

# The Crown Property Strategy

## Whakamana whenua

Empower the land

Recognise that the land has its own mana



High country landscape. Photograph by Sharon Ang / CC0 1.0 Public Domain

## Purpose

This document outlines the future direction of the Crown Property group within the context of LINZ's strategic vision and outcomes framework. The strategy also outlines key activities that will support strategy implementation.

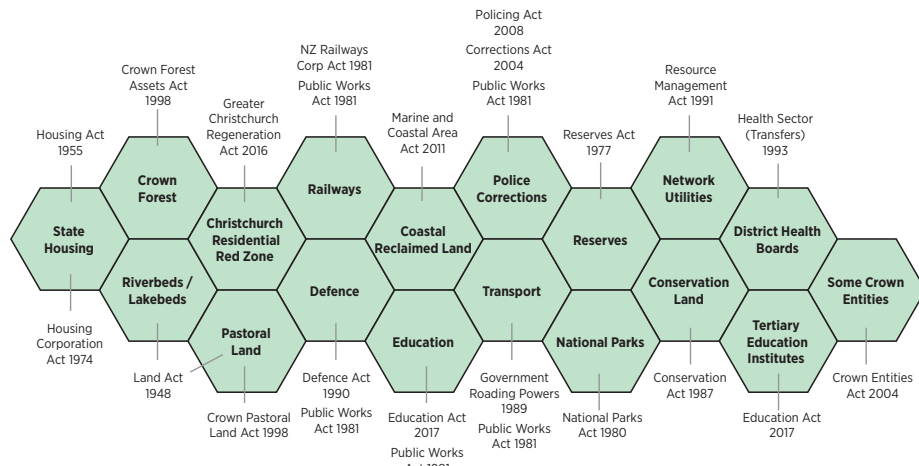
## Our context

The LINZ vision—the power of where drives New Zealand's success—focuses on growing the value the organisation adds to New Zealand.

Crown Property makes a significant contribution to achieving LINZ's vision by managing:

- 2 million hectares of the Crown Estate worth \$1 billion
- 16,000 properties, including 8,000 properties in the Christchurch Residential Red Zone and 1,000 on behalf of other agencies
- The frameworks by which Crown agencies can buy and sell land, make statutory decisions under delegation and provide policy and technical advice to government on Crown land issues and strategic thinking

## Our Land DNA



Crown Estate and applicable land related legislation @ 8 December 2017

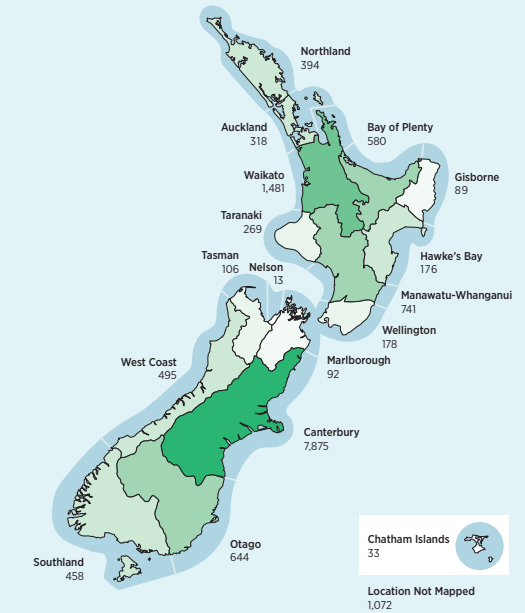
## Making best use of the Crown Estate

Crown Property's role is to advise government and agencies on how to achieve the best public value from the Crown Estate and provide strategic advice to government on land management where natural events have had a significant impact on land.

We achieve this by:

- Providing authoritative information on the Crown Estate
- Managing, advising and obtaining best public value from the Crown Estate
- Providing the tools, oversight and advice to enable agencies to better manage their land holdings
- Protecting the Crown's interests in all Crown Estate land transactions
- Supporting great outcomes for the South Island high country
- Supporting effective outcomes for Treaty Settlements
- Leading and managing the recycling of the Crown Estate
- Supporting and leading biosecurity initiatives affecting the Crown Estate

## LINZ Managed Properties Summarised by Region



## Our strategy



Wilding conifer infestation by Clarence River in 2014.  
Photograph by Sherman Smith, MPI / CC BY 4.0

### Core Building Blocks

**We will have the foundation needed to support strategy implementation by:**

- Ensuring we have a clear long term strategic direction for Crown Property
- Ensuring our operating model is organised effectively
- Developing a resourced organisational structure that outlines clear roles, responsibilities and accountabilities for Crown Property and the groups that support us
- Building the capability and skills required to undertake our work, including the development of specialist Crown Property career pathway resources.

### Land and Property Management

**We will enhance the approach we take to managing land and property by:**

- Implementing a land and property management framework (and related policies and business processes) to measure and improve how we manage land and properties
- Having a clear view of the best use of the land we manage (considering the most appropriate economic, environmental, cultural and social uses that support government priorities and deliver benefits for all New Zealanders)
- Developing an investment plan to support achievement of best land use
- Developing a national portfolio-wide view of our approach to Biodiversity, Biosecurity, Tourism and recreation, Land and water management, Urban development and other key issues.

### Functional/ National Leadership

**As functional leader for the Crown Estate we will work with agencies and government to develop a clear mandate for our role, including:**

- Provision of advice to Government on key Crown Estate land management issues, including advice regarding natural events that significantly impact land management
- Provision of advice and development of tools to support agencies to manage their share of the Crown Estate including; Crown Estate Register, a common methodology for assessing “value” and “condition” and decision making frameworks to support agencies to determine whether land is surplus or under-utilised in relation to core public services and the best use of land in the Crown Estate
- As the leader for the Crown Estate we will continue to lead the management and disposal of Crown Estate surplus land and provide accessible, high quality regulatory functions.

### Iwi & Māori

**We will contribute to iwi and Māori outcomes** by developing a tool to assist agencies with monitoring compliance of post Treaty Settlement land disposals.

### Operational Intelligence

**We will maximise our use of information and analysis to build operational intelligence and improve our services and functions by:**

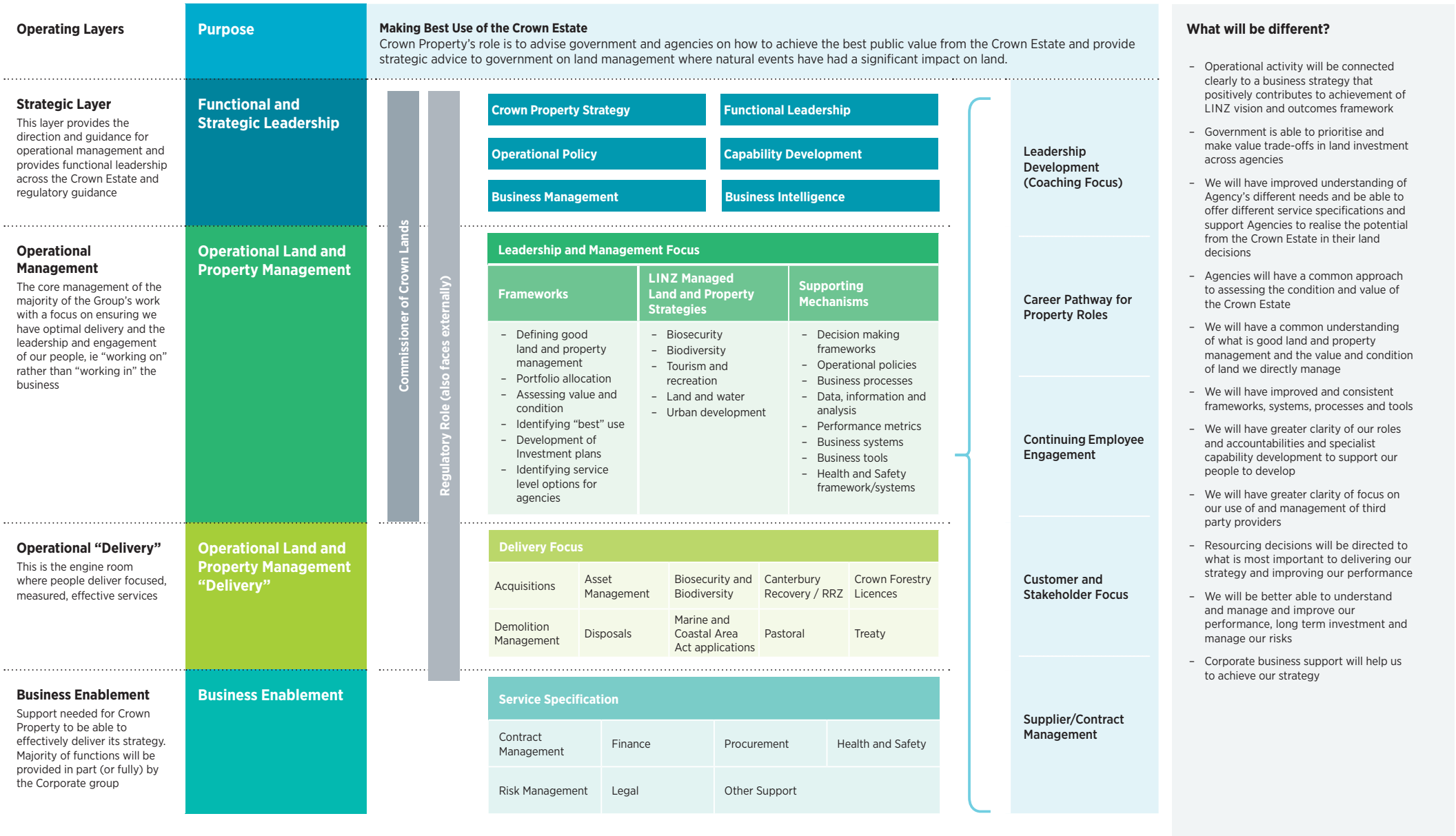
- Identifying the operational and business intelligence (frameworks, strategies, policies, information, data and analysis) needed to effectively undertake our cross agency and land management roles
- Establishing responsibility and processes/systems for the collection, collation, analysis, and sharing of information, and the conversion of data into intelligence
- Developing quality advice for other agencies and authorities on land information collection to support future collation and analysis of data

### Legal

**Ensuring the Chief Executive and LINZ have access to the Legal Support** required to achieve their business strategies, including commercial contractual arrangements and implementation of new/changed legislation.

Reviewing legal support provided to Crown Property teams to ensure most suitable provision of support.

# Crown Property Operating Model



Key change levers...	Land and Property Focus	Identifying Opportunities for Improvement	How We Work
	<ul style="list-style-type: none"> <li>- Clarify functional leadership scope with Minister (extent of guidance &gt; mandatory direction)</li> <li>- Good Land and Property Management Framework</li> <li>- Workforce Resourcing Plan (Agency Service Specification/Portfolio Allocation/Third Party deliverables)</li> <li>- Crown Estate Tools – Crown Estate Register, Surplus Decision Making Framework, Common Approach to assessing value and condition, Treaty Land Register</li> </ul>	<ul style="list-style-type: none"> <li>- Health and Safety Review</li> <li>- Risk Review</li> <li>- Financial Review</li> <li>- Procurement Review</li> <li>- Contractor/Supplier management review</li> <li>- Business Intelligence Framework</li> <li>- Review of ICT Systems and tools</li> <li>- Performance Metrics</li> <li>- Corporate Service Specification</li> </ul>	<ul style="list-style-type: none"> <li>- Review of Structure – clarity of roles and responsibilities</li> <li>- Capability Development</li> <li>- Career Pathway</li> <li>- Leadership Development</li> <li>- Culture/Employee Engagement</li> <li>- Functional Leadership Stakeholder Engagement</li> </ul>

Functional and Strategic Leadership Functions
<i>These functions will be provided in part by other groups (eg Policy) and mainly by the Crown Property group</i>
Functional Leadership (externally facing)
<ul style="list-style-type: none"> <li>Strategic Crown Estate advice to Government on key Crown Estate issues including development of a strategy for land management in relation to natural events which significantly impact land (outcomes framework)</li> <li>Understanding Crown Estate challenges and opportunities</li> <li>Agency strategic engagement</li> <li>Client agency engagement (Crown Estate land managed by LINZ)</li> <li>Iwi and Māori strategic engagement</li> <li>Consultation and implementation of Crown Estate initiatives</li> <li>Crown Estate view of surplus and unutilised land</li> </ul>
Strategy (inward/externally facing)
<ul style="list-style-type: none"> <li>Crown Property strategy and medium/long term business planning</li> <li>Develop key strategies for Crown Estate land managed by LINZ</li> <li>Contribute to development and implementation of LINZ-wide strategies including four outcomes framework "pillars" (Data and Information, Property, Land Management, Valued NZ Assets) and three identified strategic problems (Water, Resilience and Climate, Urban Areas)</li> <li>Strategic and operational land advice to agencies</li> <li>Supporting Policy and Overseas Investment group to service Ministerial requests/ requests for policy input from other agencies</li> <li>Oversight and evaluation of group improvement initiatives</li> </ul>
Operational Policy (inward facing)
<ul style="list-style-type: none"> <li>Business owner of land and property framework and supporting tools</li> <li>Operational advice and support to Crown Property Managers</li> <li>Identification of capability requirements</li> <li>Identifying and implementing improvement initiatives</li> </ul>
Regulatory Role (inward/externally facing)
<ul style="list-style-type: none"> <li>Regulatory framework(s)</li> <li>Oversight of legislation in respect of regulatory role</li> <li>Regulatory standards and guidelines</li> <li>Regulatory advice for interested parties</li> </ul>
Commissioner of Crown Lands (inward/externally facing)
<ul style="list-style-type: none"> <li>Statutory responsibilities as the owner of Crown Land on behalf of HM Queen</li> </ul>
Business Management (inward facing)
<ul style="list-style-type: none"> <li>Annual business plan and annual group work programme</li> <li>Contribution to LINZ annual business planning</li> <li>Commercial Lead - financial oversight (group balance sheet/revaluation/capital expertise) and contract/procurement oversight</li> <li>Group business continuity planning</li> <li>Group complaints process</li> <li>Supporting the Group to work collaboratively across sites</li> </ul>
Capability (inward facing)
<ul style="list-style-type: none"> <li>Identification of capability requirements</li> <li>Development of capability building resources</li> <li>Career Pathway</li> <li>Leadership development (coaching focus)</li> </ul>
Business Intelligence (inward/externally facing)
<ul style="list-style-type: none"> <li>Business Intelligence framework and the collection, collation, analysis and dissemination of intelligence</li> <li>Expert analysis on risks, emerging issues, trends and opportunities</li> <li>Intelligence "products" and briefings</li> <li>Managing group ICT requirements and ICT projects</li> <li>Producing group performance data</li> <li>Advice to agencies and local authorities on land information collection</li> <li>Overseeing information requests ensuring "one source of the truth"</li> </ul>

Operational Land and Property Management Functions		
Frameworks	LINZ Managed Land and Property Strategies	Supporting Framework and Strategy Implementation
<ul style="list-style-type: none"> <li>Defining good land and property management</li> <li>Assessing value and condition</li> <li>Identify "best use"</li> <li>Development of Investment plans</li> <li>Identifying service level options for agencies</li> </ul>	<ul style="list-style-type: none"> <li>Biodiversity</li> <li>Biosecurity</li> <li>Tourism and recreation</li> <li>Land and water</li> <li>Urban development</li> </ul>	<ul style="list-style-type: none"> <li>Decision making frameworks</li> <li>Operational policies</li> <li>Business processes</li> <li>Data, information and analysis</li> <li>Business systems</li> <li>Business tools</li> <li>Health and safety framework/systems</li> </ul>
Acquisitions	Asset Management	Biosecurity and Biodiversity
<p><i>Activities will vary according to process being followed – Landbank/Huntly East</i></p> <ul style="list-style-type: none"> <li>Research property details and check eligibility criteria/ensure all statutory clearances are in place</li> <li>Stakeholder engagement and reporting</li> <li>Manage valuation instructions and specifications</li> <li>Review information and prepare recommendation</li> <li>Obtain approval (Ministerial/ Commissioner of Crown Lands)</li> <li>Review vendor settlement statement</li> <li>Oversee change of ownership</li> </ul>	<p><i>Activities will vary according to client</i></p> <ul style="list-style-type: none"> <li>Tenancy Management</li> <li>Supplier contract monitoring</li> <li>Service Provider contract management</li> <li>Procurement of other suppliers</li> <li>Meeting statutory requirements</li> <li>Risk and Health and Safety management</li> <li>Budget management</li> <li>Property Management including management of contamination and liabilities</li> <li>Client/Stakeholder engagement</li> <li>Managing new discoveries of Crown owned land</li> <li>Maintain valuation data</li> <li>Management of land owner consents</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Development of LINZ and wider sector Biosecurity and Biodiversity strategies</li> <li>Research and analysis of options</li> <li>Development of intervention programmes</li> <li>Oversee implementation of interventions within LINZ</li> <li>Evaluation of interventions</li> <li>Budget management</li> </ul>
Canterbury Recovery / Residential Red Zone	Crown Forestry Licences	Disposals
<p><i>Leading and supporting key initiatives including:</i></p> <ul style="list-style-type: none"> <li>Acquisition and disposal of RRZ land and land for anchor projects (including Waimakariri)</li> <li>Interim RRZ land management (including use/lease requests)</li> <li>Regeneration planning advice (including about the Ōtākaro/Avon River Corridor Regeneration Plan)</li> <li>Administration of Compensation Panel for compulsory acquisitions and insurance claims</li> <li>Settling EQC RRZ insurance recoveries.</li> <li>Cost sharing agreement discussions with Christchurch City Council and implementation (RRZ aspects)</li> <li>Canterbury Property Boundaries work programme</li> <li>Client / Stakeholder engagement</li> <li>Budget management</li> </ul>	<ul style="list-style-type: none"> <li>Licence Management</li> <li>Collection of licence fees and transfer to the CFRT</li> <li>Supplier contract monitoring</li> <li>Meeting statutory requirements</li> <li>Budget management</li> <li>Information disclosure</li> <li>Stakeholder engagement</li> <li>New owner briefings/engagement</li> </ul>	<p><i>Activities will vary according to client</i></p> <ul style="list-style-type: none"> <li>Identify properties for LINZ managed disposal programme/process applications</li> <li>Investigation and research</li> <li>Develop feasibility studies and disposal strategies</li> <li>Investigation and management of contaminated sites</li> <li>Management of accredited disposal suppliers</li> <li>Review and approve submissions</li> <li>Meet statutory requirements</li> <li>Budget management</li> <li>Manage acquisition requests</li> <li>Client/Stakeholder engagement including responding to public enquiries</li> </ul>
Marine and Coastal Area Act applications (MACAA)	Demolition Management	Treaty
<ul style="list-style-type: none"> <li>Review and assess applications</li> <li>Proposed determination</li> <li>Analysis of stakeholder feedback</li> <li>Manage Ministerial decision making process</li> <li>Manage land vesting process</li> </ul>	<ul style="list-style-type: none"> <li>Identify LINZ demolition programme</li> <li>Plan, investigation and research work packages</li> <li>Develop demolition approach</li> <li>Procurement of specialist providers</li> <li>Contract management and site management</li> <li>Budget management</li> <li>Client / Stakeholder engagement</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder engagement including OTS, Commissioner of Crown Lands, iwi and internal stakeholders</li> <li>Review and collate property data sourcing reports if required</li> <li>Treaty Negotiations engagement with OTS and iwi</li> <li>Analyse and provide feedback on Treaty documentation</li> <li>Manage valuation instructions and specifications agreeing process and value with iwi</li> <li>Procurement of Valuers and Surveyors and contract management</li> <li>Budget management</li> <li>Settlement management</li> </ul>
Pastoral		
<ul style="list-style-type: none"> <li>Pastoral asset management</li> <li>Manage Lessee requests for review</li> <li>Consultation</li> <li>Decisions regarding review request</li> <li>Information gathering, research and consultation</li> <li>Development of preliminary proposal and consultation on content</li> <li>Review submissions, consultation and report to Commissioner of Crown Lands</li> <li>Development of substantive proposal and management of approval process</li> <li>Implementation of changes</li> </ul>		

Business Enablement Functions
<i>These functions will be provided in part by the Corporate group and other groups, and partly by the Crown Property group</i>
Legal Advice for Crown Property
<ul style="list-style-type: none"> <li>Contract and commercial arrangements</li> <li>Property transactions and Crown Land matters</li> <li>Treaty Settlements agreements, legislation, and LINZ's obligations and on-going compliance</li> <li>Compliance with legal obligations (statutory or otherwise) and mitigation of legal risks</li> <li>Managing court cases involving LINZ with Crown Law</li> </ul>
Finance
<ul style="list-style-type: none"> <li>Annual business plan and operating budget</li> <li>Record of month end accruals</li> <li>Reforecast changes to plan</li> <li>Monthly reporting</li> <li>Financial valuation management</li> <li>Maintenance of NaPALIS data to enable accurate valuation records</li> <li>Maintain accessible and up-to-date records of valuation and other data including methodology to enable accurate valuation records</li> </ul>
Procurement
<ul style="list-style-type: none"> <li>Annual Crown Property Procurement Plan</li> <li>Identification of service requirements</li> <li>Tendering and sourcing activities</li> <li>Negotiation of contracts</li> <li>Contract agreements</li> <li>Planned contract implementation</li> </ul>
Contract Management
<ul style="list-style-type: none"> <li>Contract management and audit plan</li> <li>Contract register and system (LINZ)</li> <li>On-going contract management and monitoring</li> <li>Issues and dispute resolution</li> <li>Supplier engagement and continuous improvement</li> <li>Contractor accreditation (Health and Safety)</li> </ul>
Health and Safety
<ul style="list-style-type: none"> <li>Health and Safety Framework</li> <li>Identification of hazards, assessment of risks and development of monitoring controls</li> <li>Specific hazard control plans (eg asbestos)</li> <li>Incident reporting/investigation and review of findings</li> </ul>
Risk Management
<ul style="list-style-type: none"> <li>Risk management framework</li> <li>Risk management plan</li> <li>Identification of risks</li> <li>Risk ownership and mitigation actions</li> <li>Security management</li> </ul>
Other Corporate Functions
<ul style="list-style-type: none"> <li>Other Corporate functions including HR, ICT, Communications, EPMO (functions not itemised as common to all LINZ business groups)</li> </ul>
Location Information, Property Rights, Strategy and Stewardship
<ul style="list-style-type: none"> <li>Access to surveying, valuation, land title and other specialist advice</li> </ul>

## Implementation

Our approach to implementation is to form a programme of work that will have clear deliverables. Implementation will be driven by the LINZ core values:



**Bold**

**Bold**—we will seek opportunities for bold solutions to complex problems that add real value for New Zealand. We will ‘work smart’ and continually look for innovation and ways to do things better



**Expert**

**Expert**—we will leverage our expertise and information to provide functional leadership across the public sector to improve long term planning, decision-making and management of the Crown Estate



**Stronger Together**

**Stronger together**—we will actively engage with stakeholders to find solutions and deliver results to Crown Estate priorities.

The following challenges to successful implementation have been identified:

- Cost of change and level of investment required
- Support and engagement of external stakeholders.

Our measures of success will include:

- Clarity of Crown Property’s strategic direction within LINZ and across agencies
- Sustained improvement measured against the land and property management framework
- Increased profile and credibility of Crown Property expertise across agencies
- Feedback from agencies and other external stakeholders
- Engagement with and feedback from our people
- Accessibly of business intelligence to support our work.

## Our Future Strategic Direction



# Crown Property Whakapapa

1849–1996

**1849** First Commissioner of Crown Lands William Gisborne (after whom the city is named), appointed as Commissioner for the Auckland district.

**1859** Waste Lands Act 1859 establishes portfolio of Lands and entrusted responsibility to a Minister designated the Secretary of Crown Lands.

**1876** Ministry of Works established.

**1877** Land Act 1877 established the Department of Lands and Survey. Ten Land Districts created, each with a Land Board and Commissioner of Crown Lands (as chairman). Minister of Lands created.

**1894** Land for Settlements Act passed. This saw the breakup of large, settler-owned 'plantation' pastoral farms in the South Island into smaller, family farms.

**1948** Current Land Act enacted, which consolidated 40 pieces of land-related legislation.

**1981** Current Public Works Act enacted.

**1982** Lands and Survey administered an estimated 12 million hectares (or just less than 50%) of New Zealand's land area.

**1987** Department of Lands and Survey abolished – split in to Department of Conservation, Landcorp, Department of Survey and Land Information (DOSLI) and Department of Lands.

**1988** Ministry of Works and Development abolished and its roles under the Public Works Act transferred to DOSLI/Dept of Lands. PWA amended to give statutory roles to Minister of Lands and Chief Executive of DOSLI for all Crown acquisitions and disposals.

**1990** Department of Lands merged into DOSLI.

**1993** Portfolios of land from NZ Railways Corporation and former NZ Electricity Department transferred to DOSLI for it to manage and dispose of.

**1995** First major Treaty claim settlement (Waikato-Raupatu) enacted. Gifted Lands Policy introduced.

**1996** DOSLI renamed as LINZ and functions restructured with a Crown Property Management group (operational) and Office of the Chief Crown Property Officer (regulatory).

1998–2012

**1998** Crown Property was refined, with more work being contracted out. This saw creation of accredited supplier system, outsourcing of functions and first Crown Property Standards and Guidelines. Number of district offices closed down. Crown Pastoral Land Act 1998 passed which formalised tenure review process.

**1999** Current PWA Acquisition and Disposal Framework agreed to by Cabinet.

**2000** Clearances team joins Office of the CCPO from Regional Services. First major review of PWA started.

**2001** Office of the CCPO merged with the Office of the Valuer-General to create the Property Regulatory Group.

**2005** Crown Property Outcomes were developed to set framework for what LINZ is trying to achieve in Crown property activities.

**2008** Crown Property Regulatory and Clearances teams moved to Crown Property Management (within Crown Property & Investment business group).

**2009** Cabinet strategic direction for South Island High Country developed.

**2010** 800 hectares of Ministry of Tourism land at Wairakei and Rotorua transferred to LINZ to manage.

**2011** Crown Property manages 5,000 properties including property disposals, property management and biosecurity. Marine and Coastal Area Act 2011 gives LINZ responsibility for managing coastal reclaimed land. LINZ helped develop the land-related provisions of Canterbury Earthquake Recovery Act.

**2012** Crown Land Centre of Expertise established to provide:

- Strategic Advice – on Crown land management
- Disposal – support to manage disposal of surplus properties
- Portfolio Management – of Crown land/properties
- Better Management of LINZ-administered land
- NaPALIS property management system goes live.

2012–2017

**2013** NZ Police transfers disposals and property management.

Department of Corrections transfers disposals and property management.

Ministry of Justice transfers disposals and property management.

Ministry of Primary Industries transfers disposals and property management.

Ministry of Education transfers disposals and management of school houses.

Department of Internal Affairs transfers disposals and property management.

**2014** Realignment of Crown Property functions.

**2015** Residential Red Zone (RRZ) operational teams transfer from CERA bringing interim management of nearly 8,000 properties and responsibilities for managing Residential Red Zone demolition and clearances. These functions include the interim land management of Crown-owned RRZ land and the Statutory Powers to acquire, dispose and lease RRZ land. It is also includes responsibilities for the insurance recoveries of interests assigned under the Crown offer and administration of the Ministerial compensation panel.

**2016** Ministry of Transport transfers disposals and property management.

Department of Corrections Auckland Prison Village interim management.

Management and maintenance of properties in the Treaty Settlements Landbank incorporating properties transfers from OTS. First all-of-government Crown Property Forum held.

**2017** Ministry of Social Development emergency housing.

Ministry of Social Development transfers disposals and property management.

Ministry of Business Innovation and Employment decommissioning of Kaipoi and Rawhiti Accommodation Villages.

NZ Defence Force transfers disposals.

2017+

**2017** The Residential Red Zone Policy team transfers from DPMC bringing responsibilities for supporting Ministers and the Crown on:

- Decisions to acquire, dispose and lease RRZ land
- Policy input to the Crown-Council Cost Sharing Agreement negotiations and implementation
- Regeneration planning and future land use advice
- Response to the Quake Outcasts litigation

Ministry of Health transfers disposals and property management.

Late 2017

We manage a wide variety of Crown-owned land and property, including pastoral land in the South Island high country, lakebeds and riverbeds, Crown forest land, and a broad range of residential and commercial properties, closed schools, courthouses and prisons.

**We help agencies to:**

- Review existing portfolios
- Manage properties effectively
- Dispose of properties when they are no longer needed.

**We manage:**

- 2 million hectares of the Crown Estate worth \$1 billion
- 16,000 properties on behalf of other agencies
- Nearly 8,000 properties in the RRZ
- The frameworks by which Crown agencies can buy and sell land, make statutory decisions under delegation and provide policy and technical advice to government on Crown land issues and strategic thinking
- The Crown Property accredited supplier system
- Access to thousands of historic files documenting the Crown's land actions in the past.

1849–1996

1998–2012

2012–2017

Late 2017