

# *Vote Conservation*

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APPROPRIATION MINISTER(S): Minister of Conservation (M16), Minister for Treaty of Waitangi Negotiations (M74)

DEPARTMENT ADMINISTERING THE VOTE: Department of Conservation (A4)

RESPONSIBLE MINISTER FOR DEPARTMENT OF CONSERVATION: Minister of Conservation

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>			
<b>Conservation with the Community (M16) (A4)</b> This appropriation is limited to public awareness and educational services, and growing conservation through building partnerships with others, including iwi, councils, community groups, businesses, and individuals.	36,263	10,487	46,750
<b>Crown Contribution to Regional Pest Management (M16) (A4)</b> This appropriation is limited to delivery of services to control weed and animal pests on lands administered by the Department of Conservation to meet statutory good neighbour obligations and negotiated outcomes of regional pest management plans.	3,241	66	3,307
<b>Management of Historic Heritage (M16) (A4)</b> This appropriation is limited to the protection and conservation management of historic heritage.	5,489	2,929	8,418
<b>Management of Natural Heritage (M16) (A4)</b> This appropriation is limited to maintaining, restoring and protecting ecosystems, habitats and species.	380,861	(46,345)	334,516
<b>Management of Recreational Opportunities (M16) (A4)</b> This appropriation is limited to recreational facilities and services, and the management of business concessions.	195,436	(6,797)	188,639
<b>Search and Rescue Activities PLA (M16) (A4)</b> This appropriation is limited to search and rescue activities and services as authorised under Section 9(1) of the Land Transport Management Act 2003.	359	(244)	115
<b>Total Departmental Output Expenses</b>	621,649	(39,904)	581,745
<b>Departmental Other Expenses</b>			
<b>Software as a Service intangible asset derecognition (write-off) (M16) (A4)</b> This appropriation is limited to the derecognition (write-off) of a previously capitalised or planned to be capitalised intangible asset, due to the accounting policy change regarding Software as a Service.	-	10,954	10,954
<b>Total Departmental Other Expenses</b>	-	10,954	10,954
<b>Departmental Capital Expenditure</b>			
<b>Department of Conservation - Capital Expenditure PLA (M16) (A4)</b> This appropriation is limited to the purchase or development of assets by and for the use of the Department of Conservation, as authorised by section 24(1) of the Public Finance Act 1989.	46,137	(2,719)	43,418
<b>Total Departmental Capital Expenditure</b>	46,137	(2,719)	43,418

	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<b>Non-Departmental Output Expenses</b>			
<b>Community Conservation Funds (M16) (A4)</b> This appropriation is limited to grants: for community groups and private landowners to undertake work on public and private land; to provide private land managers with information and advice, or assistance with pest and weed control, fencing and other biodiversity management actions; and to support community biodiversity restoration initiatives.	27,976	(16,236)	11,740
<b>Management Services - Natural and Historic Places (M16) (A4)</b> This appropriation is limited to management services for properties with historical or natural significance, including maintenance work, access for the public and management advice on covenanted properties.	946	-	946
<b>Moutoa Gardens/Pākaitore (M16) (A4)</b> This appropriation is limited to the ongoing management and maintenance of the Moutoa Gardens Reserve.	38	-	38
<b>Total Non-Departmental Output Expenses</b>	28,960	(16,236)	12,724
<b>Non-Departmental Other Expenses</b>			
<b>Administering Bodies of Crown Reserves (M16) (A4)</b> This appropriation is limited to reinstating revenue foregone, to administering bodies under the Reserves Act 1977, as a result of the Tourism Concessions Crown Waiver.	-	150	150
<b>Compensation Payments (M16) (A4)</b> This appropriation is limited to making obligatory compensation payments: when esplanade reserves are created, and upon vesting of coastal marine areas in the Crown.	60	-	60
<b>Correction of Land-holding Records (M16) (A4)</b> This appropriation is limited to losses incurred as a result of correcting departmental land-holding records.	-	5,000	5,000
<b>Depreciation - Crown Property, Plant and Equipment (M16) (A4)</b> This appropriation is limited to the depreciation on Crown property, plant and equipment on Crown land administered by the Department of Conservation.	372	(35)	337
<b>Impairment of Public Conservation Land (M74) (A4)</b> This appropriation is limited to the impairment in value of Public Conservation land to be transferred to iwi as part of Treaty of Waitangi Settlements.	50	1,375	1,425
<b>Loss on Disposal of Crown Property, Plant and Equipment (M16) (A4)</b> This appropriation is limited to losses incurred on the disposal of Crown property, plant and equipment.	2,525	(1,595)	930
<b>Mātauranga Māori Fund (M16) (A4)</b> This appropriation is limited to making grants to support initiatives to protect traditional Māori knowledge relating to NZ's indigenous biodiversity.	874	(320)	554
<b>Payment of Rates on Properties for Concessionaires (M16) (A4)</b> This appropriation is limited to the payment of rates: on reserves; conservation areas that are used for private or commercial purposes; and for services provided by a local authority.	999	100	1,099
<b>Provision for Bad and Doubtful Debts (M16) (A4)</b> This appropriation is limited to the write-off of debts relating to Crown Revenue.	1,000	300	1,300
<b>Subscriptions to International Organisations (M16) (A4)</b> This appropriation is limited to meeting annual subscriptions to international conservation organisations.	450	-	450
<b>Vesting of Reserves (M16) (A4)</b> This appropriation is limited to the costs incurred in vesting Crown reserves in third parties, and Crown contributions towards the purchase of reserves by third parties.	150	4,703	4,853

	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Waikaremoana Lakebed Lease (M16) (A4)</b> This appropriation is limited to payments made under the Lake Waikaremoana Act 1971 for the lease of the lakebed and foreshore for conservation purposes.	241	-	241
<b>Wildlife Institutions Relief Fund (M16) (A4)</b> This appropriation is limited to providing financial support to captive wildlife institutions impacted by COVID-19.	-	847	847
<b>Total Non-Departmental Other Expenses</b>	6,721	10,525	17,246
<b>Non-Departmental Capital Expenditure</b>			
<b>Crown Land Acquisitions (M16) (A4)</b> This appropriation is limited to the purchase of property for the Conservation Estate.	2,000	-	2,000
<b>Purchase and Development of Reserves (M16) (A4)</b> This appropriation is limited to the purchase of conservation land, including the purchase of reserves, and any associated administration costs as provided for under the Reserves Act 1977.	3,600	872	4,472
<b>Total Non-Departmental Capital Expenditure</b>	5,600	872	6,472
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Identification and Implementation of Protection for Natural and Historic Places MCA (M16) (A4)</b> The single overarching purpose of this appropriation is to support protection for natural and historic places. <i>Non-Departmental Output Expenses</i>	33,478	(13,283)	20,195
<i>Legal Protection Queen Elizabeth II National Trust</i> This category is limited to identification and implementation of protection of biodiversity on private land.	5,412	(400)	5,012
<i>Nature Heritage Fund Expenses</i> This category is limited to expenditure incurred on the identification and implementation of protection of indigenous ecosystems on private land.	1,803	(501)	1,302
<i>South Island Landless Natives Act</i> This category is limited to the identification and implementation of protection of indigenous ecosystems in Māori ownership on South Island Landless Natives Act (SILNA) land.	4,495	(4,495)	-
<i>Support for Māori Land</i> This category is limited to the identification and implementation of protection of indigenous ecosystems on Māori land, through Ngā Whenua Rāhui and supporting Māori landowners to preserve and grow nature.	21,768	(11,194)	10,574
<i>Non-Departmental Capital Expenditure</i>			
<i>Nature Heritage Fund Land Purchases</i> This category is limited to land purchases necessary to protect high value indigenous ecosystems on private land.	-	3,307	3,307
<b>Policy Advice, Statutory Planning, and Services to Ministers and Statutory Bodies MCA (M16) (A4)</b> The single overarching purpose of this appropriation is to provide policy advice and other services to Ministers and other parties. <i>Departmental Output Expenses</i>	14,895	3,103	17,998
<i>Policy Advice</i> This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to conservation, including climate change mitigation.	4,147	1,709	5,856
<i>Statutory Planning, Services to Ministers and Statutory Bodies</i> This category is limited to statutory planning and the provision of services to Ministers (other than policy decision making responsibilities) and statutory bodies to enable them to discharge their portfolio and responsibilities.	10,748	1,394	12,142

Titles and Scopes of Appropriations by Appropriation Type	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Provincial Growth Fund - Conservation Projects MCA (M16) (A4)</b> The single overarching purpose of this appropriation is to lift the productivity potential of the regions through conservation-related projects.	9,199	-	9,199
<b>Non-Departmental Other Expenses</b>			
<i>Regional Projects</i> This category is limited to expenses incurred on conservation-related projects that contribute to regional development.	4,589	-	4,589
<b>Non-Departmental Capital Expenditure</b>			
<i>Infrastructure Projects</i> This category is limited to capital expenditure on conservation-related infrastructure projects that contribute to regional development.	4,610	-	4,610
<b>Total Multi-Category Expenses and Capital Expenditure</b>	57,572	(10,180)	47,392
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	766,639	(46,688)	719,951

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Output Expenses</b>		
<b>Predator Free New Zealand (M16) (A4)</b> This appropriation is limited to contributions towards activities aimed at controlling and eradicating mammalian pests in New Zealand by 2050.  Commences: 01 July 2020  Expires: 30 June 2025	Original Appropriation	29,070
	Adjustments to 2020/21	93,169
	Adjustments for 2021/22	500
	Adjusted Appropriation	122,739
	Actual to 2020/21 Year End	22,343
	Estimated Actual for 2021/22	37,178
	Estimate for 2022/23	27,187
	Estimated Appropriation Remaining	36,031

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

	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	766,639	(46,688)	719,951
Total Forecast MYA Non-Departmental Output Expenses	33,125	4,053	37,178
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>799,764</b>	<b>(42,635)</b>	<b>757,129</b>

## Capital Injection Authorisations

	2021/22		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Department of Conservation - Capital Injection (M16) (A4)	35,406	37,092	72,498

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2021/22				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	683,734	(39,904)	(12,183)	(52,087)	631,647
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	6,721	10,954	10,525	21,479	28,200
Capital Expenditure	51,737	(2,719)	872	(1,847)	49,890
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	48,373	3,103	(16,590)	(13,487)	34,886
<i>Other Expenses</i>	4,589	-	-	-	4,589
<i>Capital Expenditure</i>	4,610	N/A	3,307	3,307	7,917
<b>Total Appropriations</b>	799,764	(28,566)	(14,069)	(42,635)	757,129
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	28,269	N/A	(18,249)	(18,249)	10,020
Capital Receipts	3,800	N/A	-	-	3,800
<b>Total Crown Revenue and Capital Receipts</b>	32,069	N/A	(18,249)	(18,249)	13,820

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Conservation with the Community (M16) (A4)

##### *Scope of Appropriation*

This appropriation is limited to public awareness and educational services, and growing conservation through building partnerships with others, including iwi, councils, community groups, businesses, and individuals.

##### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	36,263	10,487	46,750
Revenue from the Crown	34,683	7,227	41,910
Revenue from Others	1,580	3,260	4,840

##### *Reasons for Change in Appropriation*

This appropriation increased by \$10.487 million to \$46.750 million for 2021/22 due to:

- a fiscally neutral adjustment of \$5.200 million from Management of Recreational Opportunities Departmental output expenses in 2021/22 to realign budgets with work plans, based on forecast expenditure (increase)
- an increase in third party revenue forecast due to an increase in third party contributions to work programmes of \$3.260 million (increase)
- a fiscally neutral adjustment of \$2.109 million to reclassify the current year's software as a service expenditure from capital to operating expenditure (increase)
- additional funding of \$75,000 received for the passenger vehicle electrification project (increase)
- a capital to operating swap of \$74,000 to contribute towards operating cost increases (increase)

offset by:

- net expense transfers of \$231,000 to 2022/23 as a result of delays in consultation with stakeholders on conservation projects (decrease).

## Crown Contribution to Regional Pest Management (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to delivery of services to control weed and animal pests on lands administered by the Department of Conservation to meet statutory good neighbour obligations and negotiated outcomes of regional pest management plans.

### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,241	66	3,307
Revenue from the Crown	3,212	66	3,278
Revenue from Others	29	-	29

### *Reasons for Change in Appropriation*

This appropriation increased by \$66,000 to \$3.307 million for 2021/22 due to a fiscally neutral adjustment of \$66,000 to reclassify the current year's software as a service expenditure from capital to operating expenditure (increase).

## Management of Historic Heritage (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to the protection and conservation management of historic heritage.

### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	5,489	2,929	8,418
Revenue from the Crown	5,413	2,929	8,342
Revenue from Others	76	-	76

### *Reasons for Change in Appropriation*

This appropriation increased by \$2.929 million to \$8.418 million for 2021/22 due to:

- capital to operating swap of \$1.733 million, for the Tohu Whenua cultural heritage programme, to upgrade heritage assets (increase)
- a fiscally neutral adjustment of \$800,000 from Management of Recreational Opportunities Departmental output expenses in 2021/22 to realign budgets with work plans, based on forecast expenditure (increase)
- a fiscally neutral adjustment of \$369,000 to reclassify the current year's software as a service expenditure from capital to operating expenditure (increase)
- additional funding of \$14,000 received for the passenger vehicle electrification project (increase)
- a capital to operating swap of \$13,000 to contribute towards operating cost increases (increase).

### **Management of Natural Heritage (M16) (A4)**

#### *Scope of Appropriation*

This appropriation is limited to maintaining, restoring and protecting ecosystems, habitats and species.

#### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	380,861	(46,345)	334,516
Revenue from the Crown	355,902	(46,345)	309,557
Revenue from Others	24,959	-	24,959

### *Reasons for Change in Appropriation*

This appropriation decreased by \$46.345 million to \$334.516 million for 2021/22 due to:

- a fiscally neutral transfer of \$56.783 million from 2021/22 to 2022/23, 2023/24 and 2024/25 to re-phase the Jobs for Nature programme to align funding with the timing of outgoing expenditure (decrease)
- a fiscally neutral transfer from 2021/22 to 2022/23 of \$22.300 million required to re-phase current International Visitors Levy (IVL) appropriations in line with committed approved project timeframes (decrease)
- a reduction in funding of \$13.300 million for the installation of on-board cameras across the onshore fishing fleet (decrease)
- a fiscally neutral adjustment of \$4.314 million to the Community Conservation Funds Non-Departmental output expense appropriation as community groups that support the Jobs for Nature programme have been set up as trusts (decrease)

- a fiscally neutral adjustment of \$370,000 to the Management of Recreational Opportunities Departmental output expense appropriation for the reallocation of funds for projects funded by the International Visitor Levy (decrease)
- a fiscally neutral adjustment of \$200,000 to the Predator Free New Zealand MYA to restate the MYA to the correct amount (decrease)
- a fiscally neutral adjustment of \$120,000 to the Community Conservation Funds Non-Departmental output expense appropriation to re-align budgets with work plans, based on forecast expenditure (decrease)

offset by:

- net expense transfers of \$35.302 million from 2020/21 as a result of delays in engaging with third parties (increase)
- a fiscally neutral adjustment of \$9.873 million to reclassify the current year's software as a service expenditure from capital to operating expenditure (increase)
- additional funding of \$3.878 million for the Conservation Services Programme, based on conservation services levies collected through the Ministry for Primary Industries in accordance with the Fisheries Act 1996 (increase)
- additional funding of \$849,000 received from mining compensation revenue from a third party (increase)
- a capital to operating swap of \$477,000 to contribute towards operating cost increases (increase)
- additional funding of \$335,000 received for the passenger vehicle electrification project (increase)
- a fiscally neutral adjustment of \$328,000 from Identification and Implementation of Protection for Natural and Historic Places MCA (Nature Heritage Fund expenses category) for fencing on land purchases (increase).

## Management of Recreational Opportunities (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to recreational facilities and services, and the management of business concessions.

### *Expenses and Revenue*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	195,436	(6,797)	188,639
Revenue from the Crown	161,124	(6,797)	154,327
Revenue from Others	32,312	-	32,312

### *Reasons for Change in Appropriation*

This appropriation decreased by \$6.797 million to \$188.639 million for 2021/22 due to:

- a reduction in funding of \$19.228 million, as Crown concessions revenue in 2020/21 was underachieved by this amount due to fee waivers applied and reduced activity in the tourism sector; this has resulted in the equivalent reduction in Department funding in 2021/22 (decrease)
- an expense transfer of \$13.100 million to 2022/23 due to delays in progressing the Milford Opportunities Project (decrease)
- fiscally neutral adjustments of \$7 million to other Departmental output expenses in 2021/22 to realign budgets with work plans, based on forecast expenditure (decrease)
- a fiscally neutral transfer of \$150,000 to Administering Bodies of Crown Reserves Non-Departmental other expenses for reinstating revenue foregone to administering bodies under the Reserves Act 1977, as a result of the Tourism Concessions Crown Fee Waiver (decrease)
- a reduction in capital charge of \$62,000 relating to the capital to operating swap for the Tohu Whenua cultural heritage programme (decrease)

offset by:

- increased funding of \$15 million relating to the Milford Opportunities Project (increase)
- a fiscally neutral adjustment of \$6.917 million to reclassify the current year's software as a service expenditure from capital to operating expenditure (increase)
- net expense transfers from 2020/21 of \$6.595 million relating to International Visitor levy (IVL) funded projects; the majority of this transfer was driven by a need to preserve ring-fenced IVL revenue to be allocated to projects (increase)
- a capital to operating swap of \$2.360 million, to contribute towards operating cost increases (increase)
- a capital charge adjustment of \$1.233 million on asset revaluations (increase)
- a fiscally neutral adjustment of \$370,000 from the Management of Natural Heritage Departmental output expense appropriation for the reallocation of funds for projects funded by the International Visitor Levy (increase)
- additional funding of \$233,000 received for the passenger vehicle electrification project (increase)
- a fiscally neutral adjustment of \$35,000 from the Depreciation on Crown Property, Plant and Equipment Non-Departmental other expenses appropriation to enable a redistribution of Southern South Island flood recovery funding, to realign budgets with work plans (increase).

## Search and Rescue Activities PLA (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to search and rescue activities and services as authorised under Section 9(1) of the Land Transport Management Act 2003.

### *Reasons for Change in Appropriation*

This appropriation decreased by \$244,000 to \$115,000 for 2021/22 due to:

- an expense transfer of \$251,000 to 2022/23, as discussions with NZ Search and Rescue to establish and develop a Land Safety Forum and strategic plan were delayed due to operational availability (decrease)

offset by:

- a fiscally neutral adjustment of \$7,000 to reclassify the current year's software as a service expenditure from capital to operating expenditure (increase).

## 2.2 - Departmental Other Expenses

### Software as a Service intangible asset derecognition (write-off) (M16) (A4)

#### *Scope of Appropriation*

This appropriation is limited to the derecognition (write-off) of a previously capitalised or planned to be capitalised intangible asset, due to the accounting policy change regarding Software as a Service.

#### *Expenses*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	10,954	10,954

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the derecognition (write-off) of a previously capitalised or planned to be capitalised intangible asset, due to the accounting policy change regarding Software as a Service.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2021/22		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
The planned write off of previously capitalised or planned to be capitalised intangible assets is completed.	n/a	Meets	Meets

#### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of Conservation in the Annual report.

#### *Reasons for Change in Appropriation*

The increase in this appropriation is due to a retrospective adjustment of \$10.954 million required in 2021/22 to write off previously capitalised costs (increase).

## 2.3 - Departmental Capital Expenditure and Capital Injections

### Department of Conservation - Capital Expenditure PLA (M16) (A4)

#### *Scope of Appropriation*

This appropriation is limited to the purchase or development of assets by and for the use of the Department of Conservation, as authorised by section 24(1) of the Public Finance Act 1989.

#### *Capital Expenditure*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	38,137	2,426	40,563
Intangibles	8,000	(5,145)	2,855
Other	-	-	-
<b>Total Appropriation</b>	<b>46,137</b>	<b>(2,719)</b>	<b>43,418</b>

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$2.719 million to \$43.418 million for 2021/22 due to:

- a fiscally neutral adjustment of \$20.145 million to reclassify the current year's software expenditure from capital to operating expenditure (decrease)
- a capital to operating swap of \$2.467 million for the Tohu Whenua cultural heritage programme (decrease)

offset by:

- an increase in forecasted expenditure of \$17 million to upgrade the Department's financial planning, management and reporting systems (increase)
- a transfer of funding of \$2.893 million from Vote Business, Science and Innovation for the Taranaki Crossing upgrade project (increase).

## Capital Injections and Movements in Departmental Net Assets

### Department of Conservation

Details of Net Asset Schedule	2021/22 Main Estimates Projections \$000	2021/22 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2021/22
Opening Balance	799,842	754,745	Supplementary Estimates opening balance reflects the audited results as at 30 June 2021.
Capital Injections	35,406	72,498	Capital injections increased by \$37.092 million to \$72.498 million for 2021/22 due to capital transfers from 2020/21 of \$70.908 million (see Note 1 below) due to unexpected delays in consultation with third parties and other externally driven delays (increase), additional funding of \$5.127 million for the passenger vehicle electrification project (increase), and a transfer of funding of \$2.893 million from Vote Business, Science and Innovation for the Taranaki Crossing upgrade project (increase). These increases were offset by a capital to operating swap of \$39.369 million to contribute towards operating cost increases from the capital expenditure programme (decrease) and a capital to operating swap of \$2.467 million for the Tohu Whenua cultural heritage programme (decrease).
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	(2,000)	(2,000)	Forecasted deficit.
Other Movements	-	(10,954)	
<b>Closing Balance</b>	<b>833,248</b>	<b>814,289</b>	

Note 1 - Capital transfer of \$70.908 million is made up of the following: Tourism Infrastructure Maintenance \$21.333 million, Provincial Growth Fund projects \$14.639 million, Tourism Infrastructure New Walks \$10.290 million, Visitor Infrastructure Assets \$9.432 million, Land Tenure Donated Assets \$5.120 million, Pike River Memorial \$3.989 million, Kauri Dieback \$3.309 million, and Southern South Island Flood Recovery \$2.796 million.

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

#### Community Conservation Funds (M16) (A4)

##### *Scope of Appropriation*

This appropriation is limited to grants: for community groups and private landowners to undertake work on public and private land; to provide private land managers with information and advice, or assistance with pest and weed control, fencing and other biodiversity management actions; and to support community biodiversity restoration initiatives.

##### *Reasons for Change in Appropriation*

This appropriation decreased by \$16.236 million to \$11.740 million for 2021/22 due to:

- net expense transfers of \$11.431 million to 2022/23 due to delays owing to private landowner/community group involvement in projects, volunteer availability to complete project setup and implementation and unfavourable weather events impacting seasonal planting and pest management cycles (decrease)
- a fiscally neutral transfer of \$9.539 million from 2021/22 to 2022/23, 2023/24 and 2024/25 to re-phase the Jobs for Nature programme to align funding with the timing of outgoing expenditure (decrease)

offset by:

- a fiscally neutral adjustment of \$4.314 million from the Management of Natural Heritage Departmental output expense appropriation as community groups that support the Jobs for Nature programme have been set up as trusts (increase)
- additional funding of \$300,000 received for programmes in celebration of the Queen's jubilee (increase)
- a fiscally neutral adjustment of \$120,000 from the Management of Natural Heritage Departmental output expense appropriation for Jobs for Nature to realign budgets with work plans, based on forecast expenditure (increase).

## Predator Free New Zealand (M16) (A4)

### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Predator Free New Zealand (M16) (A4)</b> This appropriation is limited to contributions towards activities aimed at controlling and eradicating mammalian pests in New Zealand by 2050.  Commences: 01 July 2020  Expires: 30 June 2025	Original Appropriation	29,070
	Adjustments to 2020/21	93,169
	Adjustments for 2021/22	500
	Adjusted Appropriation	122,739
	Actual to 2020/21 Year End	22,343
	Estimated Actual for 2021/22	37,178
	Estimate for 2022/23	27,187
	Estimated Appropriation Remaining	36,031

### *Reasons for Change in Appropriation*

This multi-year appropriation increased by \$500,000 to \$122.739 million in 2021/22 due a fiscally neutral adjustment of \$500,000 from the Management of Natural Heritage Departmental output expense appropriation to restate the MYA to the correct amount.

## 3.4 - Non-Departmental Other Expenses

### Administering Bodies of Crown Reserves (M16) (A4)

#### *Scope of Appropriation*

This appropriation is limited to reinstating revenue foregone, to administering bodies under the Reserves Act 1977, as a result of the Tourism Concessions Crown Waiver.

#### *Expenses*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	150	150

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide funding to administering bodies of Crown reserves to offset costs incurred associated to the preservation of the reserves they administer during the COVID-19 Tourism concessions Crown waiver period.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under s15D(2)(b)(iii) of the PFA, as the amount is less than \$5 million.

#### *Service Providers*

Provider	2021/22			Expiry of Resourcing Commitment
	Estimates \$000	Supplementary Estimates \$000	Total \$000	
Administering Bodies of Crown Reserves	-	150	150	30 June 2022

#### *Reasons for Change in Appropriation*

This appropriation increased by \$150,000 to \$150,000 for 2021/22 due to a fiscally neutral transfer from the Management of Recreational Opportunities Departmental output expense appropriation, for reinstating revenue foregone to administering bodies under the Reserves Act 1977, as a result of the Tourism Concessions Crown Fee Waiver.

## Correction of Land-holding Records (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to losses incurred as a result of correcting departmental land-holding records.

### *Expenses*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	5,000	5,000

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve write-offs incurred as a result of correcting departmental land-holding records.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2021/22		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
The number of land-holding records corrected during the year.	-	1-10	1-10

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Conservation in the Vote Conservation Non-Departmental Appropriations report.

### *Reasons for Change in Appropriation*

This is a new appropriation for 2021/22 only, to provide for a number of write-offs incurred as a result of correcting departmental land-holding records.

## Depreciation - Crown Property, Plant and Equipment (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to the depreciation on Crown property, plant and equipment on Crown land administered by the Department of Conservation.

### *Reasons for Change in Appropriation*

This appropriation decreased by \$35,000 to \$337,000 for 2021/22 due to a fiscally neutral adjustment of \$35,000 to the Management of Recreational Opportunities Departmental output expenses appropriation to enable a redistribution of Southern South Island flood recovery funding, to realign budgets with work plans.

## Impairment of Public Conservation Land (M74) (A4)

### *Scope of Appropriation*

This appropriation is limited to the impairment in value of Public Conservation land to be transferred to iwi as part of Treaty of Waitangi Settlements.

### *Reasons for Change in Appropriation*

This appropriation increased by \$1.375 million to \$1.425 million in 2021/22 due to an expense transfer of \$1.375 million from 2020/21, as a result of the timing of the write-down of land subject to Treaty settlements.

## Loss on Disposal of Crown Property, Plant and Equipment (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to losses incurred on the disposal of Crown property, plant and equipment.

### *Reasons for Change in Appropriation*

This appropriation decreased by \$1.595 million to \$930,000 for 2021/22 due to:

- an expense transfer of \$1.925 million to 2022/23 pending enactment of Waitangi Endowment Forest legislation (decrease)

offset by:

- expense transfers of \$330,000 from 2020/21 to 2021/22 relating to disposals of various parcels of land that did not take place, due to delays in consultation (increase).

## Mātauranga Māori Fund (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to making grants to support initiatives to protect traditional Māori knowledge relating to NZ's indigenous biodiversity.

### *Reasons for Change in Appropriation*

This appropriation decreased by \$320,000 to \$554,000 for 2021/22 due to:

- reallocation of funding of \$1.090 million from 2021/22 to 2022/23 and all outyears to 2031/32, to align with the timing of future expenditure (decrease)

offset by;

- expense transfers of \$770,000 from 2020/21 to 2021/22 resulting from delays in finalising third party arrangements (increase).

## Payment of Rates on Properties for Concessionaires (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to the payment of rates: on reserves; conservation areas that are used for private or commercial purposes; and for services provided by a local authority.

### *Reasons for Change in Appropriation*

This appropriation increased by \$100,000 to \$1.099 million for 2021/22 due to the movement of rating valuations and for rates on new properties.

## Provision for Bad and Doubtful Debts (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to the write-off of debts relating to Crown Revenue.

### *Reasons for Change in Appropriation*

This appropriation increased by \$300,000 to \$1.300 million for 2021/22 due to increased possible debtor write offs; provisioning for further impact of COVID-19 on tourism related businesses.

## Vesting of Reserves (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to the costs incurred in vesting Crown reserves in third parties, and Crown contributions towards the purchase of reserves by third parties.

### *Reasons for Change in Appropriation*

This appropriation increased by \$4.703 million to \$4.853 million for 2021/22 due to:

- net expense transfers of \$3.370 million from 2020/21 due to the unplanned delays of planned vestings (increase)
- additional land parcels valued at \$1.333 million identified for vesting to third parties (increase).

## Wildlife Institutions Relief Fund (M16) (A4)

### *Scope of Appropriation*

This appropriation is limited to providing financial support to captive wildlife institutions impacted by COVID-19.

### *Expenses*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	847	847

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the prevention of closure of captive wildlife institutions that play a pivotal role in the recovery of New Zealand's threatened species.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2021/22		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
The number of wildlife institutions assisted during the year.	-	45-50	45-50

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Conservation in the Vote Conservation Non-Departmental Appropriations report.

### *Service Providers*

Provider	2021/22			Expiry of Resourcing Commitment
	Estimates \$000	Supplementary Estimates \$000	Total \$000	
Wildlife Institutions	-	847	847	30 June 2022

### *Reasons for Change in Appropriation*

This appropriation increased by \$847,000 to \$847,000 for 2021/22 due to expense transfers from 2020/21 to 2021/22 relating to delays in finalising relief grants.

## 3.5 - Non-Departmental Capital Expenditure

### Purchase and Development of Reserves (M16) (A4)

#### *Scope of Appropriation*

This appropriation is limited to the purchase of conservation land, including the purchase of reserves, and any associated administration costs as provided for under the Reserves Act 1977.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$872,000 to \$4.472 million for 2021/22 due to:

- the Reserve Trust balance brought forward to 2021/22 only. The Reserve Trust bank account is funded by the disposal of reserves and is available for the purchase and development of reserves only when required; the amount brought forward was \$2.672 million (increase)

offset by:

- capital expenditure transfer of \$1.800 million to 2022/23 as not all funds in the bank account will be spent in 2021/22 (decrease).

# Part 4 - Details of Multi-Category Expenses and Capital Expenditure

## 4 - Multi-Category Expenses and Capital Expenditure

### Identification and Implementation of Protection for Natural and Historic Places (M16) (A4)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to support protection for natural and historic places.

#### *Scope of Appropriation*

##### **Non-Departmental Output Expenses**

###### *Legal Protection Queen Elizabeth II National Trust*

This category is limited to identification and implementation of protection of biodiversity on private land.

###### *Nature Heritage Fund Expenses*

This category is limited to expenditure incurred on the identification and implementation of protection of indigenous ecosystems on private land.

###### *South Island Landless Natives Act*

This category is limited to the identification and implementation of protection of indigenous ecosystems in Māori ownership on South Island Landless Natives Act (SILNA) land.

###### *Support for Māori Land*

This category is limited to the identification and implementation of protection of indigenous ecosystems on Māori land, through Ngā Whenua Rāhui and supporting Māori landowners to preserve and grow nature.

##### **Non-Departmental Capital Expenditure**

###### *Nature Heritage Fund Land Purchases*

This category is limited to land purchases necessary to protect high value indigenous ecosystems on private land.

#### *Expenses, Revenue and Capital Expenditure*

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>33,478</b>	<b>(13,283)</b>	<b>20,195</b>
<b>Non-Departmental Output Expenses</b>			
Legal Protection Queen Elizabeth II National Trust	5,412	(400)	5,012
Nature Heritage Fund Expenses	1,803	(501)	1,302
South Island Landless Natives Act	4,495	(4,495)	-
Support for Māori Land	21,768	(11,194)	10,574
<b>Non-Departmental Capital Expenditure</b>			
Nature Heritage Fund Land Purchases	-	3,307	3,307

### *Reasons for Change in Appropriation*

This appropriation decreased by \$13.283 million to \$20.195 million for 2021/22 due to:

- Support for Māori Land fiscally neutral adjustment of \$15.489 million from 2021/22 to 2022/23, 2023/24 and 2024/25 to re-phase the Jobs for Nature programme to align funding with the timing of outgoing expenditure (decrease)
- Support for Māori Land fiscally neutral adjustment of \$7.629 million from 2021/22 to 2022/23 and the outyears to 2030/31 to align other funding with planned work programmes (decrease)
- South Island Landless Natives Act expense transfers of \$4.495 million from 2021/22 to 2022/23 due to delays awaiting SILNA owners' agreement to offers made by DOC (decrease)
- Nature Heritage Fund expenses fiscally neutral adjustment of \$2.604 million to Nature Heritage Fund Land Purchases category for land purchases (decrease)
- Legal Protection Queen Elizabeth II National Trust fiscally neutral adjustment of \$1.400 million from 2021/22 to 2022/23 and 2024/25 to re-phase the Jobs for Nature programme to align funding with the timing of outgoing expenditure (decrease)
- Nature Heritage Fund expenses fiscally neutral adjustment \$328,000 to Management of Natural Heritage Departmental output expense appropriation, for fencing on land purchases (decrease)

offset by:

- Support for Māori Land expense transfers of \$11.924 million from 2020/21 to 2021/22 due to delays in negotiations with third parties, contractor availability and difficulty accessing challenging terrain, and delays due to complexities in engaging with land trusts of multiple-owned private land (increase)
- Nature Heritage Fund Land Purchases neutral adjustment of \$2.604 million from Nature Heritage Fund expenses for land purchases (increase)
- Nature Heritage Fund expenses net expense transfers of \$2.431 million from 2020/21 to 2021/22 due to unanticipated delays, including awaiting survey completion, delays in negotiations with third parties, contractor availability and seasonal timing (increase)
- Legal Protection Queen Elizabeth II National Trust expense transfers of \$1 million from 2020/21 to 2021/22 due to unplanned delays in approving the service description proposal with the Trust (increase)
- Nature Heritage Fund Land Purchases capital transfer of \$703,000 from 2020/21 to 2021/22 due to delays in settlement of a land purchase arrangement (increase).

## Policy Advice, Statutory Planning, and Services to Ministers and Statutory Bodies (M16) (A4)

### Overarching Purpose Statement

The single overarching purpose of this appropriation is to provide policy advice and other services to Ministers and other parties.

### Scope of Appropriation

#### Departmental Output Expenses

##### Policy Advice

This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to conservation, including climate change mitigation.

##### Statutory Planning, Services to Ministers and Statutory Bodies

This category is limited to statutory planning and the provision of services to Ministers (other than policy decision making responsibilities) and statutory bodies to enable them to discharge their portfolio and responsibilities.

### Expenses, Revenue and Capital Expenditure

	2021/22		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>14,895</b>	<b>3,103</b>	<b>17,998</b>
<b>Departmental Output Expenses</b>			
Policy Advice	4,147	1,709	5,856
Statutory Planning, Services to Ministers and Statutory Bodies	10,748	1,394	12,142
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>14,800</b>	<b>3,103</b>	<b>17,903</b>
Policy Advice	4,127	1,709	5,836
Statutory Planning, Services to Ministers and Statutory Bodies	10,673	1,394	12,067
<b>Revenue from Others</b>	<b>95</b>	<b>-</b>	<b>95</b>
Policy Advice	20	-	20
Statutory Planning, Services to Ministers and Statutory Bodies	75	-	75

### Reasons for Change in Appropriation

This appropriation increased by \$3.103 million to \$17.998 million for 2021/22 due to:

- fiscally neutral adjustments of \$1 million from Management of Recreational Opportunities Departmental output expenses in 2021/22 to realign budgets with work plans, based on forecast expenditure (increase)
- expense transfers of \$809,000 from 2020/21 due to unexpected delays in work supplied from the third-party vendor (increase)

- a fiscally neutral adjustment of \$804,000 to reclassify the current year's software as a service expenditure from capital to operating expenditure (increase)
- funding transfer of \$433,000 from Vote Business, Science and Innovation for research advice (increase)
- a capital to operating swap of \$29,000 to contribute towards operating cost increases (increase)
- additional funding of \$28,000 received for the passenger vehicle electrification project (increase).