for the payment of interest on settlement redress
- a total of over \$39 million for the departmental expenses in settling historical Treaty of Waitangi claims, determining customary interests in marine and coastal areas and implementing settlements of claims
- a total of over \$10 million for financial assistance toward determining customary interests in the marine and coastal area, and
- a total of over \$8 million for claimant funding to support the settlement of historical Treaty claims.

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Treaty Negotiations and Marine and Coastal Area Customary Interests (M74) This appropriation is limited to departmental expenses incurred in settling historical Treaty of Waitangi claims, determining customary interests in marine and coastal areas, and implementing such settlements of claims and determinations of interests.	16,507	16,507	39,086
Total Departmental Output Expenses	16,507	16,507	39,086
Non-Departmental Other Expenses			
Claimant Funding (M74) This appropriation is limited to payment of claimant funding related to the settlement of historical Treaty of Waitangi claims.	13,102	5,000	8,102
Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area (M74) This appropriation is limited to providing financial assistance to applicant groups to investigate their customary interests in the marine and coastal area.	8,680	1,998	10,450
Contribution to Parihaka community engagement with the Crown support package (M74) This appropriation is limited to providing financial support to the Parihaka community to engage in the development and implementation of the Crown support package.	78	-	-
Contribution Toward Determining Customary Interests in the Marine and Coastal Area (M74) This appropriation is limited to providing financial assistance for the investigation of applicant groups' customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011.	2,549	2,549	-
Crown Contribution to Facilitate the Transfer of Landcorp Assets to Ngāti Kahungunu ki Wairarapa Tamaki nui-a-Rua (M74) This appropriation is limited to part payment by the Crown for Landcorp assets being transferred to Ngāti Kahungunu ki Wairarapa Tamaki nui-a-Rua.	2,425	36	-
Specific Redress Arrangements (M74) This appropriation is limited to Crown contributions to support the delivery of redress arrangements in specific circumstances as determined by the Minister for Treaty of Waitangi Negotiations.	15,000	15,000	-
Total Non-Departmental Other Expenses	41,834	24,583	18,552
Multi-Category Expenses and Capital Expenditure			
Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCA (M74) The single overarching purpose of this appropriation is to support the Crown in the negotiation, administration and implementation of historic Treaty of Waitangi settlement claims and the Marine and Coastal Area (Takutai Moana) Act 2011.	22,747	22,747	-
Departmental Output Expenses			
Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act This category is limited to the provision of advice to support decision-making by Ministers on government policy matters relating to Treaty Negotiations and the Marine and Coastal Area (Takutai Moana) Act 2011.	808	808	-

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Representation - Waitangi Tribunal and Courts</i> This category is limited to Crown representation in the Waitangi Tribunal and in the Courts on matters concerning Treaty claims, and associated research into historical Treaty grievances to support representation.	2,241	2,241	-
<i>Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act</i> This category is limited to the negotiation and implementation of historical Treaty claims, and the administration and implementation of the Marine and Coastal Area (Takutai Moana) Act 2011.	19,698	19,698	-
Total Multi-Category Expenses and Capital Expenditure	22,747	22,747	-
Total Annual Appropriations and Forecast Permanent Appropriations	81,088	63,837	57,638

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
Historical Treaty of Waitangi Settlements 2019 - 2023 (M74) This appropriation is limited to the settlement of historical Treaty of Waitangi claims, including redress through the transfer of assets (cash and property) from the Crown to the claimant groups, and any simple interest payable on settlements between the date specified in the Deed of Settlement and the settlement date. Commences: 30 June 2019 Expires: 30 June 2023	Original Appropriation Estimated Actual for 2019/20	1,400,000 350,000
Historical Treaty of Waitangi Settlements 2020 - 2024 (M74) This appropriation is limited to the settlement of historical Treaty of Waitangi claims, including redress through the transfer of assets (cash and property) from the Crown to the claimant groups, and any simple interest payable on settlements between the date specified in the Deed of Settlement and the settlement date. Commences: 30 June 2020 Expires: 30 June 2024	Original Appropriation Estimated Actual for 2019/20	1,400,000 -

Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	81,088	63,837	57,638
Total Forecast MYA Non-Departmental Other Expenses	350,000	350,000	350,000
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	431,088	413,837	407,638

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Specific Redress Arrangements	Specific Redress Arrangements Non-Departmental Other Expenses	15,000	-	-	-	-
Implementation of Marine and Coastal Area Customary Interests	Treaty Negotiations and Marine and Coastal Area Customary Interests Departmental Output Expenses	-	3,640	3,640	3,640	3,640
Continue Momentum to Complete Historical Treaty of Waitangi Settlements	Treaty Negotiations and Marine and Coastal Area Customary Interests Departmental Output Expenses	-	5,000	5,000	-	-
Relativity Mechanism Dispute Resolution	Treaty Negotiations and Marine and Coastal Area Customary Interests Departmental Output Expenses	-	2,500	-	-	-
Maintaining Critical Technology to ensure the Delivery of Justice Services	Treaty Negotiations and Marine and Coastal Area Customary Interests Departmental Output Expenses	-	337	130	132	134
Takutai Moana Financial Assistance: Additional Funding	Contribution Toward Determining Customary Interests in the Marine and Coastal Area Non-Departmental Other Expenses	-	-	-	214	8,557
Total Initiatives		15,000	11,477	8,770	3,986	12,331

1.2 - Trends in the Vote

Summary of Financial Activity

	2015/16	2016/17	2017/18	2018/19	2019/20		2020/21			2021/22	2022/23	2023/24
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	38,162	32,922	33,782	37,090	39,254	39,254	39,086	-	39,086	36,130	31,132	31,134
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	424,846	143,150	265,145	60,100	391,834	374,583	-	368,552	368,552	368,552	363,766	372,109
Capital Expenditure	11,818	-	6,111	2,466	-	-	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	474,826	176,072	305,038	99,656	431,088	413,837	39,086	368,552	407,638	404,682	394,898	403,243
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	9,777	1,024	734	725	708	708	N/A	708	708	708	708	708
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	9,777	1,024	734	725	708	708	N/A	708	708	708	708	708

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

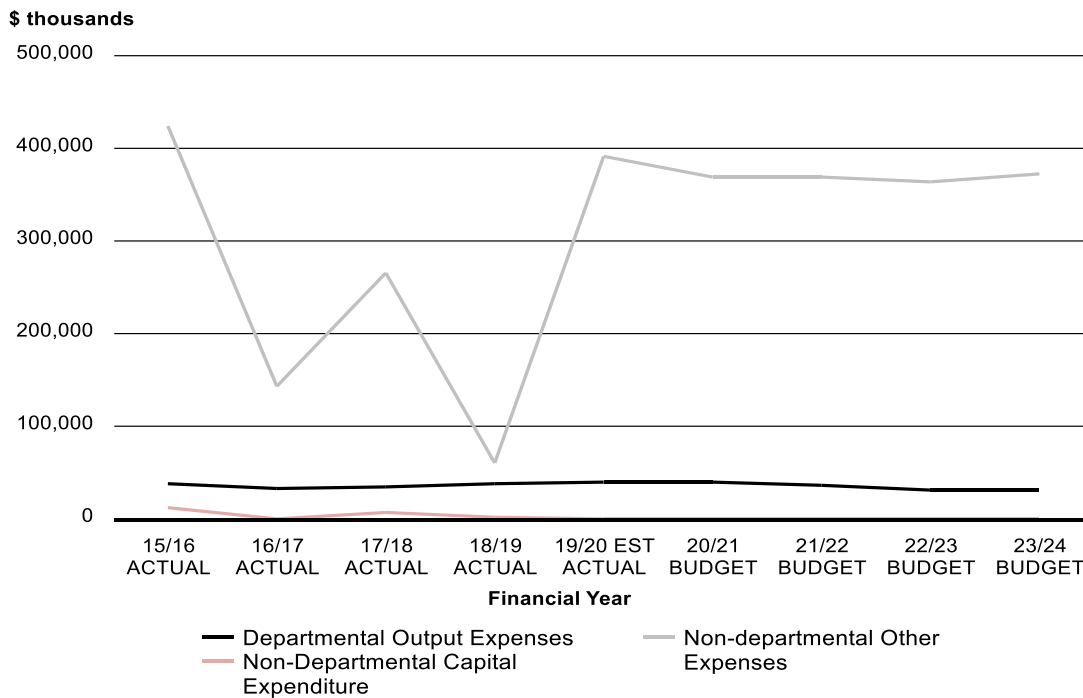
	2015/16 Adjustments \$000	2016/17 Adjustments \$000	2017/18 Adjustments \$000	2018/19 Adjustments \$000	2019/20 Final Budgeted Adjustments \$000	2019/20 Estimated Actual Adjustments \$000
Appropriations						
Output Expenses	29,040	32,922	33,782	37,090	22,747	22,747
Benefits or Related Expenses	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-
Capital Expenditure	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)						
<i>Output Expenses</i>	(29,040)	(32,922)	(33,782)	(37,090)	(22,747)	(22,747)
<i>Other Expenses</i>	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-
Total Appropriations	-	-	-	-	-	-
Crown Revenue and Capital Receipts						
Tax Revenue	-	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-
Total Crown Revenue and Capital Receipts	-	-	-	-	-	-

The prior year information in the Summary of Financial Activity table has been restated to reflect the current Vote structure.

1.3 - Analysis of Significant Trends

Total Vote: All Appropriations

Figure 1 - Vote trends in actual and budgeted expense and capital expenditure by appropriation type



Source: Ministry of Justice

Output Expenses

Output expenses remain fairly consistent over the trend period. Time-limited funding has been approved for 2019/20 and 2020/21 to support the higher than anticipated demand for determining customary interests.

Other Expenses

The fluctuation in Other Expenses primarily reflects the size and timing of Treaty Settlements under Historical Treaty of Waitangi Settlements multi-year appropriation, which varies as each negotiation progresses through key milestones over the full course of the negotiation.

Non-Tax Revenue and Capital Expenditure

Prior to 2016/17 the Ministry administered the Landbank purchases, and maintenance of properties and received rental income. This activity was transferred to Land Information New Zealand from 1 July 2016. The non-tax revenue from 2017/18 relates to interest received from lending to implement the Ngāti Whātua Ōrākei Deed of Settlement.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Treaty Negotiations and Marine and Coastal Area Customary Interests (M74)

Scope of Appropriation

This appropriation is limited to departmental expenses incurred in settling historical Treaty of Waitangi claims, determining customary interests in marine and coastal areas, and implementing such settlements of claims and determinations of interests.

Expenses and Revenue

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	16,507	16,507	39,086
Revenue from the Crown	16,507	16,507	38,705
Revenue from Others	-	-	381

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Treaty Negotiations: Multi-Category Expenses and Capital Expenditure: Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCA	22,747	22,747	-
Total	22,747	22,747	39,086

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve supporting the Crown in the negotiation, administration and implementation of historical Treaty of Waitangi settlement claims and Marine and Coastal Area customary interests.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The satisfaction of the Minister for Treaty of Waitangi Negotiations with progress towards negotiation milestones	At least 8/10	8/10	At least 8/10
The satisfaction of the Minister for Treaty of Waitangi Negotiations with ministerial services, as per the common satisfaction survey	At least 8.5/10	8.5/10	At least 8.5/10
<i>Quality of policy advice</i>			
The satisfaction of the Minister for Treaty of Waitangi Negotiations with the policy advice service, as per the common satisfaction survey	At least 3.5/5	3.5/5	At least 3.5/5
An average score for policy advice papers that are assessed (see Note 1)	3.5/5	3.5/5	3.5/5
Percentage of policy advice papers that are assessed score 3 or higher out of 5 (see Note 1)	80%	80%	80%
Percentage of policy advice papers that are assessed score 4 or higher out of 5 (see Note 1)	40%	40%	40%
Percentage of policy advice papers that are assessed score 2.5 or less out of 5 (see Note 1)	<20%	<20%	<20%
<i>Representation - Waitangi Tribunal and Courts</i>			
The Crown is represented at 100% of current Waitangi Tribunal District inquiries	100%	100%	100%
Number of High Court cases at which the Crown is represented	2	2	5
<i>Treaty Negotiations and the Marine and Coastal Area</i>			
Percentage of settlement date obligations met	100%	100%	100%
Deeds of Mandate signed (see Note 2)	3	3	1
Agreements in Principle signed (see Notes 2 and 3)	1	1	1
Deeds of Settlement initialled (see Notes 2 and 4)	2	2	4
Number of applications in formal engagement processes with the Crown regarding customary interests in the takutai moana	4	4	12
The Crown is represented at 100% of current High Court hearings in relation to takutai moana cases	100%	100%	100%

Note 1 - This indicator provides a standardised score for technical quality reviews of policy advice, which are undertaken by a third- party assessor. The review may include an assessment of clarity, accuracy, analytical rigour, fitness for purpose, and relevance.

Note 2 - The Ministry does not have full control over the achievement of these measures as it is partially reliant on claimant groups undertaking the work required by them to achieve a mandate to negotiate, broadly agree to the Crown's offer and move steadily towards the conclusion of negotiations.

Note 3 - An Agreement in Principle is agreed between the Crown and a claimant group. The document describes the broad outline of a settlement package and is signed by the claimant group and the Minister for Treaty of Waitangi Negotiations.

Note 4 - A Deed of Settlement is the complete, detailed and formal settlement agreement between the Crown and the claimant group.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Justice in its Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Implementation of Marine and Coastal Area Customary Interests	2020/21	-	3,640	3,640	3,640	3,640
Continue Momentum to Complete Historical Treaty of Waitangi Settlements	2020/21	-	5,000	5,000	-	-
Relativity Mechanism Dispute Resolution	2020/21	-	2,500	-	-	-
Maintaining Critical Technology to ensure the Delivery of Justice Services	2020/21	-	337	130	132	134

Reasons for Change in Appropriation

The increase in the appropriation for 2020/21 of \$22.579 million is mainly due to:

- a fiscally neutral adjustment of \$22.747 million from Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCA to simplify the appropriation structure in line with the modernising the public finance system and to reflect a broader legislative mandate, and
- an increase of \$5 million for increased costs related to litigation in the Waitangi Tribunal and High Courts.

This was partially offset by:

- a one-off increase of \$4 million in 2019/20 to support the completion of historical Treaty of Waitangi settlement negotiations, and
- an expense transfer of \$961,000 from 2018/19 to 2019/20 for negotiation costs.

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Claimant Funding (M74)

Scope of Appropriation

This appropriation is limited to payment of claimant funding related to the settlement of historical Treaty of Waitangi claims.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	13,102	5,000	8,102

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve an effective process for providing financial assistance for claimant groups, to achieve durable historical Treaty of Waitangi settlements.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Number of claimant groups (see Note 1)	40	40	40
Percentage of payments made to groups within 10 working days of approval of claim	95%	95%	95%

Note 1 - Claimant groups can lodge an application for funding at any stage of the negotiation and settlement process. The amount of funding they may receive depends on the size of the claimant group and the complexity of the claim.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Treaty of Waitangi Negotiations in a report appended to the Ministry of Justice's Annual Report.

Reasons for Change in Appropriation

The decrease in this appropriation for 2020/21 of \$5 million is due to an expense transfer from 2018/19 to 2019/20 of unused claimant funding.

Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area (M74)

Scope of Appropriation

This appropriation is limited to providing financial assistance to applicant groups to investigate their customary interests in the marine and coastal area.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,680	1,998	10,450

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Treaty Negotiations: Non-Departmental Other Expenses: Contribution Toward Determining Customary Interests in the Marine and Coastal Area	2,549	2,549	-
Total	2,549	2,549	10,450

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve supporting an efficient process for providing financial assistance for the investigation of applicant groups' customary rights in the Marine and Coastal Area.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of funding payments made to groups within 10 days of approval of claim	95%	95%	95%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Treaty of Waitangi Negotiations in a report appended to the Ministry of Justice's Annual Report.

Reasons for Change in Appropriation

The increase in this appropriation for 2020/21 of \$1.770 million is due to a fiscally neutral adjustment of \$2.549 million from the Contribution Toward Determining Customary Interests in the Marine and Coastal Area appropriation to reflect a broader legislative scope.

This was partially offset by an expense transfer of \$779,000 from 2018/19 to 2019/20 to support additional demand for contributions toward determining customary interests.

Historical Treaty of Waitangi Settlements 2019 - 2023 (M74)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Historical Treaty of Waitangi Settlements 2019 - 2023 (M74) This appropriation is limited to the settlement of historical Treaty of Waitangi claims, including redress through the transfer of assets (cash and property) from the Crown to the claimant groups, and any simple interest payable on settlements between the date specified in the Deed of Settlement and the settlement date. Commences: 30 June 2019 Expires: 30 June 2023	Original Appropriation	1,400,000
	Estimated Actual for 2019/20	350,000

A multi-year appropriation for historical Treaty of Waitangi settlements is established each year in the Appropriation (Supplementary Estimates) Act, and the previous multi-year appropriation is revoked. The reason for this change is to ensure there is sufficient legal authority to finalise deeds of settlements negotiated in earlier years and to continue the momentum of settling Treaty of Waitangi claims.

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve durable settlement of historical Treaty of Waitangi claims.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative because this appropriation is solely for the settlement of claims, including redress. Performance information relating to what is intended to be achieved with this expenditure is provided under the Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act multi-category appropriation.

Historical Treaty of Waitangi Settlements 2020 - 2024 (M74)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Historical Treaty of Waitangi Settlements 2020 - 2024 (M74) This appropriation is limited to the settlement of historical Treaty of Waitangi claims, including redress through the transfer of assets (cash and property) from the Crown to the claimant groups, and any simple interest payable on settlements between the date specified in the Deed of Settlement and the settlement date. Commences: 30 June 2020 Expires: 30 June 2024	Original Appropriation	1,400,000
	Estimated Actual for 2019/20	-

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