

Department of Conservation Te Papa Atawhai

2022/23



Department of Conservation
Te Papa Atawhai

Pūrongo-ā-tau
Annual Report
for the year ended
30 June 2023

Department of Conservation

Te Papa Atawhai

Pūrongo-ā-tau
Annual Report

for the year ended 30 June 2023

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Annual Report for the year ended 30 June 2023

ISSN 1176-7324 (print)

ISSN 1177-990x (online)

The document is available at www.doc.govt.nz/annual-report-2023

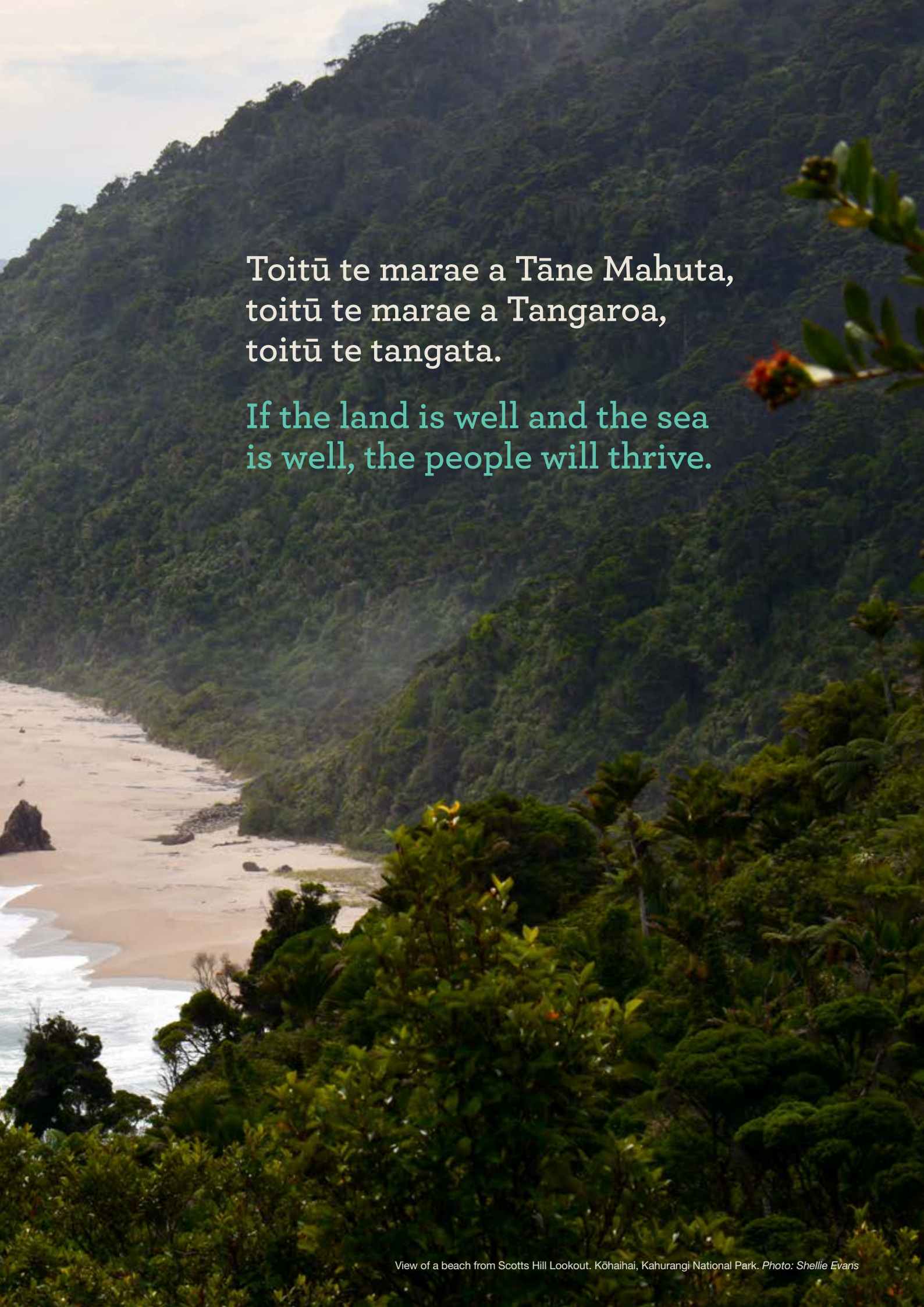
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Toitū te marae a Tāne Mahuta,
toitū te marae a Tangaroa,
toitū te tangata.

If the land is well and the sea
is well, the people will thrive.

Ngā kai o roto

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**KEY TO SYMBOLS
 AND COLOURS**

Throughout this annual report, we have used the following colours and symbols to help identify items relating to our outcomes and output classes.

**Ecosystems and species
 across Aotearoa are thriving
 from mountains to sea**



Management of natural heritage

**Public conservation lands and
 waters are maintained and
 improved for future generations**



Management of natural heritage



Crown contribution to regional
 pest management

**Connection with nature and
 cultural heritage enriches
 people's lives**



Management of historic heritage



Management of
 recreational opportunities



Conservation with the community

DOC is a great organisation



Policy advice, statutory planning,
 and services to Ministers and
 statutory bodies



Search and rescue permanent
 legislative authority

Ko wai mātou,
he aha ā
mātou mahi

Who we are
and what we do

Te kupu whakataki a te Tumuaki

Director-General's foreword



Penny Nelson, Director-General. Photo: Lance Lawson

This year, I have been struck by the incredible value of the work the Department of Conservation Te Papa Atawhai (DOC) delivers every day, and by the scale of the job we are being asked to do.

Climate change is here. It is bringing more frequent and severe storms and has a huge impact on our work. Cyclone Gabrielle in February wreaked havoc, with more than 550 reports of damage to DOC huts, campsites, tracks and bridges across the upper North Island. Around 40 heritage sites were damaged. Our regional teams worked hard to assess, clean up and reopen 80% of those sites by the end of June. The remaining 20% need more in-depth assessment before decisions are made.

Around 160 species or ecosystems were affected by the cyclone, including 60 critically endangered species. Whio have been displaced by sediment brought through from the flooded rivers, tara iti/fairy tern and tūturuatu/shore plover suffered losses, and rare ngutukākā/kākābeak plants took a big hit.

We will need to step up management of species that have been chronically affected and work will be ongoing to reinstate infrastructure such as trap lines. DOC people have been outstanding during these difficult times. They kept their local communities safe,

often the first to knock on doors after floods. They helped dig silt from people's houses, inspected tracks for damage and dealt with event after event. They are a tribute to us all.

Despite the challenges thrown at DOC, we can be proud that, where we focus our effort, we make a difference for nature.

For example, DOC's sustained predator control has resulted in an increase in pīwauwau/rock wren at 12 sites. Intensive management of kākāpō led to a bumper breeding season this year, and we reintroduced 73 kākārīki karaka/orange-fronted parakeet, a taonga species for Ngāi Tahu, to Arthur's Pass National Park.

We also launched a new marine monitoring and reporting framework to investigate habitat health, climate change effects, compliance, water quality and pollution across our marine reserves.

Our international team helped secure two significant global agreements. A new global oceans treaty signed in New York will see greater marine protection in

“ DOC people have been outstanding during these difficult times. They kept their local communities safe, often the first to knock on doors after floods.



Cyclone Gabrielle aftermath, Hawke's Bay. Photo: Unsplash, Leonie Clough

the high seas, while the Kunming-Montreal Global Biodiversity Framework aims to protect 30% of land and ocean by 2030. We will deliver on these commitments through Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy.

DOC's Jobs for Nature programme has helped progress our predator free goals and deliver on our international targets for biodiversity protection. The social benefits are also huge. The programme has cemented a new way of working with iwi to help achieve their aspirations and teach communities the value of caring for the environment. It also kept communities alive through job creation in regions.

We are striving to become an honourable Treaty partner. I was privileged to attend the initialling of the Te Ruruku Pūtakerongo/Taranaki Maunga Collective Redress Deed in South Taranaki in March. We look forward to working with Te Kōkōrangī and Te Tōpuni Ngārahu as we implement this settlement to actively protect the health and wellbeing of Te Papa-Kura-o-Taranaki.

We have a newly strengthened relationship with Ngāti Maniapoto in Te Kūiti, which we will build on following their Deed of Settlement ceremony in December.

I am proud of the work we have delivered this year, and know that, as always, so much more is to be done. This annual report presents just some of the highlights and examples of the broad work DOC has undertaken this year.

Together with our iwi partners, stakeholders and the many communities across Aotearoa New Zealand, I am confident we can meet the challenges we face and make a difference for Papatūānuku.

Penny Nelson
Director-General

He aha tā mātou mahi

What we do

Our people protect and care for Aotearoa New Zealand’s natural environment and historic and cultural heritage. Our area of responsibility stretches from the Kermadec Islands in the north to the subantarctic archipelago in the south. We have legal authority to protect and care for Aotearoa New Zealand’s natural environment and historic and cultural heritage.

We are the largest provider of visitor activities in Aotearoa, manage the largest heritage portfolio in the country and manage a third of Aotearoa New Zealand’s land area as public conservation land and waters. We operate within several strategies and frameworks, including:

- Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy

- New Zealand–Aotearoa Government Tourism Strategy
- Climate Change Response Act 2002.

We are also bound by international obligations and conventions, such as the United Nations Sustainable Development Goals and the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystems Services.

Ko wai mātou

Who we are

DOC has 2,663 staff working at more than 100 locations across Aotearoa (see figure 1). Our offices and visitor centres across 10 regions enable us to work with communities in almost every corner of the country. Our operations are supported by legal, planning, people and culture, policy, scientific and financial services coordinated from Whare Kaupapa Atawhai, Te Whanganui-a-Tara | Conservation House in Wellington.



Whio family in Katipō Creek, Heaphy Track. Photo: Richard Rossiter

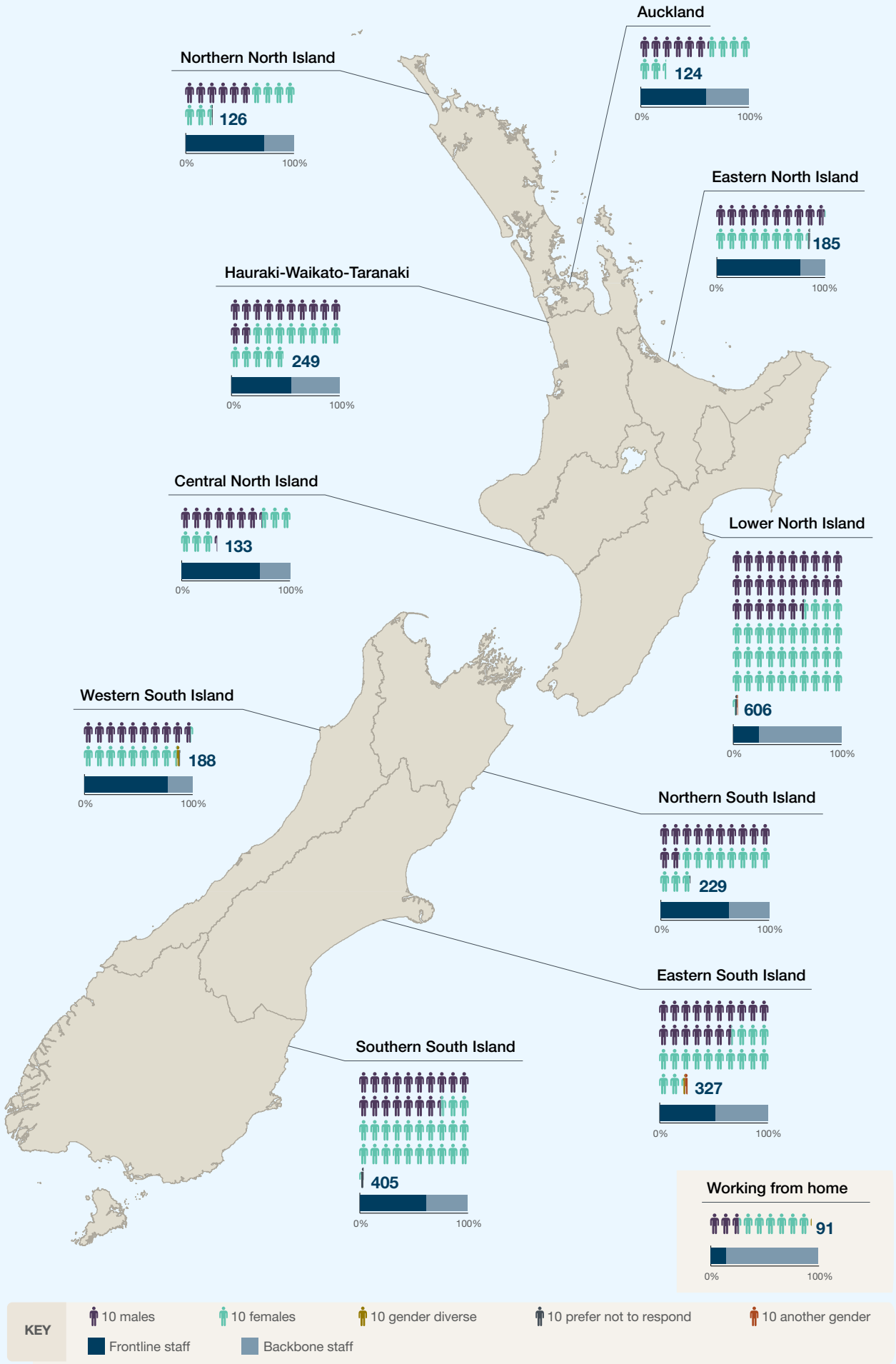


Figure 1: DOC staff demographics across 10 regions.

Our structure

We are accountable to and support the Minister of Conservation. This year we farewelled **Hon Poto Williams, Minister of Conservation** (June 2022 – January 2023), and welcomed **Hon Willow-Jean Prime** into the role of **Minister of Conservation** (from February 2023).

We are led by the Director-General, Penny Nelson, who was appointed for 5 years from 1 November 2021. In 2022/23 an organisational reset was undertaken, to give us a more logical structure, with clearer accountabilities, and to bring our strategy to life.

Our seven business groups are outlined below.



The **Strategy and Policy** group provides strategic direction and thought leadership for us and for the conservation system.



The **Biodiversity, Heritage and Visitors** group is responsible for providing technical expertise and science and translating strategy and policy into action for our operational branches.



The **Regional Operations** group is responsible for delivering the work on the ground necessary to improve the condition of the assets and resources that we are responsible for.



The **National Operations and Regulatory Services** group supports and delivers our conservation outcomes at place, alongside the Regional Operations group.



The **Public Affairs** group supports the organisation to build trust and confidence with New Zealanders, Parliament, our stakeholders and our people. We work to protect and enhance our reputation and grow New Zealanders' connection to nature.



The **Organisation Support** group encompasses all corporate functions and ensures we are resourced, capable, financially secure, technologically enabled and safe.



The **Treaty Relationships** group drives our maturity as an honourable Treaty partner with the aim to be an exemplar for the Aotearoa New Zealand public sector.

Ko wai ō mātou hoa kōtui, ō mātou hoa mahi hoki

Who we partner and work with

Treaty relationships are at the heart of what we do

Whānau, hapū and iwi have a fundamental and deep connection to their whenua, awa and moana. As kaitiaki, they care about the wellbeing of native species and public conservation lands and waters.

As a Treaty partner, we have responsibility to Māori in fulfilling their role as kaitiaki, whether a Treaty settlement is in place or not. Section 4 of the Conservation Act 1987 requires us to give effect to the principles of the Treaty of Waitangi, and the Ngāi Tai ki Tāmaki Supreme Court decision highlights the strength of this requirement.

We have a growing range of partnerships, management and consultation arrangements with Māori arising from Treaty settlements. In some settlements, custom legal groups,

with post-settlement governance entities membership, are set up, and they use a variety of departmental functions.

In addition to maintaining relationships with tangata whenua at place, we engage with other pan-Māori groups across New Zealand. For example, the Iwi Leaders Group work as part of the National Iwi Chairs Forum. The Forum was set up to share information, work together on priorities of iwi within the National Iwi Chairs Forum, and advocate the group priorities of the iwi within the National Iwi Chairs Forum.



Rangi Te Teko holding a North Island brown kiwi. Photo: Sabine Bernert

Partnering for conservation

Conservation requires a collective effort involving central and local government, iwi and hapū, business and industry sectors, private landowners, scientists and researchers, education, NGOs (non-governmental organisations), philanthropy, communities, and individuals. See below for some examples of those we work with.



Mount Richmond Forest Park. Photo: Fanny Leduc

KOTAHITANGA MŌ TE TAI AO ALLIANCE

The Alliance offers a way to achieve conservation work at scale, undertaking restoration and creating capacity that no entity could achieve alone. One example is the 200,000 hectares of wilding conifer control project in Mount Richmond Forest Park, with the Nature Conservancy providing access to global tools for large-scale plantation forest transition and restoration of the marine environment.

The Alliance includes Māori, councils, DOC, NGOs (non-governmental organisations), and other groups in the northern South Island region.



Track maintenance, Kepler Track. Photo: John T Strother

JOBS FOR NATURE

In response to the COVID-19 economic downturn, the Government's Jobs for Nature programme is an all-of-government investment in the creation of up to 11,000 nature-based jobs.

The funding made available through Jobs for Nature has provided a platform for DOC to work with whānau, hapū and iwi entities leading taiao projects on their whenua in their respective rohe.

He pēhea tō mātou whāinganga ā-pūtea

How we are funded

We are funded by the Government, Crown revenue and third party revenue. Third party revenue comes from our concessions, partnerships and main products and services (huts, campsites, great walks, visitor centre network). Our financial budgets and performance targets that we have agreed to meet and report back on are set out each year in the Estimates of Appropriations.¹

NATURAL RESOURCES CLUSTER

DOC is part of a pilot established by the Government in the lead up to Budget 2022 where agencies hold separate appropriations but have a shared funding

arrangement to work towards common priorities.

This pilot is known as the Natural Resources Cluster (NRC) and is part of the work programme to modernise New Zealand’s public finance system.

The NRC agencies are:

- Department of Conservation
- Ministry for the Environment
- Ministry for Primary Industries.

The objectives of the NRC include increasing collaboration across public service agencies, improving value for money and strengthening delivery of the Government’s wellbeing priorities.

Cross-cutting cluster priorities **Iwi and Māori partnerships** to ensure agencies develop and embed partnerships with Māori as a Treaty partner in a significant area of cultural and economic importance to Māori.
Science and evidence to ensure all investment decisions are informed by science and evidence and that investments can be adequately monitored and reported on.

Cluster priorities	Significant initiatives led by:
STEWARDSHIP RESPONSIBILITIES to ensure agencies can maintain and strengthen their critical stewardship and regulatory roles	Ministry for Primary Industries, Ministry for the Environment
IMPROVING BIODIVERSITY AND BIOSECURITY by protecting indigenous biodiversity and addressing gaps in domestic biosecurity	Department of Conservation, Ministry for Primary Industries
IMPROVING MARINE SYSTEM RESILIENCE by ensuring the long-term health and resilience of ocean and coastal ecosystems	Department of Conservation, Ministry for the Environment
IMPLEMENTING NATURAL RESOURCE SYSTEM REFORM by ensuring it is effectively implemented on the ground with significant partners able to uptake the changes alongside supporting land users and owners	Ministry for the Environment
BUILDING A MORE INCLUSIVE AND SUSTAINABLE ECONOMY by accelerating the natural resource sector’s economic potential, including by responding to structural challenges highlighted by COVID-19	Ministry for Primary Industries
ENABLING CLIMATE RESILIENCE by investing in climate adaptation and mitigation initiatives through both the Natural Resources Cluster and the Climate Emergency Response Fund	Department of Conservation, Ministry for Primary Industries, Ministry for the Environment

¹ Vote Conservation – Vol 8 Natural Resources Sector – The Estimates of Appropriations 2022/23 – Budget 2022 ([treasury.govt.nz](https://www.treasury.govt.nz)).

SIGNIFICANT BUDGET INITIATIVES

Table 1 outlines information about significant Budget initiatives² from the past three Budgets. We have noted where more information can be found on an initiative further on in the annual report.

Table 1: Significant Budget initiatives from the past three Budgets

Name of initiative	Year funded	Performance information
Improving biodiversity and biosecurity by implementing the Aotearoa New Zealand Biodiversity Strategy 2020: Collective delivery of the Predator Free 2050 Strategy	2022	During 2022/23 we focused on establishing foundational systems, innovation and science delivery and strategic eradication projects. For more of this year's achievements, see 'Predator Free 2050' on page 39.
Improving biodiversity and biosecurity by implementing the Aotearoa New Zealand Biodiversity Strategy: Ramping up deer management and goat control	2022	During 2022/23 we established a national wild animals programme team. We also implemented a safe aerial hunting shooting system, to improve safety and efficacy. We delivered an additional 47,712 hectares of deer management and 196,285 hectares of goat control at priority sites. For more of this year's achievements, see 'Wild animal management' case study on page 40.
Improving marine system resilience by implementation of the Marine Protection and Localised Management Actions	2022	During 2022/23 we supported work on the Kermadec Ocean Sanctuary Bill, including engagement with iwi who have customary interests in Rangitāhua (Raoul Island, Kermadec Islands). We continued engagement with iwi on management of the Kermadec Islands Nature Reserve and Marine Reserve.
Improving marine system resilience by reducing extinction risk for important flagship marine species	2022	This initiative is set to start in 2023/24.
Enabling climate resilience by maximising carbon storage: Increasing natural sequestration to achieve Aotearoa New Zealand's future carbon goals	2022	This initiative includes four programmes, and we lead the 'Maximising Carbon in Native Systems' programme. See the 'Climate change' section for more.
Jobs for Nature	2020	The Jobs for Nature programme is a \$1.19 billion all-of-government investment as part of the COVID-19 recovery. DOC was allocated \$485.28 million to support people into nature-based work. The funding will create 4,800 jobs over a 4-year period. Some of the achievements of the programme include: <ul style="list-style-type: none"> • more than 5,600 people found nature-based employment, connecting communities and people to their whenua • more than 5 million hours of conservation work have been delivered across the country • delivery of 192 projects will extend beyond 30 June 2023, with 37 of those due to be completed by 31 December 2023.
Southern South Island flood recovery contingency	2020	Our Annual Report 2021 included a case study of work undertaken for this initiative.




² Significance is based on what is important to our priorities and strategic intentions, and/or material in the context of our other funding.

He pēhea tā mātou ine i tō mātou ahunga whakamua

How we measure our progress

Our performance measurement framework below shows how our outputs (what we do) are linked to outcomes (what we want to achieve for Aotearoa). The performance indicators show our progress towards achieving the outcomes.

For more detail on the performance indicators and outputs, see 'Our performance' on pages 65–79.

Outcomes	Performance indicators ³	Outputs ⁴
Ecosystems and species across Aotearoa are thriving from mountains to sea		
<ul style="list-style-type: none"> A full range of ecosystems on land, water and sea are protected and enhanced. Indigenous species are not threatened with human-induced extinction. Landscapes, ecosystems and species are resilient to climate risk. 	<p>Ecosystem representation: the full range of ecosystems is protected somewhere (terrestrial, freshwater, marine).</p> <p>Species representation: preventing decline and extinctions (terrestrial, freshwater, marine).</p> <p>Maintain ecosystem composition (terrestrial).</p>	 <ul style="list-style-type: none"> Number of optimised ecosystem prescriptions⁵ providing active management of ecosystems. Number of species under active management to ensure local security. Number of threatened species managed for persistence.
Public conservation lands and waters are maintained and improved for future generations		
<ul style="list-style-type: none"> Conservation lands and waters benefit from fewer pests and reduced pressures. We understand whānau, hapū and iwi priorities. Cultural heritage is managed and protected. Our actions support Aotearoa to mitigate and adapt to climate change. 	<p>Indigenous dominance: ecological processes are natural – exotic species spread and dominance (terrestrial, freshwater, marine).</p> <p>Indigenous dominance: ecological processes are natural – ecosystem function (terrestrial, freshwater, marine).</p>	 <ul style="list-style-type: none"> Hectares of land receiving treatment (including sustained control) for: <ul style="list-style-type: none"> rats and mustelids possums deer goats weeds wilding conifers. Number of island biosecurity programmes where a pest-free status has been maintained.  <ul style="list-style-type: none"> Number of regional pest management strategies with completed Crown exacerbator weed and pest programmes.

³ The performance indicators are aligned to DOC's Outcome Monitoring Framework. Not all indicators are reported on every year.

⁴ The performance measures we use for the activities we undertake. Our output measures are grouped into output classes and sub-categories, as set out in the Estimates of Appropriations.

⁵ An ecosystem prescription is a list of activities or actions that are required to manage the ecosystem, to maintain it in a good condition.



Outcomes

Performance indicators³

Outputs⁴

Connection with nature and cultural heritage enriches people's lives

- The health and wellbeing of whānau, hapū, iwi and communities are linked to the health of nature.
- From the city to the wilderness, people connect with nature and our cultural heritage.
- New Zealanders care for and take action to preserve our special places and species.
- A range of sustainable recreational experiences encourage New Zealanders to enjoy the outdoors.

- Visitor participation at heritage sites.
- Visitor satisfaction with the quality of the experience provided at heritage sites.
- Visitor participation in recreation on public conservation lands and waters.
- Visitor satisfaction with the quality of the experience and opportunities provided.
- The condition of Actively Conserved Heritage Places.



- Number of historic heritage assets for which remedial work is completed to standard during the year.
- Percentage of historic heritage assets for which regular maintenance work is on track to standard.
- Percentage of historic or cultural heritage assessment reports completed to standard.



- Huts – percentage to standard.
- Tracks – percentage to standard.
- Structures (bridges, boardwalks and so on) – percentage to standard.
- Longer-term recreation concessions monitored.
- Other longer-term resource-use concessions monitored.



- Number of community agreements enabling conservation work by others.
- Number of knowledge and skill sharing (education) initiatives provided.

3 The performance indicators are aligned to DOC's Outcome Monitoring Framework. Not all indicators are reported on every year.

4 The performance measures we use for the activities we undertake. Our output measures are grouped into output classes and sub-categories, as set out in the Estimates of Appropriations.



Sunrise at Oban, Rakiura/Stewart Island. Photo: Vincent Zintzen

Outcomes	Performance indicators ³	Outputs ⁴
DOC is a great organisation		
<ul style="list-style-type: none"> We work as one to deliver on our strategy. Our people thrive and grow. We have regard to whānau, hapū and iwi priorities in our decision making. We have the capability to be an honourable Treaty partner. Mātauranga Māori informs all our work. We are trusted and known as being good to work with. We are excellent at managing our finances and assets. We keep our people and visitors safe. 	<p>Change in the quality of DOC's engagement with key associates.</p> <p>Improvement in the level of return on investment for key DOC products.</p> <p>Employee engagement survey.</p>	<div data-bbox="1214 891 1305 981" style="text-align: center;"> </div> <ul style="list-style-type: none"> Number of ministerial briefings. Official Information Act 1982 requests received and actioned within statutory requirements. Parliamentary questions received with 100% meeting the ministerial deadline. Technical quality of policy advice papers assessed by a survey and robustness assessment. The satisfaction of the Minister of Conservation with the policy advice service, as per common satisfaction survey. <div data-bbox="1214 1429 1305 1518" style="text-align: center;"> </div> <ul style="list-style-type: none"> Strategy and terms of reference for improved sector coordination signed off.

3 The performance indicators are aligned to DOC's Outcome Monitoring Framework. Not all indicators are reported on every year.

4 The performance measures we use for the activities we undertake. Our output measures are grouped into output classes and sub-categories, as set out in the Estimates of Appropriations.

Te hora i tō
mātou rautaki

Delivering on
our strategy

Tō mātou rautaki

Our strategy

In 2022, we prepared a new Statement of Intent that outlines the strategic objectives we intend to achieve or contribute to over the next 4 years.

We refreshed our strategic direction to continue delivering on the Government's priorities, while increasing our focus on biodiversity, actively partnering with whānau, hapū and iwi, and strengthening the organisation to deliver on our outcomes.

Our strategy keeps us focused on what we need to do to achieve our purpose, Papatūānuku thrives. Our work towards our outcomes is detailed in the remainder of this section.



Conservation Minister Poto Williams and DOC staff plant natives around a pou whenua at Kura Tawhiti/Castle Hill, Canterbury, 20 September 2022. Photo: Michael Hayward

Papatūānuku thrives

*Toitū te marae a Tāne Mahuta, Toitū te marae a Tangaroa, Toitū te tangata –
If the land is well and the sea is well, the people will thrive*

We are an honourable Treaty partner

In achieving our purpose and outcomes, we give effect to the principles of the Treaty of Waitangi by actively partnering with whānau, hapū and iwi to protect and sustain our shared natural and cultural heritage

Our outcomes

Ecosystems and species across Aotearoa are thriving from mountains to sea

- A full range of ecosystems on land, water and sea are protected and enhanced
- Indigenous species are not threatened with human-induced extinction
- Landscapes, ecosystems and species are resilient to climate risk

Public conservation lands and waters are maintained and improved for future generations

- Conservation lands and waters benefit from fewer pests and reduced pressures
- We understand whānau, hapū and iwi priorities
- Cultural heritage is managed and protected
- Our actions support Aotearoa to mitigate and adapt to climate change

Connection with nature and cultural heritage enriches people's lives

- The health and wellbeing of whānau, hapū, iwi and communities are linked to the health of nature
- From the city to the wilderness, people connect with nature and our cultural heritage
- New Zealanders care for and take action to preserve our special places and species
- A range of sustainable recreational experiences encourage New Zealanders to enjoy the outdoors

DOC is a great organisation

- We work as one to deliver on our strategy
- Our people thrive and grow
- We have regard to whānau, hapū and iwi priorities in our decision making
- We have the capability to be an honourable Treaty partner
- Mātauranga Māori informs all our work
- We are trusted and known as being good to work with
- We are excellent at managing finances and our assets
- We keep our people and visitors safe

Our principles

NATURE-CENTRED

TREATY-ANCHORED

INTERGENERATIONAL

CLIMATE-FOCUSED

IMPACTFUL

KAIMAHI-CENTRED

Our roles

Protecting land, species, ecosystems and cultural heritage for conservation purposes

Managing threats and adverse impacts

Being a voice for conservation

Connecting people to nature

Figure 2: Department of Conservation's strategic framework and key outcomes.

He hoa Tiriti tōtika mātou

We are an honourable Treaty partner

Highlights of the year

Jobs for Nature funding provided a platform for us to
work alongside mana whenua at place.

This has been achieved through **direct engagement**
with **whānau, hapū and iwi** entities leading taiao projects
on their whenua in their respective rohe.

Through Jobs for Nature, we have invested in

more than

90

different Māori collective entities

to deliver

100

projects across all of Aotearoa.

A new tohu whenua site

has been set up:

**Te Kopikopiko o te Waka,
near Fox Glacier/Weheka.**

We supported the Crown to initial

**Te Ruruku
Pūtakerongo/Taranaki
Maunga Collective
Redress Deed in
South Taranaki.**

Featured work



Kapuni Stairs, Taranaki Maunga. Photo: DOC

Freshwater restoration with Ngā Rūnaka ki Murihiku

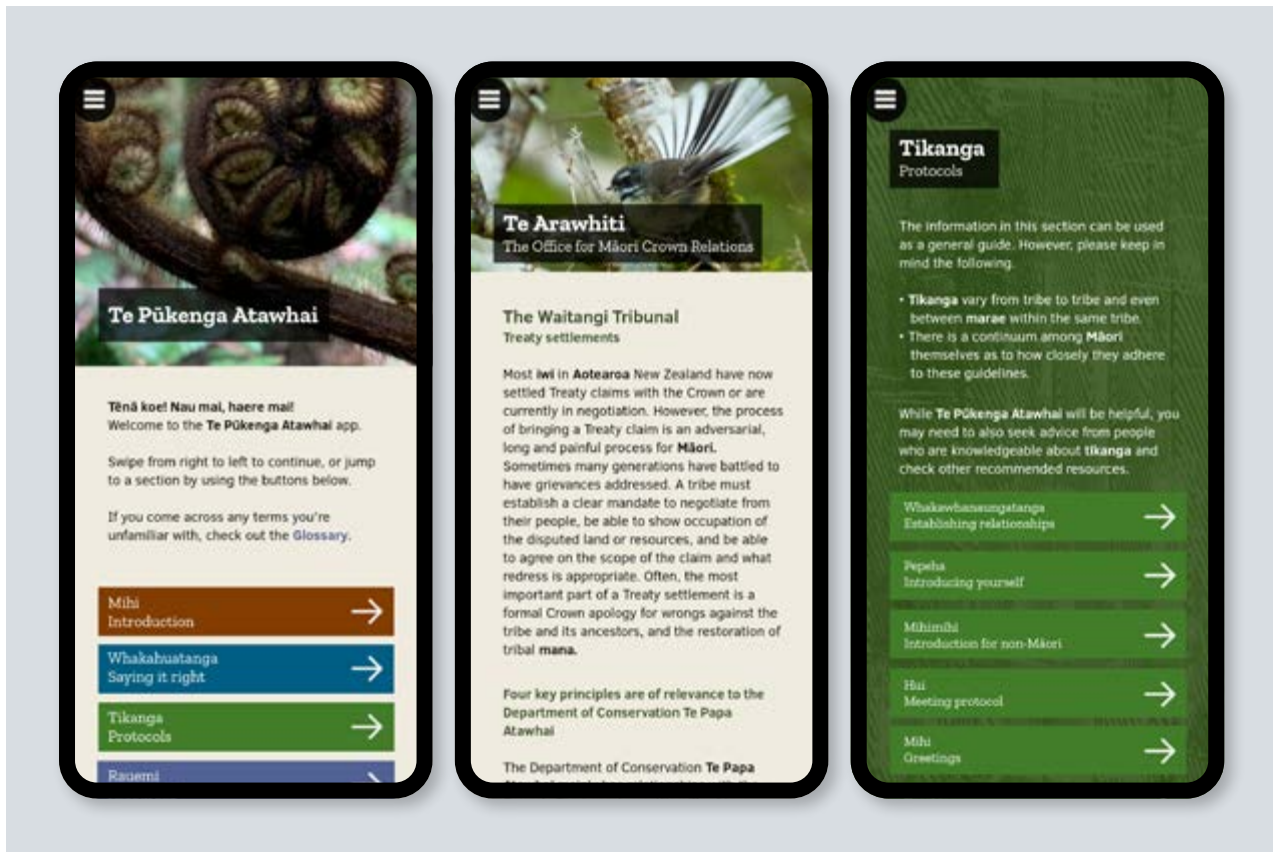
Southland's Waikawa River is a mahika kai site for kanakana with an active nohoanga site. Through our partnership with Awarua Rūnaka, the significance of mahika kai and the importance of wai māori to Ngāi Tahu whānau is being shared within the catchment. The Waimatuku River is a mahika kai site for Ōraka Aparima whānau, who want to reconnect and upskill tamariki and rangatahi, and to involve whānau through employment.

We supplied 1,000 native plants to boost riparian planting projects on 13 farms, and 1,630 plants to help protect and increase the whitebait spawning habitat on the edge of the Waikawa estuary and improve the health of the creeks. Our research is helping to better understand kanakana populations, improve fish passage, and restore whitebait spawning habitats along the Waikawa River.

Te Korowai o Ngāruahine and DOC partnership

In Taranaki, sharing mātauranga Māori, expertise and information across partners is helping to better understand biodiversity outcomes and te ao Māori. Projects include the following.

- A cultural material plan gives iwi and their uri access to manu for cultural purposes.
- The Māui dolphin stranding plan maps how we would collaborate if a Māui dolphin were to strand in the Ngāruahine rohe.
- The Jobs for Nature whio project empowers uri of Ngāruahine to exercise kaitiakitanga over their whenua, including an increase in the genetic diversity of whio on Taranaki Maunga.
- Building Kapuni Stairs gives safe access for manuhiri to visit Te Rere o Noke (Dawson Falls) and allows native vegetation to recover.



Screenshots from Te Pūkenga Atawhai app.

Protecting Akaroa Harbour with Te Rūnanga o Ōnuku

We have worked with Ōnuku for 3 years to protect Akaroa Harbour and the surrounding coastline. The harbour is a customary management area with traditional mahika kai, aquaculture and tourism activities. With Waiwera, Environment Canterbury, Koukourārata and Ngāti Wheke, we secure funding and contract science advisors. Marine mapping helps to locate biodiversity and how well it is currently protected.

Māori Crown Relations capability

Two main programmes of work are under way in the public services to build Māori Crown Relations capability.

Whāinga Amorangi Phase One: Empowering people

Te Pūkenga Atawhai is the soul of our Māori Crown approach. It includes a week-long, marae-based wānanga that we have been delivering to staff, with Māori partners, for over 20 years. It is a professional and cultural capability development course, helping to build awareness, empathy, skills and confidence when engaging with Māori and mana whenua at place. We also developed the Te Pūkenga Atawhai app that supports staff to learn more about te ao Māori whenever it suits them.

Our Whāinga Amorangi response also builds organisational capability through recruitment and partnerships. We take a systems approach to cultural capability development to ensure all our human resource policies and practices are delivering the required behaviours, skills and attributes. Central to this approach is developing the ideal organisational culture to grow and sustain cultural capability.



Members of the Senior Leadership Team outside the whareniui at Waikōhātu Marae. Photo: DOC

Māori language planning

Te reo capability is central to our workplace and working environment. Using Māori names for plants and animals requires an understanding of te reo, to appreciate the history and unique features at place. Many names have indicators relevant to the care, management and protection of these places.

We are updating and finalising te reo development policy for staff and have recently included an allowance in the collective employment agreement in recognition of te reo competency.

In May 2023, our senior leadership team had the privilege of attending Te Pūkenga Atawhai at Waikōhātu Marae in Rotoiti as part of their journey towards being an honourable Treaty partner. Ruth Isaac, Deputy Director-General Strategy and Policy, explained:

“ We talked about the history of Te Tiriti o Waitangi, about tikanga (traditions) and kawa (etiquette) and focused on iwi engagement and what being an honourable Treaty partner looks like in practice.

E ora ana ngā pūnaha hauropi me ngā momo koiora puta noa i Aotearoa, mai i ngā maunga ki te moana

Ecosystems and species across Aotearoa are thriving from mountains to sea

Highlights of the year

The **threat status** of some species **has improved**, including two that are no longer considered 'Nationally Critical' (the last category before extinction).

Kākāpō numbers have increased

from 197 to

248

in the 2022 breeding season.

We supported **Raukūmara Pae Maunga** with planning and delivering the **largest-ever predator control operation** in the North Island.


Oversight and leadership groups are in place to coordinate and drive implementation of **Te Mana o te Taiao** – Aotearoa New Zealand Biodiversity Strategy.

Twenty-three lizards, hundreds of freshwater and terrestrial invertebrates, 8 plants and 24 lichen were **reclassified**, based on data relating to their geographic range, ecology, threat status, management strategies and morphological characters.

Seven tara iti/ New Zealand fairy terns were **successfully hatched** and **reared** through working with Auckland Zoo. Tara iti are classified as Nationally Critical, with a population of fewer than 40 individuals.

We relocated **21 Kapitia skinks** from Auckland Zoo back to their home on the **West Coast** of the South Island.

We reintroduced **73 kākāriki karaka/ orange-fronted parakeet**, a taonga species for Ngāi Tahu, to Hawdon valley, Arthur's Pass National Park.



3 out of 3 achieved

Our three ecosystem and species output measures are included in the Natural Heritage output class.

For more details, go to ‘Our performance’ on pages 65–79.

Featured work



Two matuku hūrepo/Australasian bittern courted and mated below the drone, providing confidence that the bittern continue normal behaviours with a drone operating nearby. The drone footage of bittern mating is probably a first. *Photo: Hamish Kendall, Flightworks*

Long-term Insights Briefing

In March 2023, DOC and Toitū Te Whenua Land Information New Zealand released a joint long-term insights briefing (LTIB) that asks “How can we help biodiversity thrive through the innovative use of information and emerging technologies?”. Informed by public consultation, the LTIB focuses on the opportunities, risks and issues surrounding three emerging areas: remote sensing, genetic technologies and artificial intelligence. See appendix 6, ‘Futures thinking explored in Long-term Insights Briefing’ on page 141, for further information.

Thermal drone imagery helps locate secretive bitterns

We carried out trials of thermal cameras on drones to monitor the matuku hūrepo/Australasian bittern, especially the elusive females and chicks of this Nationally Critical species. By using thermal imagery from the air, we surveyed 1,517 hectares between 2021 and 2023. This detected bittern in 11 of 30 wetland sites across Bay of Plenty, Waikato and Hauraki. We found that thermal imagery from drones is an effective detection and monitoring tool for bittern. It can cover much more ground than rangers surveying wetlands on foot, in a safer, quicker and cheaper way, while reducing disturbance to these birds. We hope to implement this approach in the near future, as part of our bittern conservation management efforts.



Native vegetation on predator-free island Blumine Island/Ōruawairua, Marlborough Sounds. Photo: Michael Hayward

Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy

This strategy provides an all-of-New Zealand response to the threat to our biodiversity and sets the overall strategic direction for the protection, restoration and sustainable use of biodiversity in Aotearoa New Zealand through to 2050. Everyone has a role to help achieve the outcomes outlined in Te Mana o te Taiao, from central and local government, Māori, NGOs and businesses to communities, conservation groups and individuals.

Our role is leading the collaborative implementation of Te Mana o te Taiao and delivering a significant part of it because a large portion of the country is designated as public conservation land.

Interagency coordinating and technical working groups have been established to provide advice and direction on implementation, and to help identify the priorities for central and local government through to 2030, to be included in the next implementation plan.

A working group for monitoring and reporting has also been established, to develop and support implementation of an outcome monitoring framework for reporting progress towards outcomes for Te Mana o te Taiao.



Tarapirohe/black-fronted terns. Photo: Clement Lagrue

Work under way by Manaaki Whenua – Landcare Research, along with several DOC-funded Māori-led case studies, provides examples of how to develop and implement social and environmental indicators with mātauranga-a-iwi as their foundation.

Braided river restoration

Braided rivers are characterised by their wide gravel beds, numerous channels and highly variable flows. They are geologically unusual and support Aotearoa plant and animal communities that are found nowhere else in the world. In Southland, the Aparima River Project initiated a redesign of the river management strategy with a focus on restoring biodiversity habitats. The weeds and sediment are removed, gravel is extracted in layers to recreate the native contour of clean gravel bars, islands and braids of a functioning river. The restored areas will provide roosting, feeding and nesting habitats for various threatened river birds (tarāpuka/black-billed gulls, pohowera/banded dotterels, tarapirohe/black-fronted terns and so on).



(Left) Freshwater scientists catch and release a fish to confirm the eDNA information. *Photo: WAI Wānaka*; (top) Installation of a barrier to keep trout downstream. *Photo: DOC*; (bottom) Clutha flathead galaxias. *Photo: DOC*

Using environmental DNA to detect and protect species

The streams and rivers in Otago are home to some of Aotearoa New Zealand’s most endangered galaxiids, as well as predatory trout. We used environmental DNA to detect a new population of Clutha flathead galaxias in the Tyre Gully, but only a small waterfall was stopping trout from migrating upstream and predated the flatheads. Installing a series of barriers and removing trout downstream shows how precision conservation⁶ is helping to save threatened taonga species.

⁶ Precision conservation is planning and applying the right practices, in the right place at the right time, to maximise environmental benefits while minimising economic investment.



A University of Otago student holding a Northern Fiordland tokoeka wearing a GPS tracker. Data from eight trackers will be analysed in her masters thesis. *Photo: Hugh Robertson, DOC*

Tokoeka territories mapped in the Murchison Mountains

To assess long-term growth rates of northern Fiordland tokoeka kiwi (Nationally Vulnerable), the Save our Iconic Kiwi monitoring programme mapped their territories at three Fiordland National Park sites under different forms of management. These sites were the upper Mystery Burn and Point Burn valleys in the Murchison Mountains, where an extensive (around 50,000 hectare) network of stoat traps is in place; Shy Lake (pulsed aerial 1080) and Lake Thomson (no treatment).

Between 2021 and 2023, 17 tokoeka were banded, and most were temporarily radio-tracked in the Murchison Mountains. Data from experimental GPS trackers attached to eight birds allowed a comparison of night-time locations with those obtained through traditional, mainly daytime, radio-telemetry. The data from this site can be compared with changes in the number of calls detected by a panel of acoustic recorders covering the same area. Similar comparisons will be made at the other two sites.



Gorgonian fans and other encrusting invertebrates at Poor Knights Marine Reserve. *Photo: Vincent Zintzen*

Planning future marine protection

A new marine data portal was launched in 2022. It hosts hundreds of datasets critical to informing our planning for marine conservation. Adding the Atlas of Seabed Biodiversity to the portal lifted the number of records to provide geospatial information on nearly 600 species, including seaweed, seafloor-dwelling fish, reef fish and subtidal invertebrates. The geospatial information was made available through Datamesh.⁷

⁷ See Datamesh at <https://oceanum.io/>, for more information.

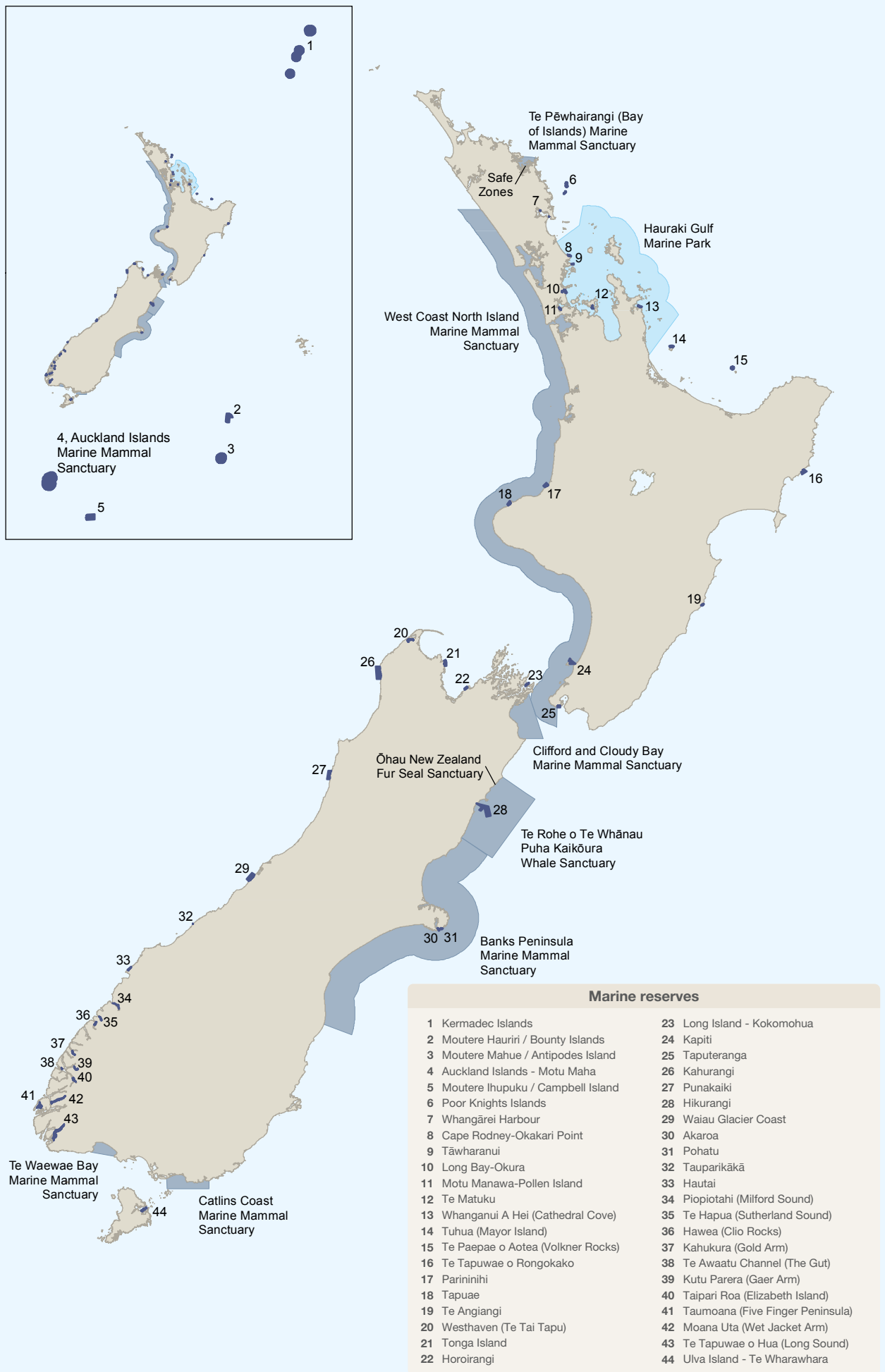


Figure 3: Marine reserves and marine mammal sanctuaries in Aotearoa New Zealand.





School of sweep in Whangārei Harbour Marine Reserve, Motukaroro Island. Photo: SeacologyNZ, Crispin Middleton

He tika te tautiaki i ngā whenua me ngā wai
tiaki tūmatanui, ka whakapaingia hoki mō ngā
reanga o āpōpō

Public conservation lands and waters are
maintained and improved for future generations

Highlights of the year

A stoat was trapped

on pest-free Te Kākahu-o-Tamatea/
Chalky Island, **after 8 months
of work** and **more than
300 traps set up**
by iwi, concessionaires and 180 staff.

The Waipoua Forest predator control

operation this year, the first since
2014, is helping protect this important
Northland kauri forest.


A once-in-a-decade agreement to stop and reverse the loss of biodiversity, the Kunming-Montreal Global Biodiversity Framework, was adopted at the United Nations Biodiversity Conference in December 2022. The new agreement includes 23 global targets for urgent action, including to **protect 30% of the planet by 2030.**

In March 2023, 20 years of negotiations

concluded at the United Nations in New York on a new treaty
to protect marine biodiversity in areas beyond national jurisdiction,
which **covers two-thirds of the world's ocean.**

We issued 128 formal warnings and
193 infringement notices, and 10 cases were
prosecuted or are awaiting prosecution.
The most common offences were for fishing
in marine reserves, followed by whitebaiting
offences and offences related to dog
interactions with wildlife.

We developed Aotearoa New Zealand's first
large-scale climate change vulnerability
assessment, which **identifies
terrestrial threatened
species and ecosystems
at risk**, to prioritise for research
and adaptation.



11 out of 13
achieved

Our pest and weed control output measures are included in the Natural Heritage output class.

For more details, go to ‘Our performance’ on pages 65–79.



1 out of 1
achieved

The Crown Contribution to Regional Pest Management output class has one output measure.

Featured work

Predator Free 2050

Budget 2022 made funding available for the “Collective delivery of the Predator Free 2050 (PF2050) Strategy”, with a focus on the following areas.

ESTABLISHING FOUNDATIONAL SYSTEMS CRITICAL TO ENABLING PROGRESS TOWARDS THE PF2050 GOAL

- Scoping a scenario-modelling tool to map cost-effective and efficient approaches to landscape-scale eradications. Developed in partnership with Manaaki Whenua – Landcare Research, this will be a critical tool to support strategic decision making from 2030 when we prepare to scale eradication projects across the country.
- Scoping requirements for expanding the Predator Free Dogs Programme to meet increasing demand from eradication projects.
- Establishing a Māori technical advisory group to provide advice on how to increase Māori leadership and participation in the PF2050 programme.
- Completing a stocktake of Treaty settlement obligations as they relate to PF2050, to support a strengthened Treaty partnership.
- Initiating work to establish PF2050 outcomes monitoring as part of the framework for Te Mana o Te Taio – Aotearoa New Zealand Biodiversity Strategy.

ENABLING CRITICAL SCIENCE AND INNOVATION

- Developing a framework for embedding mātauranga Māori into the PF2050 programme. This includes a contestable fund (launching 2023/24) and whare wānanga, which will support how traditional knowledge can unlock solutions for PF2050.
- Developing and testing of a feral cat bait and pen trials of a 1080 stoat bait (with initial positive results).

STRATEGIC ERADICATION PROJECTS AT READY, IMPORTANT AND DEFENDABLE SITES

- Progressing a comprehensive feasibility and implementation plan to support eradication on Rakiura/Stewart Island.
- Interim planning for initiating Auckland Island eradication, including coordinating the philanthropic investment required before the project begins.
- Finalising a strategy for achieving interim goal #3: By 2025, we will have eradicated all mammalian predators from New Zealand’s uninhabited offshore islands.



A trapper on Secretary Island, which is the location of stoat trapping activities as part of Predator Free New Zealand programme.
Photo: James Reardon

Increased predator and browser control on public conservation land

We undertook 516,297 hectares of predator control across 18 sites throughout the country. This gave protection for many native species including tūturiwhatu/Southern New Zealand dotterel, takahē, kea, kiwi, whio/blue duck, kākā, long- and short-tailed bats, powelliphanta snails, kākārīki karaka/orange-fronted parakeet, Haast tokoeka, and Archey's and Hochstetter's frogs. An example of this success is an increase in pīwauwau/rock wren numbers at 12 sites where predators are regularly suppressed using aurally applied 1080.

Working with Ngāi Tahu, OSPRI, Zero Invasive Predators and the Kea Conservation Trust, progress has also been made with research on how to prevent kea from eating 1080 baits. Repellent trials have now finished, and the results are being reviewed.

Wild animal management – goats, deer, pigs, tahr and chamois

The Wild Animal Management Programme manages populations of deer, goats, pigs, tahr and chamois in priority conservation areas to restore forest structure, protect native plants and habitats, and stop their spread to new areas. This year, we received Budget 2022 funding to deliver additional goat and deer control. We also worked with others on compliance, surveillance and eradication feasibility studies.

This is challenging work, often in high-risk environments, where expertise in techniques like hunting from helicopters is needed. Our capacity to deliver ethical, professional and safe aerial control is increasing through the development of a safe aerial hunting system, with all our aerial hunters completing a new training course this year.

Having different approaches available for managing wild animals makes faster and better control efforts across a range of ecosystems from mountains to sea.

Goats: An intensive operation was funded to remove goats from the Crooked Mary and Lake Christabel block in the western South Island.

Deer: The Bradshaw region in Fiordland National Park is a high priority for deer management, because it is next to deer-free Secretary Island and the Murchison Mountains, home of the takahē, which needs low deer numbers to protect takahē food species. This year, 751 deer were removed through a combination of commercial venison recovery and non-commercial control.

Tahr: On the West Coast, we finished a control trial using professional ground hunters. A parallel trial with recreational hunters to target specific populations was also run. Results suggest that in areas of high tahr density, targeted recreational and professional ground hunting can be a cost-effective control tool, with the benefit of targeting tahr that cannot be controlled from the air.

Climate change

Climate change affects every aspect of our work. More frequent and severe storms are damaging our visitor asset network and putting pressure on habitats and species. Extreme weather events have caused extensive damage to DOC's recreation infrastructure. Our people act as emergency responders but are also part of the affected communities. As well as dealing with the effects of climate change, our work includes exploring nature-based solutions to managing climate impacts, and a programme to reduce our own emissions.

CROSS-GOVERNMENT CLIMATE CHANGE WORK PROGRAMME

The Climate Change Chief Executives Board agreed to progress an interagency nature-based solutions work programme, which will bring a biodiversity lens to climate change action in Aotearoa. We are collaborating with other agencies to develop a framework for reporting on the impacts of climate

action on biodiversity, to enable better consideration of biodiversity in decision making.

We are engaging on the policy design of the Climate Adaptation Bill (led by Ministry for the Environment) to promote positive biodiversity outcomes.

With the Ministry for the Environment, we set up a cross-agency team to progress work on a biodiversity credit system in New Zealand, including drafting an exploratory discussion document. One objective of this work is to help close the biodiversity funding gap on both public and private land.

CLIMATE CHANGE ADAPTATION ACTION PLAN 2020-2025

Our Climate Change Adaptation Action Plan for 2020-2025 guides our response to climate change, from managing visitor assets through to reducing the risk to nature on land, in rivers, and at sea. Figure 4 outlines the four components needed to achieve climate change adaptation in DOC.

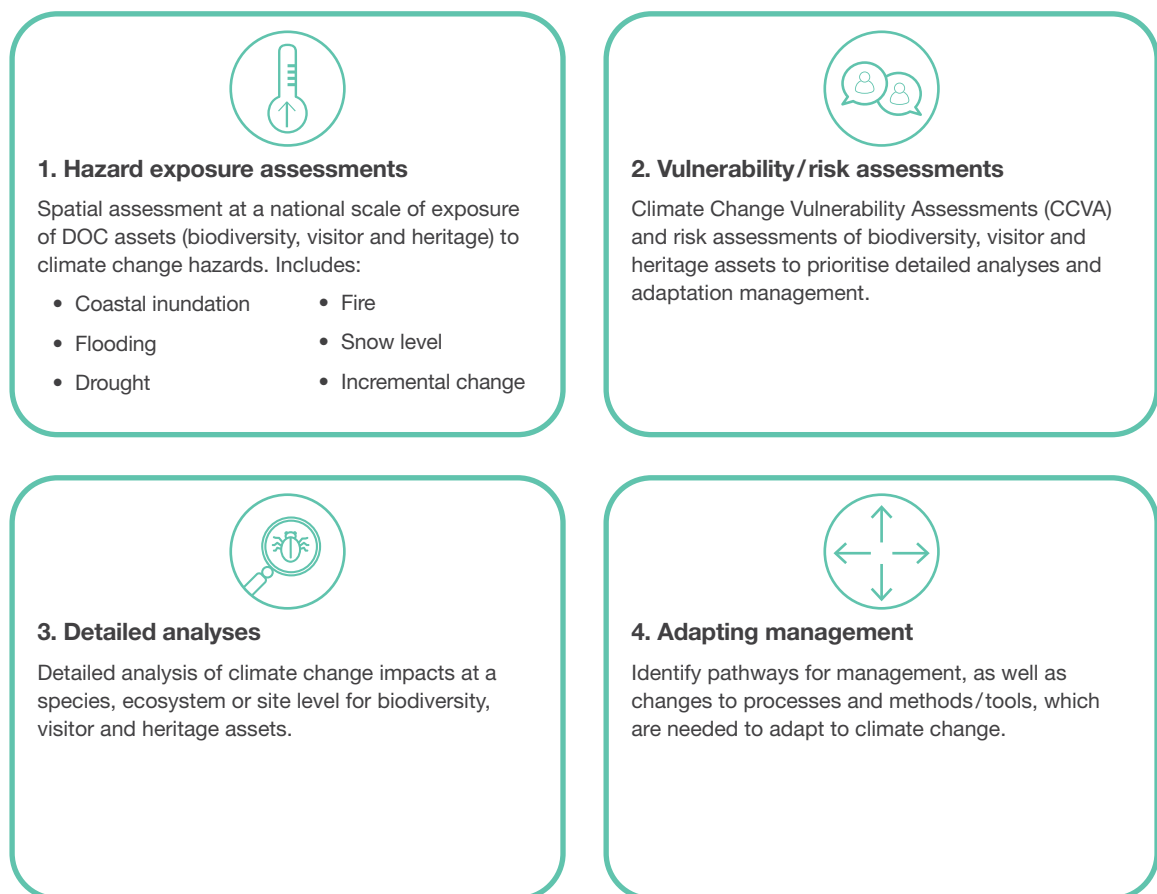


Figure 4: The four components from DOC's Climate Change Adaptation Action Plan.



Hochstetter's frog. Photo: Dick Veitch

NATIONAL EXPOSURE ASSESSMENT FOR DROUGHT

With climate change comes even more risk of drought in some parts of Aotearoa. Understanding what this means for nature and the country's important places is essential if we are to safeguard them. We have completed a national exposure assessment to work out which assets, archaeological sites, recreation functional locations, destinations, and ecosystem and species management units are likely to be exposed to drought under various climate change settings. Nationwide drought exposure metrics have been made and this information has been added to the DOC geographic information system for use by staff.

CLIMATE CHANGE PLANNING FOR NATIVE FROGS

We completed a case study on New Zealand native frogs (*Leiopelma* species) to test how a Dynamic Adaptive Pathways Plan (DAPP)⁸ could be used for threatened species. Native frogs were chosen because they are sensitive to changing environmental conditions such as temperature, humidity and rainfall. The case study described options that could help species survive in a changing climate and recorded the options in a visual format. Three broad adaptation actions for native frogs were developed. The next steps are to integrate DAPP in our threatened species assessments, our planning systems and our work with others to protect frogs.

⁸ DAPP is an international tool to support planning for climate change. A Pathway Plan is a graphic depiction of future options and actions over time.

Support for Pacific countries to combat illegal wildlife trade

We are the Management Authority for the Convention on International Trade in Endangered Species (CITES) in Aotearoa. We are supporting the CITES legal review in Palau and Papua New Guinea through the Ministry of Foreign Affairs and Trade's Pacific Security Fund, following similar successful projects with Samoa and Tonga. The Palau project is complete, with draft legislation to implement CITES ready for the next steps of Palau's parliamentary approval process. The Papua New Guinea legislative review is under way and due to be completed in October 2023. Tonga passed its new CITES rule into law in October 2022, and Samoan laws are with their Attorney-General for final review.

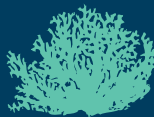
We appointed in-country lawyers to increase regional capacity for CITES implementation and facilitated collaboration between CITES parties, agencies and the CITES Secretariat.

We support the carrying out of new CITES listings, in our capacity as Oceania representative on the CITES Standing and Animals committees.

We also helped with importer and exporter permitting questions and issued 259 CITES permits to enable the legal movement of CITES species across international borders in 2022/23.

With the return of international travel, an increase is occurring in seizures and surrenders from passengers and the postal pathway, and the trend is heading towards pre-COVID-19 levels:

265 seizures of CITES species this year



254 in 2021/22
320 in 2020/21



3,668 instances of surrenders this year

690 in 2021/22
75 in 2020/21*

*COVID-19 border closures



A DOC staff member showing school children on Palmerston Atoll how to use trail cameras. *Photo: Em Oyston, DOC*

Sharing invasive species expertise with Pacific neighbours

Managing Invasive Species for Climate Change Adaptation in the Pacific (MISCCAP) is a partnership between the Ministry of Foreign Affairs and Trade, the Pacific Regional Environment Programme, Manaaki Whenua – Landcare Research and DOC.

DOC's contribution to MISCCAP includes:

- sharing expertise and best practice for animal pest eradication, control and island biosecurity, to support better project feasibility, planning and implementation
- adding value to partners' projects through provision of expertise and funding
- leading the feasibility and operational planning of a flagship rat eradication project on Palmerston Atoll, Cook Islands. If successful, it will be the first rat eradication on an inhabited island in the Pacific
- leading the development of best practice resources for inter-island biosecurity and invasive animal control

- helping our partner, Island Conservation, with the delivery of rat eradications on small islands in Yap, Federated States of Micronesia, and the Republic of the Marshall Islands
- helping our partner, Birdlife International, with carrying out a feasibility study for controlling rats, feral cats and feral pigs in the Navukailagi catchment on Gau Island, Fiji.

Review of the Wildlife Act 1953

- In 2022 we undertook targeted engagement to consider what New Zealanders want from a species management system. The review has strong support, with a shared vision for native species to be thriving, and for Treaty partnership to be at the core of any new species system.
- We also supported the ministerially appointed, independent Strategic Oversight Group, which gave collective conservation knowledge and advice on the review. We gave the Minister of Conservation advice to support her report-back to Cabinet in mid-2023 on the outcomes of the review and next steps.



Whitebait huts along the Matura River, Fortrose. Photo: Shellie Evans

Progressing potential changes to the Conservation General Policy and General Policy for National Parks

The independent Options Development Group was set up in September 2020 and asked to develop recommendations or proposed changes to the general policies to better reflect Treaty responsibilities. The Group's report was released in April 2022, and we gave advice on the Group's recommendations to the Minister of Conservation and the New Zealand Conservation Authority (as decision-makers on the General Policy for National Parks).

Better process reduces offending

The new Regulatory System Assurance team leading our compliance and enforcement function is aiming to reduce harm to land, water, ecosystems, species and cultural heritage.

Our work this year included marine reserve patrols and increasing public understanding of the Whitebait Fishing Regulations 2021, to ensure fishers were sticking to the new rules and understood customary fishing provisions. Many unlawful interactions with wildlife, including great white sharks, sea snakes, albatross eggs, fur seals and ground-dwelling birds, were investigated over the past year. A review of Wildlife Act permits to hold reptiles led to several investigations into legal compliance.

Managing demand for conservation land

We grant a variety of permissions and manage contracts for activities. This includes interactions with wildlife, research, import or export of endangered animals, collection of plants or their parts by scientists, and commercial use of public conservation land for reasons other than personal recreation.

During the 2022/23 financial year we received:

- around 3,000 separate applications for permissions to undertake these activities
- around 600 requests for processes, such as easements, leases and rights to occupy, associated with the control and status of public conservation land
- around 550 requests for activities advocating for conservation values of threatened species and ecosystems, including administering the regional coastal plan for the Subantarctic and Kermadec Islands.



Takahē at Punanga Manu o Te Anau / Te Anau Bird Sanctuary. Photo: Kaila Colbin

Mā te hononga ki te taiao me ngā taonga ahurea ka pai ake te noho a te tangata i te ao

Connection with nature and cultural heritage enriches people's lives

Highlights of the year

Since the programme started, we funded **over 5 million hours** worked in **Jobs for Nature**.

We helped more than **280 students**, aged 10 to 13, collectively plant

4,000 plants in the Manga-o-Tama catchment, South Waikato.

The **Jobs for Nature Marine Kaitiaki Course** graduates all secured post-training work or will continue training in the marine conservation field.

The number of New Zealanders and international visitors who went on a Great Walk reached **47,380**,

an **18%** increase from summer 2021/22.

International visitors returned to nearly 65% of pre-COVID-19 summer arrivals.

Fifty percent of them visited national parks and 49% went to beaches. Nine out of ten international visitors reported being **'satisfied'** or **'very satisfied'** with their New Zealand visit.

The DOC website provided information and advice to over **6 million visitors**.

PERFORMANCE AGAINST OUR OUTPUT MEASURES



2 out of 3 achieved

The Management of Historic Heritage output class has three output measures.



4 out of 5 achieved

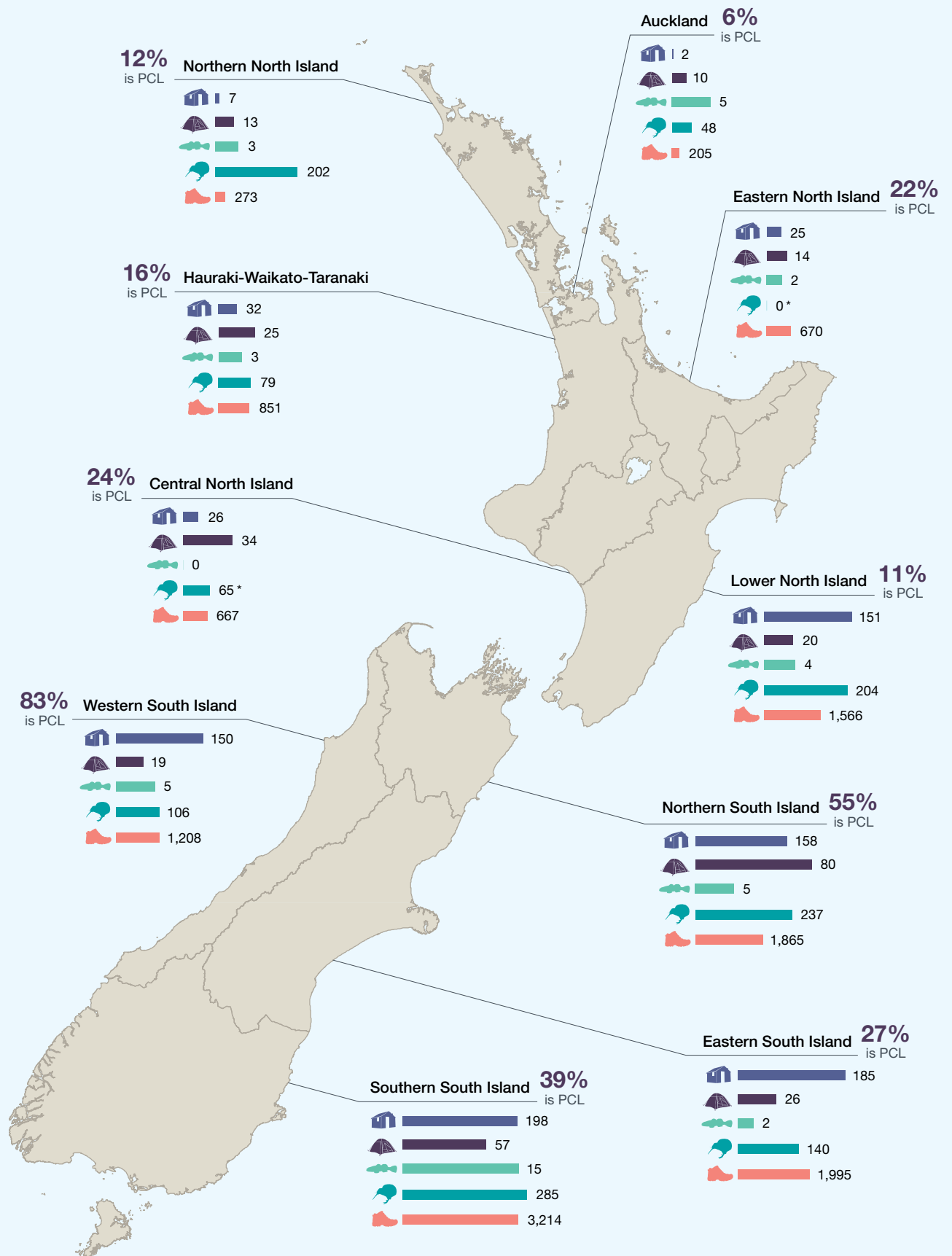
The Management of Recreational Opportunities output class has five output measures, three relating to asset management and two relating to concession monitoring.



2 out of 2 achieved

The Conservation with the Community output class has two output measures.

For more details, go to 'Our performance' on pages 65–79.



*Eastern North Island was previously a part of Central North Island and has since been reclassified. Numbers for this area are reflected in the Central North Island data.

KEY Open huts Open campsites Marine reserves Planned work for threatened or at risk species Open tracks (km)

PCL: public conservation land

Figure 5: Key statistics on the Department of Conservation operational regions.

Featured work



Members of Te Matau a Māui/Hawke's Bay District Operations Team, mucking in at the Waiohiki settlement after Cyclone Gabrielle.
Photo: Bernie Kelly, DOC

Cyclone Gabrielle – assessing damage to assets and threatened species

The weather events during February 2023 (including Cyclone Gabrielle) in the North Island severely damaged and limited access to our heritage and visitor assets, infrastructure and experiences. Around 18,000 of our assets in the northern and eastern regions were affected, with five popular sites suffering significant damage. Forty-two percent of sites will require repairs and/or full asset replacements. During the state of emergency, an estimated 7,000 (41%) of our accommodation bookings were cancelled in the affected regions.

After the cyclone, the initial focus was on ensuring staff and visitors were safe before starting the clean-up. The Hawke's Bay team focused on gathering information and setting up communications while adjusting to having no power. We worked with local civil defence groups, helping at welfare centres, marae and in communities.

We were relieved the two tītī/Cook's petrel chicks in our predator free seabird site survived. In Hawke's Bay, we retrieved seed in a post-storm check of one of New Zealand's rarest plants, *Myosotis petiolata*, with just two left in the wild.

“ DOC was an exemplar of crown agencies in a crisis and being flexible and going where the need is ... DOC was one of the few that demonstrated and valued Te Tiriti partnerships with iwi. They align quickly to the same kind of focus and values that iwi were operating from. If there was a gap there, [the] team could fill it and help, and we already knew resourcing capacities were already stretched in some parts in the rural areas. Really appreciate the Maniapoto DOC team who are there to answer and provide.

– Maniapoto iwi member

An enclosure of Hawke's Bay kākābeak, also seriously threatened, survived, and has new seedlings. Ngutukākā/kākābeak is classified as Nationally Critical and occurs in areas of the East Coast and Hawke's Bay regions affected by Cyclone Gabrielle. Many landslides occurred in the area where the entire wild population of 108 plants is found. Full assessment of the population has not been undertaken because the area is inaccessible.

A cyclone recovery taskforce was set up to support long-term planning and ensure we are improving our network design to be more resilient to severe weather in the future. The plan for recovery covers the physical landscape, the assets and structures within that landscape, the plants and animals of the area and, most importantly of all, the recovery of the people of the place.



Damage to the Heaphy Bridge. Photo: DOC

Heaphy Track repairs and rerouting

When ex-tropical Cyclone Dovi struck the top of the West Coast in February 2022, the headlines focused on three bridges that took the brunt of raging waters. Other damage included a coastal section between Kohaihai and Heaphy Hut. These events led to temporary track closures, increased maintenance costs and, in some cases, a higher level of safety risk for visitors and staff.

The damage to the Heaphy Track has significantly affected the Karamea and Golden Bay communities, especially tourism operators, with a fall in visitor numbers. Buller staff have been in close communication with them, including holding community meetings in Karamea, and providing newsletter updates detailing the recovery work. Once the reroute is complete, and the new bridges over the Heaphy and Lewis rivers are finished, the track will be ready for its reopening as a through-walk in October 2023.



View of winch recovery on Aoraki/Mount Cook. Photo: DOC

Alpine rescues on Aoraki / Mount Cook

We have an important role in supporting the safety of visitors to public conservation land and waters. The search and rescue team based in Aoraki/Mount Cook Village is the only full-time alpine rescue team in Aotearoa, and provides training and mentoring support to the volunteer Land Search and Rescue sector. The team uses various tools to assess and manage risk at visitor destinations. We were pleased to receive an improved internet connection by Starlink during the year. Connectivity is important to the team for safety, to get live weather reports and communicate easily with each other.

In September 2022, two rescues were recognised at the New Zealand Search and Rescue Awards.

- Gunbarrel's rescue was a high-altitude winch extraction flown by Otago Helicopter Rescue. Two young alpinists took the wrong route off the western side of Aoraki/Mount Cook and found themselves in extremely steep land and, with a poor weather outlook, activated their Personal Locator Beacon.
- Sheila Face, Aoraki/Mount Cook at 3,350 metres involved a party of three climbers. Once located using local intelligence, the helicopter pilot extracted one climber using a long winch extraction. The climber had sustained a serious hand fracture after being hit by a falling ice block.



Pou whenua at Kura Tawhiti/Castle Hill, Canterbury. Photo: Michael Hayward

Ngāti Waewae cultural footprint at Punakaiki re-established

The Dolomite Point Redevelopment Project is creating a new architecturally designed visitor experience centre at Punakaiki on the West Coast. The sustainable timber building features a green roof of locally sourced plants. Completion is expected before the end of 2023. We led this project on behalf of Te Rūnanga o Ngāti Waewae and other main stakeholders. Ngāti Waewae will own and operate the Experience Centre, which will also accommodate the DOC Paparoa National Park Visitor Centre. The building will enable Ngāti Waewae to exercise manaakitanga by creating connections with visitors and locals, reinforcing an unbroken line of kaitiakitanga.

Pou whenua unveiled at Kura Tawhiti / Castle Hill

Kura Tawhiti/Castle Hill is one of 14 tōpuni sites under the Ngāi Tahu Claims Settlement Act 1998. In September 2022, three impressive pou whenua of Ngāi Tūāhuriri tīpuna were unveiled at Kura Tawhiti/Castle Hill. They stand as kaitiaki over the popular site and mark the area's cultural significance to mana whenua. Ngāi Tūāhuriri is the hapū that descends from the ancestor Tūāhuriri and holds rangatiratanga over Kura Tawhiti/Castle Hill. A new track has been built to manage visitor impacts, accompanied by new planting to remediate biodiversity areas damaged by visitor foot traffic. Seven information panels were installed with narratives covering the history of Ngāi Tūāhuriri and Ngāi Tahu. The pou were the culmination of combined efforts by DOC, Ngāi Tūāhuriri and master carvers Fayne Robinson and Riki Manuel. This project will help the 100,000 annual visitors to this site better understand, protect and celebrate the cultural significance and heritage values of the area, while reducing damage to the fragile ecosystem.



DOC Sounds of science podcast - Episode 13 (Part 1) Predator free and me. Photo: DOC

Award for popular DOC Sounds of Science podcast

Our Sounds of Science podcast was developed to deepen people’s understanding of conservation through behind-the-scenes stories and knowledge they could only get from our staff. It is created entirely in-house, available for listening on all major podcast platforms, and allows DOC to engage with New Zealanders about conservation and its work. Since launching in 2019, we have released 24 episodes, held a 5-star review average across platforms, had more than 89,000 downloads of the podcast episodes, and more than 28,000 online streams. It has more than 4,000 subscribers. In December 2022, we won a bronze award in the Climate section of the New Zealand Podcast Awards.







O'Neill Bay, Tamaki Makaurau / Auckland. Photo: Unsplash, Samuel Ferrara

He whakahaere rawe a Te Papa Atawhai DOC is a great organisation

Highlights of the year

We are addressing

healthy homes compliance

for staff-occupied residential properties.

By living in homes that meet the healthy homes standards, **staff wellbeing should also improve.**

We continue to have a **low overall gender pay gap of 3%**, and the pay gap that exists is not caused by unjustified factors such as bias.

We have implemented a **biannual employee survey**, to better understand our people's experiences and how we can support them.

Our people are first responders for emergency response:

27 staff

were awarded the

Australia National Emergency Medal with Bushfires 2019/20.

We provided

satellite internet access to remote areas via **Starlink.**

We achieved a

10% reduction

in our **vehicle fleet size.**

PERFORMANCE AGAINST OUR OUTPUT MEASURES



3 out of 5
achieved

The Policy Advice, Statutory Planning, and Services to Ministers and Statutory Bodies output class has five output measures.

For more details, go to 'Our performance' on pages 65–79.



1 out of 1
achieved

The Search and Rescue Permanent Legislative Authority output class has one output measure.

Featured work



DOC staff working with our Treaty Partner. Photo: James Stanbridge

Organisation reset

In 2022/23, an organisational reset was undertaken, resulting in a structure with clearer accountabilities and spans of control, including a new DOC region, Eastern North Island. Some work programmes, such as creating a workforce strategy, were put on hold while we completed the reset, but will restart in 2023/24.

Upgraded financial and asset management system

At the start of the 2022/23 financial year, we went live with an upgraded financial and asset management system. Some of the initial challenges have now been resolved, and supplier invoices are being paid within an average of 9 days. Between March and June 2023, 79.3% of invoices (10,688 invoices) were cleared in 1 to 10 business days.

To deal with some of the other challenges, we are providing hands-on, practical learning, to help people do their jobs. In the medium term, we plan to have up-to-date learning and information resources that people can refer to as needed. Once the system is fully embedded, it will streamline timely, accurate data capture to ensure we are delivering our work.

Equal employment opportunities

We support equal employment opportunities. The principles that underpin our approach to being a good employer include impartial selection, recognition of the aims and aspirations of Māori and all ethnicity or minority groups, and recognition of the employment requirements of women and persons with disabilities.

Diversity, equity and inclusion

Our policy, principles and processes support our commitment to being a 'good employer', as defined in the Public Service Act 2020.

Our inclusion and diversity programme meets these legal requirements by providing strategic direction and plans that support equal employment opportunities. The main focus areas include building multicultural capability, balanced gender and ethnic representation, and equitable pay outcomes for all.

The programme focuses on the plans identified within the Kia Toipoto: Closing Unjustified Gaps and the Papa Pounamu programmes. Over the past year, we have developed plans, such as equitable pay outcomes and enhancing our recruitment practices, to ensure they are fully inclusive. Attraction and retention of a diverse workforce remains a significant focus of this work. We also designed and delivered hiring manager capability resources, to support inclusive hiring practices.

Papa Pounamu priorities

We are continuing to work towards the five Papa Pounamu commitments, using our existing plans and systems. Our work programmes for these priorities are summarised below.

ADDRESSING BIAS

We have created two e-learning modules that will educate our people on bias while exploring ways to increase equity and inclusion within teams. One module is for all staff and focuses on understanding and managing unconscious bias, the other is for leaders (and anyone on an interview panel) and covers bias in the recruitment process. These are planned for roll-out in the fourth quarter of 2023 and will be connected to existing e-learning modules on recruitment and management.

STRENGTHENING CULTURAL COMPETENCE

We will be rolling out the Ministry of Business, Innovation and Employment Mana Āki e-learning cultural competency programme. Consisting of one module per week for 8 weeks, participants will learn to recognise, adapt and interact more effectively in diverse cultural contexts. We will start with a pilot in the first quarter of 2023/24, and then roll the programme out to the rest of the organisation in quarters two and three.

INCLUSIVE LEADERSHIP

Due to the COVID-19 pandemic, recent structural changes and an ongoing culture change journey, the plan for building inclusive leadership has been

delayed. We are, however, planning to roll out the Leadership Development Centre's Inclusive Leadership Conversations in the second half of 2023/24 and expect all senior leaders (Tier 2 and Tier 3) will engage with the training during the next year. The timing will coincide with the release of our new organisational behaviour and values, giving a mechanism to drive further conversations around role modelling desired behaviour.

BUILDING RELATIONSHIPS

We have an ongoing commitment to create inclusive and supportive relationships in the workplace. Our new employee experience programme includes a biannual employee survey that tells us about our people's current experiences and leads to healthy conversations between leaders and their teams that enable a sense of belonging and better experiences at work. Alongside this, the Public Service Commission model standards of positive and safe workplaces support this goal and are reflected in various plans sitting across Health, Safety and Wellbeing, Kōrero Mai/Speak Up and Culture.

EMPLOYEE-LED NETWORKS

We encourage employees to engage in networks and have a well set up Rainbow network, an internal accessibility community of practice, and regional groups that support employee-led te ao Māori, social and sustainability activities. A guidance pack promoting and encouraging the setup of networks has been developed and published internally. Current interest signals that new networks about disability and women are likely to be set up with this support.

Cultural competence statistics

1,264
engaged in training related to
cultural capability
over the past 2 years.

We have around
99
additional staff
who completed
te reo Māori learning
over the past 12 months.



Taking photos on Kāpiti Island on the Customer Engagement Unit away day. Photo: DOC

Kia Toipoto: Closing Unjustified Gaps

Our Kia Toipoto: Gender, Māori and Ethnic Pay Gap Action Plan⁹, is published on an annual basis and produced collaboratively across stakeholder groups and the Public Service Association (PSA), using the Public Service Commission and Equal Pay Taskforce best-practice guidance. This plan, which builds on the achievements of the previous 4 years, will support us to continue our journey towards becoming a great organisation where everyone can participate and thrive.

We continue to have a low overall gender pay gap of 3% (31 March 2023), compared with the national public sector gender pay gap of 7.7% (as of 30 June 2022). It is unlikely that the pay gap that exists is caused by unjustified factors, such as bias. We consider that, where pay gaps exist, these will be justified, allowing for factors such as staff levels of experience and/or contribution between different staff members.

9 Kia Toipoto: Gender, Māori and Ethnic Pay Gap Action Plan www.doc.govt.nz/pay-gap-action-plan

Ethnic pay gap data

PERMANENT AND FIXED TERM EMPLOYEES

		Māori pay gap using average salaries	Māori pay gap using median salaries
Māori	Non-Māori	5%	9%
14.8%	85.2%		
Asian	Non-Asian	-1%	-5%
4.1%	95.9%		
Pacific	Non-Pacific	-6%	-7%
1.2%	98.8%		
MELAA*	MELAA*	3%	-3%
1.3%	98.7%		

*Middle Eastern/Latin American/African.

Gender pay gap data

PERMANENT AND FIXED TERM EMPLOYEES

Females	Males	Gender pay gap using average salaries	Gender pay gap using median salaries
51.9%	47.4%	3%	1%

TRANSPARENCY

We took a high-performance engagement approach to the creation of the Kia Toipoto Action Plan and the plans identified within it. This approach sees us working closely with the PSA in leadership and design of plans and focuses on strong engagement with our people. It is based on the principle that the people closest to the issue need to be involved in the design and implementation of a solution. A working

group, made up of PSA and workstream leads from across the People and Culture Group, oversees the implementation of this plan.

REMUNERATION REVIEW

A remuneration review is being undertaken with the PSA that will improve transparency of and access to salary band information.

Workforce demographics

Total employees (headcount)¹⁰

2,663

↑ +99 since 2021/22

Average age

44

— no change since 2021/22

Average length of service

8.4 years

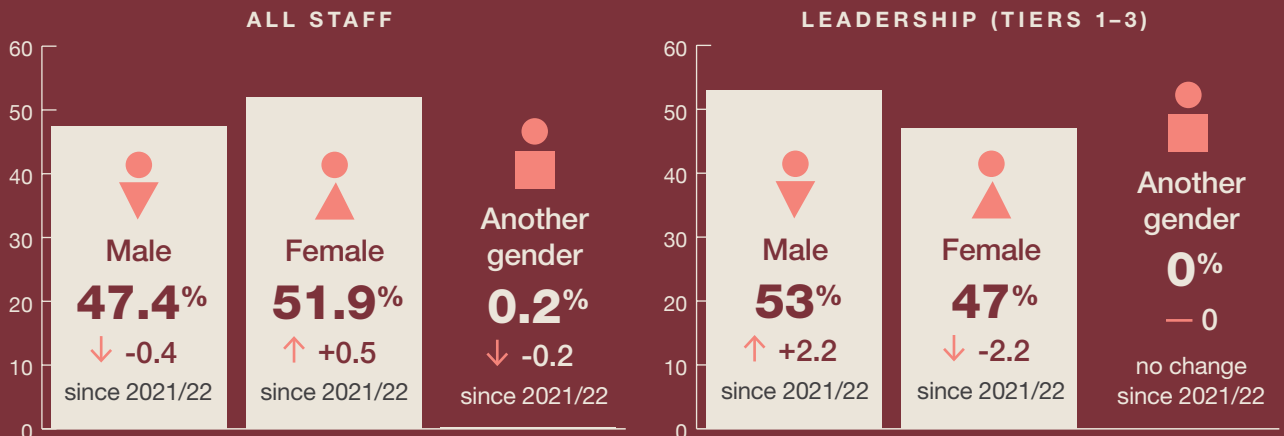
↓ -0.7 since 2021/22

Percentage of staff reporting as having a disability

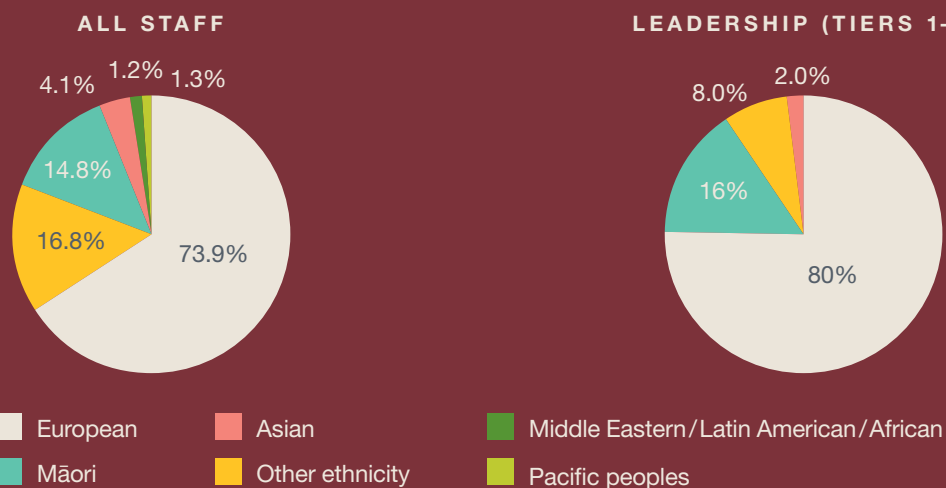
2.59%

↑ +0.09 since 2021/22

Gender¹¹



Ethnicity



¹⁰ The Annual Report for 2021/22 included total full-time equivalent staff, so numbers may differ this year because employees are represented by headcount.

¹¹ Gender statistics do not include staff who do not wish to specify their gender.



DOC workers on Stewart Island/Rakiura. Photo: Jason Blair

Health and safety

Safely managing our way out of the COVID-19 pandemic and getting back to a ‘business-as-usual’ working model was a major focus for 2022/23. We achieved this successfully, and the core critical risk control systems are back operating as intended.

Governance was strengthened through a refresh of the bi-monthly Health, Safety and Wellbeing Governance Group, and through Institute of Directors ‘officer’ training for the Senior Leadership Team.

Particular attention was given to supporting the Cyclone Gabrielle response and ensuring staff involved in the immediate response were working safely and their wellbeing was being supported. No major incidents were associated with the immediate response effort.

During 2022/23 we introduced an online capability training module for new staff, external partners and contractors. Over 1,700 staff members have completed the new training and feedback has been positive.

Our overlapping duties with other Persons Conducting Businesses or Undertakings (PCBUs) and our legal obligations under the Health and Safety at Work Act 2015 are a significant area of focus. We are working on plans to improve our monitoring of the activities of these other PCBUs.

Table 2: Incidents with fatal potential, by critical risk and financial year

Critical risk	Financial year			
	2019/20	2020/21	2021/22	2022/23
Chainsaw	4	5	1	1
Helicopter use	31	27	15	25*
On-road vehicle driving	81	53	39	40
Work at height	1	1	2	1

*The importance of reporting incidents has been emphasised as part of the new helicopter safety programme, as can be seen from the increase in incidents reported during 2022/23 compared with the previous year. We monitor the trends to ensure there are no concerning issues developing.

Helicopter safety programme

Helicopter use remains a critical risk, and we are developing a risk control framework. This year, we used a new helicopter safety programme for ground crew and passengers. Designed to work alongside face-to-face learning and pre-flight briefings, this e-learning series features scenario-based learning and video content showing modern helicopter work and practices. The project brought health and safety, aviation, operations, and learning expertise together to set the most practical and engaging best-practice content and approach to learning.

The result is a comprehensive learning programme that increases the confidence and capability of staff and helicopter passengers. This programme was able to be quickly shared across agencies as part of the 2023 emergency cyclone and flood response. Within an hour of being asked for safety learning support, we were able to give access to the programme to other government agencies carrying out rescue, tidy-up and resource delivery response work.

Asset performance

Asset management is a core part of our business: we manage assets valued at about \$9.1 billion (see table 3). Land makes up about 90% of that, and the remainder is mainly visitor assets like roads, tracks and huts.

We use an asset management information system to support our asset management. For visitor assets (tracks, huts, structures and roads), this means we consider their fitness for purpose in terms of condition, functionality and utilisation.

Condition refers to the state of the asset. We inspect the assets to determine their condition, which we report in our output performance.

Functionality includes an assessment of whether an asset meets relevant safety standards, such as Standards New Zealand SNZ HB 8630:2004. One way we assess safety is through surveys like the Great Walk Guest Survey, which includes questions about walkers' safety perceptions and any safety issues.

Utilisation refers to the level of public use of conservation lands and waters. We use activity counters to measure the public's use of our facilities to inform planning, maintenance and capital investment. We have activity counters at nearly 700 locations on public conservation land.

Table 3: DOC asset profile, 2022/23 (Crown and departmental assets combined)

Asset group and class	Carrying amount (\$m) ¹²	Depreciation (\$m)	Capital expenditure (\$m) ¹³
Information and communications technology			
• Computer software	3.0	1.1	0.6
Fleet			
• Vessels	2.4	0.3	0.3
• Motor vehicles	16.3	2.3	4.7
Property			
• Plant and equipment (including radios)	17.4	2.1	2.9
• Furniture and fittings	3.7	0.7	0.4
• Buildings	85.6	2.1	23.7
• Infrastructure	83.2	1.9	5.8
Visitor and historic (cultural) assets	538.6	18.2	15.7
Land (Crown and departmental)	8,342.5	–	17.5
Fencing	25.9	4.5	1.6
TOTAL	9,163.6	33.2	73.2

¹² Includes assets under construction.

¹³ Excludes transfers between departments.





Te āhua o ā
mātou mahi

Our
performance



Kakī/black stilt. Photo: Sabine Bernert

Te tuku pūrongo mō te āhua o ā mātou mahi





Reporting on our performance

This section reports on our performance against our performance indicators, as well as the output measures and targets from the Estimates of Appropriations and as amended by the Supplementary Estimates of Appropriations for the year ending 30 June 2023. Full details are available on the Treasury’s website.¹⁴

Performance indicators

Our performance indicators¹⁵ are used to track progress towards achieving our outcomes (see table 4). They range in scale from annual to 10-yearly, but most reflect medium-term trends over 3 to 5 years.

Table 4: State and trend assessments for our performance indicators with commentary on the main challenges

Key performance indicator dashboard legend			
State key		Trend key	
	The assessment found the indicator is at an acceptable state	↑	Data used in the assessment indicated the indicator has improved over time
	The assessment found the indicator is borderline, or there is a reason for concern	—	Data used in the assessment indicated the indicator was stable over time
	The assessment found the indicator is below an acceptable state	↓	Data used in the assessment indicated the indicator has deteriorated over time
	The assessment was inconclusive	×	There was not enough consistent time-series data to assess trend

¹⁴ Vote Conservation – Vol 8 Natural Resources Sector – The Estimates of Appropriations 2022/23 – Budget 2022 and Conservation – Supplementary Estimates of Appropriations 2021/22 – Budget 2022 ([treasury.govt.nz](https://www.treasury.govt.nz)).

¹⁵ The key performance indicators are aligned to our Outcome Monitoring Framework at www.doc.govt.nz/omf. A subset of performance indicators is available each year, based on their reportable cycle. Nine indicators were available for reporting in 2022/23. To allow for a full cycle of data collection, the indicators are assessed using data a year in arrears. Therefore, the dashboard shown represents evaluation based on data collected during the 2021/22 financial year.

Ecosystems and species across Aotearoa are thriving from mountains to sea

Performance indicator	State and trend assessments	
	2019/20	2021/22 ¹⁶
Ecosystem representation: The full range of ecosystems is protected somewhere – Marine) ¹⁷	—	—
	The assessment has been unchanged since 2019/20, because no new marine reserves have been established since 2014. While a new marine mammal sanctuary was established in 2021, the level of protection of marine ecosystems remains unchanged because marine mammal sanctuaries do not necessarily contribute to improved protection of marine ecosystems.	
Species representation: Preventing declines and extinctions – Marine	×	×
	Sea birds and marine mammals are relatively well protected, particularly seabirds that nest on offshore islands on public conservation land. However, species are not well protected outside of sanctuaries because species are highly mobile (excluding corals). Most common and widespread marine fishes, including all endemic species, lack any formal protection. Corals have poor levels of protection and data deficiencies. DOC's level of activity in the marine reserves that protect some fish species was also reduced.	
Maintain ecosystem composition – Terrestrial ^{16, 18, 19}	n/a	↓
	Shifting the state and trajectory of this indicator is possible, as has been shown at individual managed sites. However, pressures need to be reduced at nationally significant scales, especially given increasing pressures from the changing climate. For vegetation, evidence shows some forest tree species are in decline, and there are compositional shifts attributed to browsing mammals, which have been increasing. Present-day bird communities have been shaped by historic patterns of habitat loss (eg, lowland forest and wetlands) and non-native predators and browsers.	

Public conservation lands and waters are maintained and improved for future generations

Performance indicator	State and trend assessments	
	2019/20	2021/22 ¹⁶
Indigenous dominance: Ecological processes are natural – Exotic species spread and dominance – Terrestrial – pests ^{16, 20}	—	—
	Climate change is making it harder to control rats; the warmer temperatures mean beech trees produce more seeds, which provides food for rats and allows them to breed faster. Incremental gains will be increasingly difficult to achieve as management tools become less effective. For browsers, sustained control is often not achieving biodiversity outcomes due to controlling only some pressures (ie, controlling goats but not deer). Not all terrestrial pressures are managed at an ecosystem scale, resulting in only partial protection of managed places.	
Indigenous dominance: Ecological processes are natural – Exotic species spread and dominance – Terrestrial – weeds	×	×
	We continue to control a range of weeds across Aotearoa; however, the quantity of weed control has declined to focus on higher-priority work. At a national level, uncertainty remains in the effectiveness of weed control activities because of insufficient broadscale monitoring.	

¹⁶ The assessments for state and trend carried out in 2022/23 are based on a full year data cycle up to 30 June 2022.

¹⁷ See factsheet: *Proportion of marine ecosystems protected at* www.doc.govt.nz/our-work/monitoring-reporting/national-status-and-trend-reports-2021-2022/.

¹⁸ See factsheet: *Proportion of LENZ protected and under indigenous cover at* www.doc.govt.nz/our-work/monitoring-reporting/national-status-and-trend-reports-2021-2022/

¹⁹ This is a new key performance indicator added for 2022/23.

²⁰ See factsheets: *Abundance and distribution of possums, Abundance and distribution of ungulates, Abundance and distribution of hares and rabbits at* www.doc.govt.nz/our-work/monitoring-reporting/national-status-and-trend-reports-2021-2022/.

Connection with nature and cultural heritage enriches people's lives

Performance indicator	State and trend assessments	
	2019/20	2021/22 ²¹
Visitor participation at heritage sites	✘	✘
	The indicator is unable to be evaluated because it is unclear what acceptable levels of visitor participation would be. Due to a change in method, time series data for trend assessments is insufficient.	
Visitor satisfaction with the quality of the experience provided at heritage sites	—	✘
	The status assessment is based on one satisfaction measure, which is borderline. Due to a change in method, time series data for trend assessments is insufficient.	
Performance indicator	State and trend assessments	
	2019/20	2021/22 ²¹
Visitor participation in recreation on public conservation lands and waters ²²	↑	✘
	The indicator is unable to be evaluated because it is unclear what acceptable levels of visitor participation would be. Due to a change in method, time series data for trend assessments is insufficient.	
Visitor satisfaction with the quality of the experience and opportunities provided ²³	—	—
	The status assessment is based on one satisfaction measure from two different datasets. The trend assessment is based on one dataset, which has a sufficient time series for trend assessment.	



Beachgoer enjoying the idyllic scenery of Muriwai, Auckland. Photo: Laura Honey

²¹ The assessments for state and trend carried out in 2022/23 are based on a full year data cycle up to 30 June 2022.

²² See factsheet: *Utilisation of DOC assets* at www.doc.govt.nz/our-work/monitoring-reporting/national-status-and-trend-reports-2021-2022/.

²³ See factsheet: *Satisfaction with DOC's Great Walks* at www.doc.govt.nz/our-work/monitoring-reporting/national-status-and-trend-reports-2021-2022/.

Departmental performance – Statement of service performance

Our output measures show how we measure the activities we undertake and the services we deliver. Targets are shown for each year in the Estimates of Appropriations.

Management of natural heritage

This appropriation covers the maintenance, restoration and protection of ecosystems, habitats and species.



11/13



3/3

STRATEGIC OUTCOME: Public conservation lands and waters are maintained and improved for future generations					
Pest and weed control	2020/21 actual	2021/22 actual	2022/23 target	2022/23 actual	Variance
Hectares of land under sustained ²⁴ rat control	1,370,213	1,370,213	1,370,213	1,433,647	Achieved
Hectares of land treated for rats and mustelids	804,253	669,936	760,000 – 1,045,000	1,125,892	Achieved
Hectares of land under sustained possum control	1,598,565	1,598,656	1,598,656	1,618,056	Achieved
Hectares of land treated for possums	224,720	202,218	160,000 – 260,000	67,603	Not achieved ²⁵
Hectares of land under sustained deer control	1,001,097	1,001,097	1,001,097	1,017,124	Achieved
Hectares of land treated for deer	142,864	172,531	130,000 – 300,000	181,821 ²⁶	Achieved
Hectares of land under sustained goat control	2,242,103	2,242,103	2,242,103	2,208,268	Achieved
Hectares of land treated for goats	982,456	1,039,063	900,000 – 1,200,000	1,031,715 ²⁶	Achieved
Hectares of land under sustained weed control using a site-led approach	902,565	902,565	902,565	904,201	Achieved
Hectares of land treated for weeds	165,554	153,940	165,000 – 215,000	100,613	Not achieved ²⁷
Hectares of land under sustained wilding conifer control	1,823,325	1,823,325	1,823,325	1,830,627	Achieved
Hectares of land treated for wilding conifers	168,069	241,554	85,000 – 150,000	125,999	Achieved
Number of island biosecurity programmes where a pest-free status has been maintained	47	47	44 – 63	49	Achieved

²⁴ Sustained control means the overall hectares covered by cyclical operations. Cycles of treatment may be continual or up to 7 years apart. These measures reflect the scale of ongoing control by DOC and others.

²⁵ A large-scale aerial control operation for rats and possums was delivered on the West Coast of the South Island. However, to avoid double-counting, this operation was reported as treatment of rats and mustelids only, which means the possum control target was not met.

²⁶ Performance reported against the deer management and goat control measures excludes performance delivered with Budget 2022 funding. For the period ended 30 June 2023, this was an additional 47,712 hectares of deer management and 196,285 hectares of goat control.

²⁷ Resources were reallocated to higher priority work, such as animal pest incursions on various islands. The work programme was also affected by severe weather events such as Cyclone Gabrielle.

STRATEGIC OUTCOME: Ecosystems and species across Aotearoa are thriving from mountains to sea					
Ecosystems and species management	2020/21 actual	2021/22 actual	2022/23 target	2022/23 actual	Variance
Number of optimised ecosystem prescriptions providing active management of ecosystems	615	626	500 – 560	642	Achieved
Number of threatened species managed for persistence ²⁸	254	248	220 – 250	272	Achieved
Number of species under active management to ensure local security	463	442	350 – 500	466	Achieved

Output class operating statement 2022/23: Management of natural heritage

	30/06/22 Actual \$000	30/06/23 Budget \$000	30/06/23 Revised budget \$000	30/06/23 Actual \$000
Revenue				
Crown	309,556	373,122	286,929	286,929
Other	22,556	24,959	19,359	32,569
Total revenue	332,112	398,081	306,288	319,498
Expenses	326,935	398,081	306,288	285,437
Surplus/(deficit)	5,177	0	0	34,061

Crown contribution to regional pest management

This appropriation covers the delivery of services to control weed and animal pests on lands administered by DOC to meet statutory good neighbour obligations and regional pest management plans.



STRATEGIC OUTCOME: Public conservation lands and waters are maintained and improved for future generations					
Crown contribution to regional pest management strategies	2020/21 actual	2021/22 actual	2022/23 target	2022/23 actual	Variance
Number of regional pest management strategies with completed Crown exacerbator weed and pest programmes	14	15	16	16	Achieved

²⁸ This measure refers to the number of threatened species under the New Zealand Threat Classification System with management in at least one site. This year, 442 threatened species received some management in at least one site, while 272 threatened species were being managed to standard in at least one site, and 68 threatened species were reported as receiving management to standard at all required sites.

Output class operating statement 2022/23: Crown contribution to regional pest management

	30/06/22 Actual \$000	30/06/23 Budget \$000	30/06/23 Revised budget \$000	30/06/23 Actual \$000
Revenue				
Crown	3,278	3,212	2,196	2,196
Other	24	29	29	15
Total revenue	3,302	3,241	2,225	2,211
Expenses	2,547	3,241	2,225	2,223
Surplus/(deficit)	755	0	0	(12)

Management of historic heritage

This appropriation covers the protection and conservation management of historic heritage.



STRATEGIC OUTCOME: Connection with nature and cultural heritage enriches people's lives					
Historic and cultural heritage restoration	2020/21 actual	2021/22 actual	2022/23 target	2022/23 actual	Variance
Number of historic heritage assets for which remedial work is completed to standard during the year	16	15	14	16	Achieved
Percentage of historic heritage assets for which regular maintenance work is on track to standard	84%	85%	75%	63%	Not achieved ²⁹
Percentage of historic or cultural heritage assessment reports completed to standard	61%	61%	40%	71%	Achieved

Output class operating statement 2022/23: Management of historic heritage

	30/06/22 Actual \$000	30/06/23 Budget \$000	30/06/23 Revised budget \$000	30/06/23 Actual \$000
Revenue				
Crown	8,342	7,985	8,418	8,418
Other	36	76	76	37
Total revenue	8,378	8,061	8,494	8,455
Expenses	7,698	8,061	8,494	7,782
Surplus/(deficit)	680	0	0	673

²⁹ At 30 June 2023, 1,729 historic heritage assets were being actively managed. During the reporting period, 1,333 works orders were created with 846 completed. While our transition to a new asset management system has resulted in greater visibility of works order completion, a lag in this transition has meant we are behind in resolving outstanding performance issues.

Management of recreational opportunities

This appropriation covers the provision of recreational facilities and services on land administered by DOC and the management of business concessions.



STRATEGIC OUTCOME:					
Connection with nature and cultural heritage enriches people's lives					
	2020/21 actual	2021/22 actual	2022/23 target	2022/23 actual	Variance
Asset management					
Huts – percentage to standard	89%	89%	90%	80%	Not achieved ³⁰
Tracks – percentage to standard	60%	61%	45%	52%	Achieved
Structures (bridges, boardwalks and so on) – percentage to standard	97%	96%	95%	95%	Achieved
Recreation concessions					
Longer-term recreation concessions monitored	26%	18%	Between 10% and 15%	18%	Achieved
Other resource-use concessions					
Other longer-term resource-use concessions monitored	8%	11%	Between 5% and 10%	8%	Achieved

Output class operating statement 2022/23: Management of recreational opportunities

	30/06/22 Actual \$000	30/06/23 Budget \$000	30/06/23 Revised budget \$000	30/06/23 Actual \$000
Revenue				
Crown	154,327	170,223	151,812	151,812
Other	39,595	32,312	32,312	30,694
Total revenue	193,922	202,535	184,124	182,506
Expenses	184,775	204,535	186,124	192,268
Surplus/(deficit)	9,147	(2,000)	(2,000)	(9,762)

³⁰ Of the 946 huts managed during the year, 757 were to standard. Reasons for the 189 huts not being to standard include: adverse weather conditions, which reduced our ability to manage the hut network, and staff reallocation to other high priority work, including responding to pest incursions.

Revenue from Department of Conservation products and services

Revenue received	2018/19 Actual \$000	2019/20 Actual \$000	2020/21 Actual \$000	2021/22 Actual \$000	2022/23 Actual \$000	Change from 2021/22 (%)
Backcountry huts	2,345	1,994	2,293	2,139	2,270	6.1%
Conservation campsites	8,015	6,900	7,122	5,534	5,976	8.0%
Great Walks	9,612	6,945	6,817	5,864	7,667	30.7%
Visitor centre network – gross retail	3,227	2,613	1,555	960	1,909	98.9%

DOC concession and partnership revenue

Source of financial contribution	2018/19 Actual \$000	2019/20 Actual \$000	2020/21 Actual \$000	2021/22 Actual \$000	2022/23 Actual \$000	Change from 2021/22 (%)
Concessions, leases and licences	27,276	20,870	8,077	9,424	20,584	118.4%
Sponsorship/partnership revenue	13,511	14,473	20,430	20,607	14,571	-29.3%

Conservation with the community

This appropriation covers provision of public awareness and educational services, and growing conservation through building partnerships with others, including iwi, councils, community groups, businesses and individuals.



STRATEGIC OUTCOME:

Connection with nature and cultural heritage enriches people's lives

	2020/21 actual	2021/22 actual	2022/23 target	2022/23 actual	Variance
Engagement					
Number of community agreements enabling conservation work by others	447	461	310 – 540	434	Achieved
Education and communication					
Number of knowledge and skill sharing (education) initiatives provided	368	265	320 – 550	331	Achieved

Output class operating statement 2022/23: Conservation with the community

	30/06/22 Actual \$000	30/06/23 Budget \$000	30/06/23 Revised budget \$000	30/06/23 Actual \$000
Revenue				
Crown	41,910	35,540	39,964	39,964
Other	3,607	1,580	1,580	813
Total revenue	45,517	37,120	41,544	40,777
Expenses	39,956	37,120	41,544	38,903
Surplus/(deficit)	5,561	0	0	1,874

Search and rescue activities – permanent legislative authority

This appropriation is limited to search and rescue activities and services as authorised under section 9(1) of the Land Transport Management Act 2003. This permanent legislative authority started in 2021/22.



STRATEGIC OUTCOME: DOC is a great organisation

	2021/22 actual	2022/23 target	2022/23 actual	Variance
Search and rescue activities				
Begin implementation of land safety forum work programme ³¹	Not met	Meets	Meets	Achieved

Output class operating statement 2022/23: Search and rescue activities

	30/06/22 Actual \$000	30/06/23 Budget \$000	30/06/23 Revised budget \$000	30/06/23 Actual \$000
Revenue				
Crown	115	714	714	714
Other	0	0	0	0
Total revenue	115	714	714	714
Expenses	150	714	714	533
Surplus/(deficit)	(35)	0	0	181

³¹ One performance indicator 'Strategy and terms of reference for improved sector coordination signed off' was removed, because the work has been completed. A new performance indicator has been selected for 2022/23 because it reflects the next milestone in the overall work programme.

Policy advice, statutory planning, and services to Ministers and statutory bodies

This category covers the provision of advice to support decision making by Ministers on government policy matters relating to conservation, including climate change mitigation.



STRATEGIC OUTCOME: DOC is a great organisation					
	2020/21 actual	2021/22 actual	2022/23 target	2022/23 actual	Variance
Policy advice					
The satisfaction of the Minister of Conservation with the policy advice service, as per common satisfaction survey	3	4	4 out of 5	4	Achieved
Technical quality of policy advice papers assessed by a survey and robustness assessment	3	3	3 out of 5	3	Achieved
Statutory planning, services to Ministers and statutory bodies					
Number of ministerial briefings	971	904	850 – 950	613	Not achieved ³²
Official Information Act 1982 requests received and actioned within statutory requirements	743	704	800 – 900	760	Achieved
Parliamentary questions received with 100% meeting the ministerial deadline	544	2,456	2,000 – 2,300	973	Not achieved ³³

Output class operating statement 2022/23: Management of policy advice, statutory planning, and services to Ministers and statutory bodies

	30/06/22 Actual \$000	30/06/23 Budget \$000	30/06/23 Revised budget \$000	30/06/23 Actual \$000
Revenue				
Crown	17,904	15,096	20,921	20,921
Other	8	95	95	68
Total revenue	17,912	15,191	21,016	20,989
Expenses	16,809	15,191	21,016	18,929
Surplus/(deficit)	1,103	0	0	2,060

³² The target range is an estimate of briefings, memos and status report items being produced in response to requests from the Minister's office, and the variation from the estimated range is outside DOC's control.

³³ The estimated target was based on 2021/22 when one topic had a large number of questions. The 2022/23 total is below the target range but higher than the totals for the two preceding years. Of the Parliamentary Questions received, 97% of responses were on time.

Other expenses – Jobs for Nature

	30/06/22 Actual \$000	30/06/23 Budget \$000	30/06/23 Revised budget \$000	30/06/23 Actual \$000
Revenue				
Crown	0	0	85,698	85,699
Other	0	0	0	94
Total revenue	0	0	85,698	85,793
Expenses	0	0	85,698	61,664
Surplus/(deficit)	0	0	0	24,129

Te tuku pūrongo Hōtaka Waro Kore a te Kāwanatanga

Carbon Neutral Government Programme reporting

DOC is a part of the Carbon Neutral Government Programme. The programme aims to accelerate emissions reductions across the public sector and offset remaining gross emissions from 2025, to achieve carbon neutrality.

TOTAL ANNUAL EMISSIONS

In 2022/23 our total (gross) emissions for the year were 12,455 tonnes of carbon dioxide equivalent (t CO₂e), which is 11% more than our 2020/21 base year. This is largely due to the inclusion of staff-commuting emissions since our base year and increased business-related travel after the COVID-19 pandemic, because lockdown restrictions have lifted and borders re-opened for international travel.

Our emissions are reported as tonnes of CO₂e, a universal unit of measurement that is used to evaluate different greenhouse gases against a common basis. This unit of measurement indicates the global warming potential of each greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide.

EMISSIONS PROFILE

Sixty emissions sources were reported and grouped into the categories found in table 5. Data is excluded where the source of emissions is minimal, for example, if it forms less than 1% of the inventory.

We have included comparative data for our base year, as well as the previous financial year, because some emission factors have changed since last year. Emission factors enable greenhouse gas emissions to be estimated from a unit of available activity data (eg, tonnes of fuel consumed, tonnes of product produced) and absolute greenhouse gas emissions.

Table 5: Comparison of DOC's verified carbon emissions over time

Emission source	2020/21 (base year) (t CO ₂ e)	2021/22 (t CO ₂ e)	2022/23 (t CO ₂ e)	Change between 2022/23 and base year (%)
Helicopter (Jet A1 and aviation gas)	2,943	2,732	2,781	↓
Diesel	2,600	2,170	2,342	↓
Staff commute and working from home	–	1,673 ³⁴	2,151	n/a
Wastewater	2,018	1,289	1,772	↓
Business travel	1,241	638 ³⁴	1,362	↑
Petrol	871	810	887	↑
Electricity and natural gas	783 ³⁴	620 ³⁴	533	↓
Landfill and composting	475	290	331	↓
Other fuels	141 ³⁴	171 ³⁴	180	↑
Refrigerants	143	111	104	↓
Purchased water	–	–	11	n/a
Paper use	17	7	0.07	↓
Total	11,231³⁵	10,510³⁵	12,455	↑

Note: t CO₂e = tonnes of carbon dioxide equivalent.

EMISSION INTENSITY BY FULL-TIME EQUIVALENT STAFF MEMBER AND EXPENDITURE

Since the base year, our work programme and number of staff have increased. With this growth, our emissions intensity increased, from 4.43 t CO₂e to 4.88 t CO₂e per full-time equivalent staff member, as shown in table 6.

Table 6: Comparison of emission intensity over time

	2020/21	2021/22	2022/23
Total permanent and FTE	2,535.8	2,465.5	2,554.23
Total emissions per FTE (t CO ₂ e)	4.43	4.26	4.88
Expenditure (\$000)	541,540	576,471	606,343
Total emissions per million dollars of expenditure (t CO ₂ e)	20.74	18.23	20.54

Note: FTE = full-time equivalent staff; t CO₂e = tonnes of carbon dioxide equivalent.

³⁴ The value differs from that previously reported, due to an update in emission factor or change in methodology.

³⁵ The total differs from that previously reported as contributing values have changed.

REDUCING OUR EMISSIONS

Emission reduction targets

Our target is to reduce our emissions by at least 21% by 2025, and by 42% by 2030, compared with our baseline year (July 2020 to June 2021). These targets are in line with Aotearoa New Zealand's efforts to limit global warming to 1.5 degrees Celsius as a part of the country's commitment to the Paris Agreement.

Progress towards emission reduction targets

In 2022/23, our emissions increased by 1,224 t CO₂e from 11,231 t CO₂e in our base year. This is due to the inclusion of staff commuting and increased business-related travel since our base year.

DOC has achieved CarbonReduce certification for the third year in a row

We participate in Toitū Envirocare's CarbonReduce programme. The CarbonReduce programme certifies we have made a complete and accurate record of our greenhouse gas emissions. This is in accordance with international best practice and is accredited by the Joint Accreditation System of Australia and New Zealand.

The programme also certifies that we meet the Toitū Envirocare criteria for committing to further manage and reduce our emissions. In 2022/23, we achieved this certification for the third year in a row.

Fleet reductions and electric passenger vehicles

Under the Carbon Neutral Government Programme, we have a target of achieving a 20% reduction in our vehicle fleet size by 2025 (compared with March 2021). During the past year, we continued to reduce the size of our vehicle fleet and have already achieved a 10% reduction from March 2021.

We also completed the roll-out of 129 fully electric passenger vehicles during the past year. One-third of our passenger vehicle fleet now consists of electric, plug-in hybrid or hybrid vehicles.

Emissions mitigation trials

In early 2022, eight trials were carried out to see where emissions could be reduced by changing the way work is planned and delivered. Most of the trials focused on our largest sources of emissions for vehicles, vessels and helicopter use.

During 2022/23, the trial results were evaluated and reported, resulting in a range of recommendations, for example:

- purchasing or leasing electric boats or more fuel-efficient boats where possible
- auditing boat skipper operating processes on a regular basis, similar to vehicle driver behaviour training



Snail sign, Heaphy Track. Photo: Baptiste Maryns

- reviewing the frequency of outer island servicing and other boat schedules in Auckland, such as a 4-weekly instead of a 3-weekly cycle
- encouraging ride sharing and the use of electric vehicles
- integrating emissions considerations within the work scheduling process
- integrating helicopter sharing into existing tools to facilitate flight sharing.

A network of regional climate leaders had been set up to support the trials, and the report endorsed the value of this network to optimise work planning and delivery. As a result, the network has been revitalised with a broader membership and scope, which now includes climate adaptation projects.

Off-grid power system, Mana Island

The replacement of the off-grid power system on Mana Island has been an example of how we design and implement a sustainable fit-for-purpose solar power system that has minimal reliance on fossil fuels.

DOC released its first emissions context and reduction plan in December 2022

We are required to submit an emissions context and reduction plan by December each year as part of the Carbon Neutral Government Programme. This plan describes the context to our emissions profile and

our plans to reduce emissions. We completed the first plan in December 2022 and will be refining it each year as progress is made.

Examples of future initiatives to reduce emissions are as follows:

- In the Tongariro National Park, remote monitoring devices will be installed to gather data on visitor usage, energy efficiency, building health and outdoor conditions at selected locations. The data will be used to inform how emissions may be reduced, for example improving the energy efficiency of visitor huts, and to describe the transition improvements to the new state.
- We are committed to removing coal from all our buildings, such as huts and staff houses, by 2025. Under a coal removal programme established in 2021, we continue to implement and explore options for transitioning away from coal, such as replacing coal with chopped wood as a lower emissions heat source or assessing alternative solutions such as renewable energy.



Kākāpō close up. Photo: Sabine Bernert

Te pūrongo a te
kaitātari kaute
motuhake

Independent
auditor's report



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF DEPARTMENT OF CONSERVATION'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Auditor-General is the auditor of Department of Conservation (the Department). The Auditor-General has appointed me, Ed Loudon, using the staff and resources of KPMG, to carry out, on his behalf, the audit of:

- the financial statements of the Department on pages 90 to 114, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities as at 30 June 2023, the statement of comprehensive revenue and expenses, statement of changes in taxpayers' funds, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information for the appropriations administered by the Department for the year ended 30 June 2023 on pages 66 to 76;
- the statements of expenses and capital expenditure of the Department for the year ended 30 June 2023 on pages 125 to 130; and
- the schedules of non-departmental activities which are managed by the Department on behalf of the Crown on pages 115 to 124 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2023;
 - the schedules of expenses; and revenue for the year ended 30 June 2023;
 - the statement of trust monies for the year ended 30 June 2023; and
 - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- the financial statements of the Department on pages 90 to 114:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2023; and
 - its financial performance and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- the performance information for the appropriations administered by the Department for the year ended 30 June 2023 on pages 66 to 76:
 - presents fairly, in all material respects:
 - what has been achieved with the appropriation; and

- the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
 - o complies with generally accepted accounting practice in New Zealand.
- the statements of expenses and capital expenditure of the Department on pages 125 to 130 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- the schedules of non-departmental activities, which are managed by the Department on behalf of the Crown, present fairly, in all material respects, in accordance with the Treasury Instructions:
 - o the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2023; and
 - o expenses; and revenue for the year ended 30 June 2023; and
 - o trust monies for the year ended 30 June 2023.

Our audit was completed on 2 October 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the inherent uncertainties in the measurement of greenhouse gas emissions. In addition, we outline the responsibilities of the Director-General and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Emphasis of Matter – Inherent uncertainties in the measurement of greenhouse gas emissions

The Department has included a measure of its greenhouse gas (GHG) emissions in its performance information. Without further modifying our opinion and considering the public interest in climate change related information, we draw attention to pages 76 to 79 of the annual report, which outlines the Department's GHG emissions, including the uncertainty underlying the reported emissions. Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Director-General for the information to be audited

The Director-General is responsible on behalf of the Department for preparing:

- financial statements that present fairly the Department's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.

- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.
- statements of expenses and capital expenditure of the Department, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.
- schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Department on behalf of the Crown.

The Director-General is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Director-General is responsible on behalf of the Department for assessing the Department's ability to continue as a going concern. The Director-General is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Department, or there is no realistic alternative but to do so.

The Director-General's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Department's estimates information.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director-General.



- We evaluate the appropriateness of the reported performance information for the appropriations administered by the Department.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Director-General and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Department to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Director General regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Director-General is responsible for the other information. The other information comprises the information included on pages 1 to 61 and 134 to 144, but does not include the information we audited, and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Department in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out an other assurance-type gap assessment engagement on the impact of a new regulatory standard on the Department. Other than the audit and that engagement, we have no relationship with, or interests, in the Department.

Ed Loudon
KPMG
On behalf of the Auditor-General
Wellington, New Zealand

Ō mātou pūtea

Our finances



Fur seal pups on Bounty Islands. Photo: Leon Berard

Te tauākī noho haepapa

Statement of responsibility

In accordance with the terms of section 45C of the Public Finance Act 1989, in my opinion, as Director-General of the Department of Conservation, the Annual Report fairly reflects the operations, progress, and organisational health and capability of the Department.

I have the responsibility for the preparation of the Department's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them.

I have the responsibility for having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

I have the responsibility for ensuring that end-of-year performance information on each appropriation administered by the Department is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this Annual Report.

I am responsible for the accuracy of any end-of-year performance information prepared by the Department, whether or not that information is included in the Annual Report.

In my opinion:

- i) the financial statements fairly reflect the financial position and operations of the department for the reporting period; and
- ii) the forecast financial statements fairly reflect the forecast financial position and operations of the Department for the financial year to which the forecast financial statements relate.



Penny Nelson

Director-General

Department of Conservation

29 September 2023

Ō mātou tauākī ahumoni ā-tari

Departmental financial statements

Statement of comprehensive revenue and expense

for the year ended 30 June 2023

Restated* 30/06/22		Notes	30/06/23	30/06/23	30/06/23	30/06/24
Actual \$000			Actual \$000	Budget* \$000	Revised Budget* \$000	Forecast* \$000
Revenue						
535,432	Revenue Crown	3	596,653	605,892	596,652	648,765
65,886	Other revenue	3	64,290	59,051	53,451	59,465
601,318	Total revenue	3	660,943	664,943	650,103	708,230
Expenses						
250,523	Personnel costs	4	251,662	248,200	270,700	283,200
252,679	Operating costs	5	279,219	344,180	300,082	343,448
32,797	Depreciation, amortisation and impairment expense	10, 11	33,005	32,032	38,190	39,833
37,742	Capital charge	6	43,391	42,531	43,131	43,749
2,790	Net loss on disposal of property, plant and equipment		82	–	–	–
576,531	Total expenses		607,359	666,943	652,103	710,230
24,787	Net surplus/(deficit)		53,584	(2,000)	(2,000)	(2,000)
Other comprehensive revenue and expense						
45,515	Gain on property revaluations	10	62,669	–	–	–
70,302	Total comprehensive revenue and expense		116,253	(2,000)	(2,000)	(2,000)

* The prior year numbers have been restated due to the transfer of Pike River assets to the Department in FY 2021/22 (refer to note 1 for details).

† The statement of accounting policies provides explanations of these figures, which are unaudited.

Refer to Note 2 for an explanation of major variances between actual and revised budget.

Statement of financial position

as at 30 June 2023

Restated* 30/06/22		Notes	30/06/23	30/06/23	30/06/23	30/06/24
Actual \$000			Actual \$000	Budget* \$000	Revised Budget* \$000	Forecast* \$000
Taxpayers' funds						
536,951	General funds	14	553,765	540,368	529,611	542,929
330,852	Property, plant and equipment revaluation reserves	14	393,521	287,241	329,785	329,785
867,803	Total taxpayers' funds		947,286	827,609	859,396	872,714
Represented by:						
Current assets						
27,581	Cash		33,311	15,665	15,028	28,572
2,529	Prepayments		3,403	3,000	3,000	3,000
3,852	Inventories		4,355	2,000	2,000	2,000
12,141	Trade and other receivables	8	11,241	15,000	15,000	15,000
3,371	Non-current assets held for sale		3,371	3,370	3,370	3,370
194,775	Debtor Crown	9	235,925	220,000	220,000	220,000
244,249	Total current assets		291,606	259,035	258,398	271,942
Non-current assets						
725,968	Property, plant and equipment	10	794,980	687,357	722,610	722,484
3,442	Intangible assets	11	3,009	8,148	3,342	3,242
729,410	Total non-current assets		797,989	695,505	725,952	725,726
973,659	Total assets		1,089,595	954,540	984,350	997,668
Current liabilities						
30,884	Trade and other payables		37,023	73,731	71,754	71,754
2,407	Goods and services tax payable		4,950	5,000	5,000	5,000
28,319	Employee entitlements	12	30,415	18,000	18,000	18,000
–	Finance leases		–	200	200	200
2,943	Provisions	13	3,825	5,000	5,000	5,000
7,604	Return of operating surplus to the Crown	7	40,506	–	–	–
16,833	Revenue in advance		11,249	10,000	10,000	10,000
88,990	Total current liabilities		127,968	111,931	109,954	109,954
Non-current liabilities						
15,633	Employee entitlements	12	13,686	15,000	15,000	15,000
1,233	Provisions	13	655	–	–	–
16,866	Total non-current liabilities		14,341	15,000	15,000	15,000
105,856	Total liabilities		142,309	126,931	124,954	124,954
867,803	Net assets		947,286	827,609	859,396	872,714

* The prior year numbers have been restated due to the transfer of Pike River assets to the Department in FY 2021/22 (refer to note 1 for details)

† The statement of accounting policies provides explanations of these figures, which are unaudited.

Refer to Note 2 for an explanation of major variances between actual and revised budget.

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

Statement of changes in taxpayers' funds

for the year ended 30 June 2023

Restated* 30/06/22	Notes	30/06/23	30/06/23	30/06/23	30/06/24
Actual \$000		Actual \$000	Budget* \$000	Revised Budget* \$000	Forecast* \$000
743,791	Balance at 1 July	867,803	814,289	852,837	859,396
70,302	Total comprehensive revenue and expense	116,253	(2,000)	(2,000)	(2,000)
	Distributions to Crown				
(90)	Asset transfers	(49)	–	–	–
(220)	Capital repayments	(21,815)	–	(21,733)	(1,727)
(7,604)	Return of operating surplus	7 (40,506)	–	–	–
–	Other movement	455	–	–	–
	Contributions from Crown				
–	Asset transfers	290	–	–	–
61,624	Capital contributions	24,855	15,320	30,292	17,045
867,803	Balance at 30 June	947,286	827,609	859,396	872,714

* The prior year numbers have been restated due to the transfer of Pike River assets to the Department in FY 2021/22 (refer to note 1 for details).

† The statement of accounting policies provides explanations of these figures, which are unaudited.

Refer to Note 2 for an explanation of major variances between actual and revised budget.

Statement of cash flows

for the year ended 30 June 2023

30/06/22	Notes	30/06/23	30/06/23	30/06/23	30/06/24
Actual \$000		Actual \$000	Budget* \$000	Revised Budget* \$000	Forecast* \$000
Cash flows – operating activities					
547,826	Receipts from Revenue Crown	560,871	605,892	596,652	648,765
56,409	Receipts from other revenue	53,750	59,051	53,451	59,465
(250,236)	Payments to employees	(251,392)	(247,700)	(270,200)	(282,700)
(273,776)	Payments to suppliers	(271,731)	(344,680)	(300,582)	(343,948)
(37,742)	Payments for capital charge	(43,391)	(42,531)	(43,131)	(43,749)
42,481	Net cash flow from operating activities	48,107	30,032	36,190	37,833
Cash flows – investing activities					
1,460	Receipts from sale of property, plant and equipment	1,468	–	–	–
(38,687)	Purchase of property, plant and equipment	(38,647)	(47,162)	(49,698)	(39,607)
87	Purchase of intangibles	(634)	(2,500)	–	–
(37,140)	Net cash flow from investing activities	(37,813)	(49,662)	(49,698)	(39,607)
Cash flows – financing activities					
61,624	Capital contributions	24,855	15,320	30,292	17,045
(220)	Capital repayments	(21,815)	–	(21,733)	(1,727)
(54,296)	Return of operating surplus to the Crown	(7,604)	–	(7,604)	–
7,108	Net cash flow from financing activities	(4,564)	15,320	955	15,318
12,449	Net increase/(decrease) in cash	5,730	(4,310)	(12,553)	13,544
15,132	Opening cash balance	27,581	19,975	27,581	15,028
27,581	Closing cash balance	33,311	15,665	15,028	28,572

* The statement of accounting policies provides explanations of these figures, which are unaudited.

Refer to Note 2 for an explanation of major variances between the actual and revised budget.

The goods and services tax (net) component of operating activities has been included under supplier payments and reflects the net GST paid to and received from Inland Revenue. The GST components have been presented on a net basis because the gross amounts do not provide meaningful information for financial statement purposes.

Reconciliation of net surplus to net cash flow from operating activities

for the year ended 30 June 2023

30/06/22 Actual \$000		30/06/23 Actual \$000
24,787	Net surplus/(deficit)	53,584
	Add non-cash items	
32,797	Depreciation, amortisation and impairment expenses	33,005
(14,867)	Donated assets	(488)
17,930	Depreciation, amortisation and impairment expenses	32,517
	Add items classified as investing or financing activities	
2,790	Net loss on disposal of property, plant and equipment	82
	Add/(Less) working capital movements	
(61)	(Increase)/Decrease in prepayments	(874)
(450)	(Increase)/Decrease in inventories	(503)
1,246	(Increase)/Decrease in trade and other receivables	900
14,253	(Increase)/Decrease in debtor Crown	(41,150)
(10,340)	Increase/(Decrease) in trade and other payables	6,139
(9,452)	Increase/(Decrease) in goods and services tax payable	2,543
220	Increase/(Decrease) in employee entitlements	149
(728)	Increase/(Decrease) in other provisions	304
2,286	Increase/(Decrease) in revenue in advance	(5,584)
(3,026)	Net movement in working capital	(38,076)
42,481	Net cash flow from operating activities	48,107

Statement of commitments

as at 30 June 2023

30/06/22 Actual \$000		30/06/23 Actual \$000
Commitments by category		
<i>Capital commitments</i>		
14,387	Property, plant and equipment	10,056
14,387	Total capital commitments	10,056
<i>Operating commitments</i>		
54,257	Non-cancellable accommodation leases	50,628
1,225	Other non-cancellable leases	1,019
55,482	Total operating commitments	51,647
69,869	Total commitments	61,703
Commitments by term		
22,186	Less than 1 year	19,798
9,367	1–2 years	8,394
17,839	2–5 years	17,399
20,477	Greater than 5 years	16,112
69,869	Total commitments	61,703

CAPITAL COMMITMENTS

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant and equipment and intangible assets that have not been paid for and not recognised as a liability at the balance date.

NON-CANCELLABLE OPERATING LEASE COMMITMENTS (ACCOMMODATION AND OTHER)

The Department leases property, plant and equipment in the normal course of its business. Most of these leases are for premises, motor vehicles and computer hardware, and have non-cancellable leasing periods ranging from 3 years to 15 years. The Department's non-cancellable operating leases have varying terms, escalation clauses and renewal rights. No restrictions are placed on the Department by any of its leasing arrangements.

Statement of contingent liabilities

as at 30 June 2023

The public liability claims relate to claims against the Department and are disclosed without prejudice. As at 30 June 2023, there are 78 proceedings and potential claims, of which 14 are quantifiable. The remaining 64 claims cannot be quantified (2022: 84 proceedings and potential claims, of which 13 were quantifiable).

The Department's quantifiable contingent liabilities are broken down as follows.

30/06/22 Actual \$000		30/06/23 Actual \$000
	Court and Tribunal proceedings and other potential claims	
1,545	Claims for damage caused by events originating from Department land	45
1,750	Earthquake strengthening of Department buildings	1,750
1,980	Non-compliance with the building code of Department commercial properties	1,980
1,002	Non-compliance with Residential Tenancies Act 1986	1,080
1,450	Remediation of asbestos contamination	2,750
1,635	Other quantifiable proceedings and potential claims	1,328
9,362	Total court and tribunal proceedings and other potential claims	8,933

The Department is aware that further sites requiring remediation (due to mining, asbestos, pollution or other factors) may exist throughout New Zealand and could require remediation at some point. Because these potential sites are unknown, the Department does not currently have a commitment to restore the sites, so no provision or contingent liabilities are recognised as at 30 June 2023.

The Healthy Homes Guarantee Act 2017 came into effect on 1 July 2019. The Department is reviewing its residential accommodation portfolio in relation to this Act, to determine whether any potential remediation is required to comply with the requirements of the Act. From 1 July 2024, all residential rental homes must comply with the Healthy Homes standards.

The Department is also reviewing its portfolio of residential accommodation for potential tax liability relating to the calculation of allowances connected to this work. No provision has been recognised for the aforementioned matters because the reviews have not yet progressed enough to reliably measure the potential liability.

CONTINGENT ASSETS

The Department has no contingent assets (2022: nil).

INDEMNITIES

The Director-General of Conservation has a delegation from the Minister of Finance under the Public Finance Act 1989 to agree to indemnities in access agreements over private land. This provides the public and staff of the Department with access to land managed by the Department.

Indemnities to two parties via public insurance policies were provided in 2022/23 (2022: 3).

Te tauākī kaupapa here kaute

Statement of accounting policies

REPORTING ENTITY

The Department of Conservation is a government department as defined by section 2 of the Public Finance Act 1989. The relevant legislation governing the Department's operations includes the Public Finance Act and the Conservation Act 1987. The primary objective of the Department is to provide services to the public rather than making a financial return. For financial reporting purposes, the Department is a public benefit entity (PBE).

REPORTING PERIOD

The reporting period for these financial statements is for the year ended 30 June 2023. The forecast financial statements are for the year ending 30 June 2024.

The financial statements were authorised for issue by the Director-General of the Department on 29 September 2023.

BASIS OF PREPARATION

The financial statements have been prepared on a going-concern basis and in accordance with the requirements of the Public Finance Act 1989, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP), and the Treasury instructions. The Department has applied the suite of *Tier 1 Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS)* in preparing the 30 June 2023 financial statements.

The statements have been prepared on a historical cost basis, modified by the revaluation of certain items of property, plant and equipment. The accounting policies have been applied consistently to all periods presented in these financial statements.

These financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Department is New Zealand dollars.

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note and that materially affect the measurement of financial results, the financial position and output statements are outlined below.

BUDGET AND FORECAST FIGURES

The budget, revised budget and forecast figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial schedules. They have also been prepared in accordance with *PBE Financial Reporting Standard 42: Prospective Financial Statements*. The budget, revised budget and forecast financial schedules are not subject to audit.

The budget figures for 2022/23 are those included in *The Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2023*. The revised budget figures for 2022/23 are those included in *The Supplementary Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2023*.

The forecast figures for 2023/24 are those included in *The Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2024*. The forecasts have been prepared in accordance with the Public Finance Act 1989 and reflect the existing government and ministerial policies at that time, in addition to the Department's purpose, strategic intentions and activities based on the estimates and assumptions that might occur in the 2023/24 year.

COST ALLOCATION

The Department has determined the cost of outputs using the following cost allocation methodology:

Direct costs are charged directly to outputs. Depreciation and capital charge are charged on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred.

Indirect costs are assigned to outputs based on the proportion of direct staff hours for each output.

For the year ended 30 June 2023, direct costs were 53% of the Department's costs and indirect costs were 47% of the Department's costs (2022: direct 60% and indirect 40%).

CASH ON HAND

Cash on hand includes petty cash and the amount in the current account bank balance.

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

TRADE AND OTHER PAYABLES

Short-term trade and other payables are recorded at their face value.

GOODS AND SERVICES TAX

All items in the financial statements, including appropriation statements, are stated exclusive of goods and services tax (GST), except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

INCOME TAX

Government departments are exempt from income tax as public authorities. Accordingly, no charge for income tax has been provided for.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the specific notes.

He tuhinga mō ngā tauākī whakahaere pūtea mō te tau i mutu ake i te 30 Pipiri 2023

Notes to the financial statements for the year ended 30 June 2023

Note 1: Comparative financial information

On signing of the agreement on 29 March 2022, certain Pike River Assets were transferred to the Department for notional consideration of \$1 on 31 March 2022. In accordance with financial reporting requirements, the Department has recognised these assets at fair value, with the difference between that and the transfer price, recognised in the Statement of Comprehensive revenue and expense.

Statement of comprehensive revenue and expense

for the year ended 30 June 2022

	Previously reported	Pike River assets Adjustments	Restated
	\$000	\$000	\$000
Revenue			
Other revenue	51,927	13,959	65,886
Total revenue	587,359	13,959	601,318
Expenses			
Depreciation, amortisation and impairment expense	32,737	60	32,797
Total expenses	576,471	60	576,531
Net surplus/(deficit)	10,888	13,899	24,787
Total comprehensive revenue and expense	55,336	13,899	69,235

Statement of financial position

as at 30 June 2022

	Previously reported	Pike River assets Adjustments	Restated
	\$000	\$000	\$000
Taxpayers' funds			
General funds	523,052	13,899	536,951
Property, plant and equipment revaluation reserves	329,785	1,067	330,852
Total taxpayers' funds	852,837	14,966	867,803
Non-current assets			
Property, plant and equipment	711,002	14,966	725,968
Total non-current assets	714,444	14,966	729,410
Total assets	958,693	14,966	973,659

Statement of changes in taxpayers' funds

for the year ended 30 June 2022

	Previously reported	Pike River assets Adjustments	Restated
	\$000	\$000	\$000
Balance at 1 July	743,791	–	743,791
Total comprehensive revenue and expense	55,336	14,966	70,302
Distributions to Crown			
Asset transfers	(90)	–	(90)
Capital repayments	(220)	–	(220)
Return of operating surplus	(7,604)	–	(7,604)
Contributions from Crown			
Capital contributions	61,624	–	61,624
Balance at 30 June	852,837	14,966	867,803

Note 2: Significant variances between Actual and Revised Budget

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Revenue was \$10.8 million higher than the revised budget. This is due to the unanticipated receipt of a bequest of \$13.6 million from a deceased estate offset by lower than budgeted grants and sponsorship revenue received from project partners.

Actual expenses for the year were \$44.7 million less than the revised budget, largely due to delays in timing of centrally controlled work programmes and unallocated central budgets for Jobs for Nature.

STATEMENT OF FINANCIAL POSITION

Current assets were \$33.2 million higher than the revised budget. This is mainly due to a lower than budgeted spend of Crown funding, resulting in an increase in debtor Crown receivable, and the unanticipated receipt of a bequest from a deceased estate.

Current liabilities were \$18.0 million higher than the revised budget, due to no budgeting for the return of surplus (\$40.5 million), offset by the decrease in payables and higher employee entitlements.

STATEMENT OF CASH FLOWS

Net cash flow from operating activities was \$11.9 million higher than the revised budget largely due to lower than planned payments to employees and suppliers as a result of delays in national work programmes and Jobs for Nature activities offset by the reduced funding required from Crown.

Net cash flow from investing activities was \$11.9 million less than the revised budget, due to lower than planned levels of capital investment.

Note 3: Total revenue

The Department derives revenue through the provision of outputs to the Crown, for services to third parties, and from sponsorships, donations, bequests and grants. Revenue is recognised when earned, reported in the current financial period and measured at the fair value of the consideration received. With the exception of revenue received in the form of donations and bequests, all revenue from other income has been classified and treated as exchange revenue. The nature of exchange revenue streams is that approximate equivalent value is given in exchange.

REVENUE CROWN

Revenue from the Crown is measured based on the Department’s funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

No conditions are attached to the funding from the Crown. However, the Department can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

OTHER REVENUE

30/06/22 Actual \$000		30/06/23 Actual \$000
15,360	Recreational and tourism charges	19,339
38,976	Donations and sponsorships	30,025
6,582	Administration cost recoveries	8,211
595	Leases and rents	842
1,406	Retail sales	2,362
2,854	Permissions cost recoveries	2,447
113	Resource sales	1,064
65,886	Total other revenue	64,290

Revenue from sponsorships is initially recorded as revenue in advance and subsequently recognised as revenue when the conditions of the sponsorship are satisfied.

Certain operations of the Department are reliant on services provided by volunteers. Volunteer services are not recognised as revenue or expenditure by the Department.

Note 4: Personnel costs

Salaries and wages are recognised as a separate expense as employees provide services.

30/06/22 Actual \$000		30/06/23 Actual \$000
224,782	Salaries and wages	229,719
7,116	Superannuation subsidies	7,234
796	Annual, long service and retiring leave provisioning	290
1,022	ACC Partnership Programme	1,347
419	Uniforms	608
650	Termination entitlements	2,611
12,678	Temporary and secondment staff costs	6,828
3,060	Other	3,025
250,523	Total personnel costs	251,662

Note 5: Operating costs

Operating expenses are recognised in the period to which they relate.

30/06/22 Actual \$000		30/06/23 Actual \$000
63,433	Operational contractors	69,518
22,065	Professional fees	24,897
34,801	Communications and computer expenses	36,291
18,794	Field supplies	25,813
12,244	Lease expenses	12,488
3,605	Travel	6,718
76,464	Grants	77,502
7,383	Accommodation	7,940
4,822	Motor vehicle and vessel expenses	6,114
1,568	Office supplies	1,784
528	Purchase of goods for retail sale	1,325
1,068	Printing	1,460
1,402	Insurance	1,566
	Fees paid to auditors:	
401	Fees for financial statement audit	502
4,101	Other	5,301
252,679	Total operating costs	279,219

OPERATING LEASES

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. The Department leases vehicles, office premises and office equipment. Because all the risks and benefits are retained by the lessor, these leases are classified as operating leases and are expensed in the period in which the costs are incurred.

Note 6: Capital charge

The Department pays a capital charge to the Crown twice a year on the balance of taxpayers' funds, including revaluation reserve, as at 1 July and 1 January. The capital charge rate for the six-month periods ending 31 December 2022 and 30 June 2023 was 5.0% (2022: 5.0%).

Note 7: Return of operating surplus to the Crown

30/06/22 Actual \$000		30/06/23 Actual \$000
24,787	Net surplus for the year	53,584
	Add/(less)	
(2,401)	Remeasurement losses on long service and retirement leave	(505)
–	Remeasurement on loss on write off of assets destroyed by Cyclone Gabrielle	125
(16,782)	Donated assets and third party contribution towards construction of assets	(14,698)
2,000	Other expenses	2,000
7,604	Total return of operating surplus to the Crown	40,506

The repayment of surplus is required to be paid by 31 October each year.

Note 8: Trade and other receivables

Short-term trade and other receivables are recorded at face value, less any provision for impairment. The Department applies the simplified expected credit loss model of recognised lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis based on the days past due.

Impairment of a receivable is recorded when there is a reasonable expectation that the Department will not be able to collect amounts due according to the original terms of the receivable. Overdue receivables that are renegotiated are reclassified as current (that is, not past due).

ACCOUNTING POLICY FOR IMPAIRMENT OF RECEIVABLES

Impairment of a receivable is only recognised when there is objective evidence that the amount due would not be fully collected. While trade and other receivables are subject to the expected credit loss requirement of PBE IFRS 9, no additional impairment provision was provided because the impact was immaterial.

30/06/22 Actual \$000		30/06/23 Actual \$000
7,800	Trade receivables	8,375
(528)	Less provision for impairment	(1,731)
7,272	Net trade receivables	6,644
4,869	Accrued revenue	4,597
12,141	Total trade and other receivables	11,241

Note 9: Debtor Crown

The Debtor Crown balance of \$235.9 million (2022: \$194.8 million) represents operating funding (GST inclusive) not drawn down due to the timing of cash requirements.

Note 10: Property, plant and equipment

	Land \$000	Buildings \$000	Plant and equipment \$000	Infrastructure \$000	Fencing \$000	Vessels \$000	Motor vehicles \$000	Furniture and fittings \$000	Visitor and cultural assets \$000	Land formation \$000	Total \$000
Cost or valuation											
Balance at 1 July 2021	16,691	195,502	43,274	49,102	119,479	9,591	26,719	22,275	885,931	205,747	1,574,311
Additions	-	1,506	7,133	7,352	1,308	244	5,447	275	24,899	6,630	54,794
Revaluation movement	1,638	14,726	-	4,069	9,592	-	-	-	87,467	7,642	125,134
Disposals	-	(3,297)	(101)	(194)	(89)	(196)	(3,854)	-	(4,152)	-	(11,883)
Balance at 30 June 2022	18,329	208,437	50,306	60,329	130,290	9,639	28,312	22,550	994,145	220,019	1,742,356
Balance at 1 July 2022	18,329	208,437	50,306	60,329	130,290	9,639	28,312	22,550	994,145	220,019	1,742,356
Transfers to/from classes	-	(29,769)	453	25,168	(21)	(21)	(29)	(800)	5,007	12	-
Additions	-	9,687	2,872	4,393	1,555	318	4,685	429	14,677	985	39,601
Revaluation movement	1,764	14,450	-	9,539	9,088	-	-	-	120,211	15,966	171,018
Impairment - cyclone assets	-	-	-	(10)	-	-	-	-	(3,655)	-	(3,665)
Disposals	-	(39)	(26)	-	(17)	-	(2,919)	-	(5,007)	-	(8,008)
Balance at 30 June 2023	20,093	202,766	53,605	99,419	140,895	9,936	30,049	22,179	1,125,378	236,982	1,941,302
Accumulated depreciation and impairment losses											
Balance at 1 July 2021	-	128,052	32,389	22,924	88,511	6,980	13,768	17,033	603,920	-	913,577
Depreciation expense	-	2,518	1,761	1,271	6,587	370	1,983	728	16,416	-	31,634
Revaluation movement	-	9,810	-	2,068	7,722	-	-	-	60,018	-	79,618
Disposals	-	(2,975)	(59)	(1)	(36)	(155)	(2,452)	-	(2,763)	-	(8,441)
Balance at 30 June 2022	-	137,405	34,091	26,262	102,784	7,195	13,299	17,761	677,591	-	1,016,388
Balance at 1 July 2022	-	137,405	34,091	26,262	102,784	7,195	13,299	17,761	677,591	-	1,016,388
Transfers on migration	-	(17,086)	(1)	7,325	7	(10)	(29)	-	9,794	-	-
Depreciation expense	-	2,124	2,132	1,682	4,540	342	2,317	689	18,112	-	31,938
Revaluation movement	-	9,779	-	4,255	7,519	-	-	-	85,661	-	107,214
Impairment - cyclone assets	-	-	-	(1)	-	-	-	-	(2,529)	-	(2,530)
Disposals	-	(291)	(26)	-	157	-	(1,835)	-	(4,693)	-	(6,688)
Balance at 30 June 2023	-	131,931	36,196	39,523	115,007	7,527	13,752	18,450	783,936	-	1,146,322
Carrying amounts											
At 30 June 2021	16,691	67,450	10,885	26,178	30,968	2,611	12,951	5,242	282,011	205,747	660,734
At 30 June 2022	18,329	71,032	16,215	34,067	27,506	2,444	15,013	4,789	316,554	220,019	725,968
At 30 June 2023	20,093	70,835	17,409	59,896	25,888	2,409	16,297	3,729	341,442	236,982	794,980

Note 10: Property, plant and equipment (continued)

Property, plant and equipment consists of land, buildings, plant and equipment, infrastructure, fencing assets, vessels, motor vehicles, furniture and fittings, visitor and cultural assets and land formation costs. Land, buildings, infrastructure, fencing, visitor assets and land formation costs are measured at fair value, with all other assets measured at cost less accumulated depreciation and impairment losses.

Assets under construction are recognised at cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in surplus or deficit. When a revalued asset is sold, the amount included in the property, plant and equipment revaluation reserve in respect of the disposed asset is transferred to general taxpayer funds.

Depreciation is provided on a straight-line basis on all property, plant and equipment except for land, land formation assets, cultural assets and assets under construction that are not depreciated.

ASSETS DESTROYED BY CYCLONE GABRIELLE

On 14 February 2023, Cyclone Gabrielle hit New Zealand resulting in widespread damage to public conservation land, assets, biodiversity and heritage across the North Island.

As a result, 14 assets have been written off as at 30 June 2023 because they were either totally destroyed or past the point of repair. Another 122 assets have been impaired based on an estimate of damage, and some assets are yet to be assessed.

Geotech advice and assessments are currently being received that provide a greater understanding of the extent of damage and effort required to fix or protect the sites (or not) and make evidence-based decisions.

It is expected more assets will be impaired over the next year, as assets continue to be assessed.

Note 10: Property, plant and equipment (continued)

The useful lives of property, plant and equipment have been estimated as follows.

Asset class	Estimated useful life in years
Buildings	
Administrative buildings	20–40
Plant and equipment	
Plant and field equipment	10
Radio equipment	5–10
Infrastructure	
Industrial fire equipment	45
Landscaping	44
Roads	10–100
Sewerage	64
Stream control	98
Water supply	60
Fencing	25–40
Vessels	
Engines	10
Hulls	15
Motor vehicles	
Passenger (30% residual applied)	4
Utilities (40% residual applied)	5
Furniture and fittings	
Furniture, computers and other office equipment	5
Visitor and cultural assets	
Buildings/huts	35–65
Campsite, amenity areas and car parks	10–50
Roads (surface only)	25
Signs	10
Structures	25–100
Tracks	8

In accordance with *PBE IPSAS 17 Property, plant and equipment*, the useful lives of property, plant and equipment are assessed annually to determine whether they are appropriate, and the future depreciation charge adjusted accordingly. In some circumstances, and particularly for the revalued assets, this may lead to instances where the estimated useful lives vary, but not materially, from the standard policy presented above.

Note 10: Property, plant and equipment (continued)

REVALUATIONS

The carrying values of revalued assets are assessed annually. Aside from land, the depreciated replacement cost method and indexation model are used to measure assets at fair value.

The indexation model uses the appropriate capital goods index published by Statistics New Zealand to determine the movement in asset values over the intervening period. Land is valued using assessments conducted in accordance with the Rating Valuations Act 1998.

Significant assumptions applied in deriving depreciated replacement cost include:

- historical cost adjusted by movements in the appropriate capital goods price index reflects the present replacement cost
- the remaining useful life of assets is estimated
- straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

The net revaluation results are charged to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but in surplus or deficit. Any subsequent increase in revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Land

Land is initially recognised at cost and is revalued annually based on rateable valuations provided by Quotable Value Limited. Individual land lots are only updated every 3 years by Quotable Value Limited using a mass-appraisal process. Land not matched to an assessment is valued using an average per hectare rate.

Buildings

Buildings were valued at fair value using price indices collated by Statistics New Zealand as at 30 June 2023.

Visitor assets

Several different asset classes are included under the grouping 'Visitor assets', including tracks, structures, buildings (predominantly huts) and signs. All visitor assets are revalued using price indices applicable for the year.

Land formation

The land formation is fair valued using a price-index-based revaluation model and is measured in line with the Crown's policy on revaluations.

Other property, plant and equipment

Infrastructure and fencing assets were valued at fair value using price indices collated by Statistics New Zealand as at 30 June 2023.

PROPERTY, PLANT AND EQUIPMENT UNDER CONSTRUCTION

The total amount of property, plant and equipment under construction is \$57.6 million (2022: \$35.5 million).

COMMUNITY ASSETS

The nation's land and historic buildings managed by the Department are the nation's natural and historic heritage. Because these community assets belong to the Crown, their valuation is reflected in the 'Schedule of assets – Crown as administered by the Department of Conservation'. Typically, this land includes the national, conservation and forest parks as well as Crown reserve land.

Note 11: Intangible assets

All intangible assets, including those not yet in use, are measured at cost and are reviewed for impairment at balance date. Any impairment in the value of an intangible asset is included in the surplus or deficit.

Costs directly associated with the development of software for internal use by the Department are recognised as an intangible asset.

Computer software is the largest category within intangible assets and is amortised on a straight-line basis over a period of 5 to 7 years.

30/06/22 Actual \$000		30/06/23 Actual \$000
Cost or valuation		
33,291	Balance at 1 July	32,109
(87)	Additions	634
(1,095)	Disposals	–
32,109	Balance at 30 June	32,743
Accumulated depreciation and impairment losses		
27,509	Balance at 1 July	28,667
1,158	Amortisation expense	1,067
–	Disposals	–
28,667	Balance at 30 June	29,734
3,442	Carrying amount as at 30 June	3,009

There are no restrictions over the title of the Department's intangible assets, nor are any intangible assets pledged as security for liabilities.

Note 12: Employee entitlements

SHORT-TERM EMPLOYEE ENTITLEMENTS

Employee entitlements expected to be settled within 12 months of balance date are measured at nominal values, based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, accrued annual leave at balance date, retiring and long-service leave entitlements expected to be settled within 12 months, and sick leave.

Other employee entitlements include accrued annual leave, time off in lieu, vested long-service leave and a provision for sick leave.

30/06/22 Actual \$000		30/06/23 Actual \$000
Current portion		
6,382	Accrued salaries and wages	8,298
3,253	Long service and retiring leave	3,306
18,684	Other employee entitlements	18,811
28,319	Total employee entitlements (current portion)	30,415

Note 12: Employee entitlements (continued)

LONG-TERM EMPLOYEE ENTITLEMENTS

Employee entitlements due to be settled beyond 12 months of balance date in which the employee renders the related service, such as long-service leave and retiring leave, are calculated on an actuarial basis. The calculations are based on likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, contractual entitlements information, and the present value of the estimated future cash flows.

30/06/22 Actual \$000		30/06/23 Actual \$000
Non-current portion		
15,633	Long service and retiring leave	13,686
15,633	Total employee entitlements (non-current portion)	13,686

The measurement of the retirement and long-service leave obligations depends on factors that are determined on an actuarial basis using several assumptions. Two main assumptions used in calculating this liability are the salary growth factor and the discount rate. Any changes in these assumptions will affect the carrying amount of the liability.

Discount rates and salary growth rates used in the actuarial valuation are as specified by the Treasury for valuations of this type and are effective for valuations as at 30 June 2023. An increase in the discount rates used in the actuarial valuation has resulted in a decrease of \$1.0 million in the value of the retirement and long-service leave liability.

The demographic assumptions used are based on New Zealand population mortality and the experience of superannuation arrangements in New Zealand and Australia.

The table below shows the impact that varying the assumed rate of salary growth and discount rates has on the valuation result if all other assumptions are constant.

<i>Key assumption</i>	Increase/(Decrease) in liability \$000	
	<i>1% below assumed</i>	<i>1% above assumed</i>
Salary growth	1,400	(1,627)
Discount rates	(1,600)	1,356

Note 13: Provisions

The Department recognises a provision for future expenditure of uncertain amounts or timing where there is a present obligation (either legal or constructive) as a result of a past event, and it is probable that expenditure will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

30/06/22 Actual \$000		30/06/23 Actual \$000
	Current portion	
1,914	Environmental	2,748
74	Onerous contracts	74
955	ACC – Other Provisions	1,003
2,943	Total current portion	3,825
	Non-current portion	
1,233	Environmental	655
1,233	Total non-current portion	655
4,176	Total provisions	4,480
	Movements in provisions:	
	Environmental	
3,904	Balance at 1 July	3,147
(2,337)	Provision utilised or reversed during the year	(1,122)
1,580	Provision made during the year	1,378
3,147	Balance at 30 June	3,403
	Onerous contracts	
74	Balance at 1 July	74
74	Balance at 30 June	74
	ACC – other provisions	
926	Balance at 1 July	955
(71)	Provision utilised or reversed during the year	(52)
100	Provision made during the year	100
955	Balance at 30 June	1,003
4,176	Total provisions	4,480

Note 13: Provisions (continued)

Below is a summary of the significant environmental provisions.

WAIKATO-TAINUI WAIKATO RIVER CONSERVATION ACCORD

Provision was made in the 2014/15 financial year for \$0.8 million as the Department's share of the costs associated with the obligations arising under the above accord. This was increased by a further \$1.4 million from 2017/18 to 2022/23, to reflect the work plan over the next 2 years. To date, net costs of \$0.6 million have been incurred against the provision.

CLEANING UP CONTAMINATED SITES

Provisions have been made for remediation work relating to the Whakapapa Wastewater Treatment Plant, to ensure compliance with resource consent (\$0.8 million). To date, net costs of \$0.4 million have been incurred against the provision.

LAKE WHANGAPE RESTORATION

Under a multi-agency agreement, the Department has committed to a programme of work to improve the habitat and water quality of Lake Whangape. A provision of \$0.4 million has been set aside for this project. The work is a 5-year initiative. To date, net costs of \$0.3 million have been incurred against the provision.

RUAPEHU ALPINE LIFTS LIMITED – WASTEWATER TREATMENT RECOVERIES

Ruapehu Alpine Lifts Limited went into liquidation in June 2023. They currently owe the Department for their share of costs relating to the Whakapapa wastewater treatment plant. These costs are yet to be billed by the Department because they were payable on a deferred basis. The amount receivable is \$0.3 million at the end of 30 June 2023 and a full provision has been made.

Note 14: Taxpayers' funds

Taxpayers' funds represent the Crown's investment in the Department and are measured as the difference between total assets and total liabilities. Taxpayers' funds are disaggregated and classified as general funds and property, plant and equipment revaluation reserves.

The latter relate to the revaluation of fixed assets to fair value.

30/06/22 Actual \$000		30/06/23 Actual \$000
	General funds	
456,550	Balance at 1 July	536,951
24,787	Net surplus for the year	53,584
1,904	Transfers from revaluation reserve on disposal	455
(220)	Capital repayments to the Crown	(21,815)
61,624	Capital injection from the Crown	24,855
(7,604)	Return of operating surplus to the Crown	(40,506)
(90)	Asset transfers between Department and Crown	241
536,951	Balance at 30 June	553,765
	Property, plant and equipment revaluation reserves	
287,241	Balance at 1 July	330,852
45,515	Revaluation gains	63,804
–	Other adjustments to revaluation reserve (Impairment - Cyclone assets)	(1,135)
(1,904)	Transfer to general funds on disposal	–
330,852	Balance at 30 June	393,521
867,803	Total taxpayers' funds at 30 June	947,286
	Property, plant and equipment revaluation reserves consist of:	
17,473	Land revaluation reserve	19,237
52,939	Buildings revaluation reserves	57,610
238,695	Visitor assets revaluation reserves	287,738
21,745	Other revaluation reserves	28,936
330,852	Total property, plant and equipment revaluation reserves	393,521

Note 15: Financial instrument risks

Financial assets are initially measured at fair value plus transaction costs.

The Department's activities expose it to a variety of financial instrument risks, including credit risk and liquidity risk. The Department has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature.

CREDIT RISK

Credit risk is the risk that a third party will default on its obligation to the Department, causing the Department to incur a loss. In the normal course of its business, credit risk arises from debtors and deposits with banks.

The Department is only permitted to deposit funds with Westpac, a registered bank, and enter into foreign exchange forward contracts with the New Zealand Debt Management Office. These entities have high credit ratings. For its other financial instruments, the Department does not have significant concentrations of credit risk.

The Department's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and net receivables. No collateral is held as security against these financial instruments, including those instruments that are overdue or impaired.

LIQUIDITY RISK

Liquidity risk is the risk that the Department will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the Department closely monitors its forecast cash requirements with expected cash draw-downs from the New Zealand Debt Management Office. The Department maintains a target level of available cash to meet liquidity requirements.

The following table analyses the Department's financial liabilities that will be settled based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 6 months \$000	Between 6 months and 1 year \$000	Between 1 and 5 years \$000	Over 5 years \$000
Liquidity risks				
2022				
Trade and other payables	30,884	–	–	–
2023				
Trade and other payables	37,023	–	–	–

Note 15: Financial instrument risks (continued)

The carrying amount of financial assets is represented by: Cash \$33.3 million (2022: \$27.6 million), Trade and other receivables \$11.2 million (2022: \$12.1 million) and Debtor Crown \$235.9 million (2022: \$194.8 million).

The carrying amount of financial liabilities is represented by: Trade and other payables \$37.0 million (2022: \$30.9 million).

Note 16: Related party transactions and key management personnel

The Department is a wholly owned entity of the Crown. The Crown significantly influences the roles of the Department as well as being its major source of revenue.

The Department enters into transactions with other government departments, Crown entities and state-owned enterprises on an arm's length basis. Those transactions that occur within a normal supplier or client relationship, on terms and conditions no more or less favourable than those that it is reasonable to expect the Department would have adopted if dealing with that entity at arm's length in the same circumstance, are not disclosed as related party transactions.

Key management personnel compensation comprises the Director-General and the Senior Leadership Team. Total compensation includes long-service leave and retiring leave.

30/06/22 Actual		30/06/23 Actual
\$3,042,251	Salaries and other short-term benefits	\$3,095,841
\$170,803	Other long-term benefits	\$174,060
\$3,213,054	Total key management personnel compensation	\$3,269,901
12	Total full-time equivalent staff	9

No other transactions were carried out with related parties.

The Director-General of the Department of Conservation is a 'co-chair workstream' for The Aotearoa Circle Trust. An amount of \$10,000 was paid to The Aotearoa Circle Trust (2022: nil) and no balance is outstanding at year end.

Note 17: Capital management

The Department's capital is its equity (or taxpayers' funds), which comprises general funds and revaluation reserves. Equity is represented by net assets. The Department manages its revenues, expenses, assets, liabilities and general financial dealings prudently. The Department's equity is largely managed as a by-product of managing income, expenses, assets, liabilities and compliance with the Government Budget processes and with instructions issued by the New Zealand Treasury. The objective of managing the Department's equity is to ensure the Department effectively achieves its goals and objectives for which it has been established, while remaining a going concern.

Note 18: Events after balance date

No significant events that may impact on the financial statements have occurred between year end and the signing of these financial statements (2022: none).

Ngā tauākī whakahaere pūtea ehara nō te tari

Non-departmental financial schedules

Schedule of revenue – Crown as administered by the Department of Conservation for the year ended 30 June 2023

30/06/22			30/06/23	30/06/23	30/06/23	30/06/24
Actual \$000		Note	Actual \$000	Budget*	Revised Budget*	Forecast*
				\$000	\$000	\$000
Revenue						
9,424	Concessions, leases and licences	1	20,584	8,077	20,931	24,122
11,426	Other operational revenue		7,302	964	1,074	1,074
1,746	Gain on disposal of Crown property, plant and equipment		–	–	–	–
22,596	Total revenue		27,886	9,041	22,005	25,196

* The statement of accounting policies provides explanations of these figures, which are unaudited.

Non-departmental income is administered by the Department of Conservation on behalf of the Crown. Because this income is not established by the Department nor earned in the production of the Department's outputs, it is not reported in the departmental financial statements.

Schedule of expenses – Crown as administered by the Department of Conservation for the year ended 30 June 2023

30/06/22			30/06/23	30/06/23	30/06/23	30/06/24
Actual \$000			Actual \$000	Budget*	Revised Budget*	Forecast*
				\$000	\$000	\$000
Vote Conservation						
55,531	Appropriation for non-departmental output classes**		68,555	102,101	77,745	103,491
12,464	Appropriation for non-departmental other expenses		6,361	25,222	38,986	4,920
8,337	Goods and services tax input on appropriations		14,362	17,696	14,612	11,653
–	Bad and doubtful debts credit		(745)	–	–	–
76,332	Total expenses		88,533	145,019	131,343	120,064

* The statement of accounting policies provides explanations of these figures, which are unaudited.

** Includes multi-category expenses and expenses in multi-year appropriations.

The Schedule of expenses – Crown as administered by the Department of Conservation summarises non-departmental expenses that the Department administers on behalf of the Crown. Further details are provided in the statement of expenses and capital expenditure incurred against appropriations on pages 125–127.

Schedule of assets – Crown as administered by the Department of Conservation

as at 30 June 2023

30/06/22			30/06/23	30/06/23	30/06/23	30/06/24
Actual \$000	Note	Actual \$000	Budget* \$000	Revised Budget* \$000	Forecast* \$000	
Current assets						
15,912	Cash	46,836	28,678	2,220	34,958	
227	Prepayments	107	200	200	200	
4,293	Trade and other receivables	12,185	6,340	6,340	6,340	
10,465	Non-current assets held for sale	20,229	–	–	–	
30,897	Total current assets	79,357	35,218	8,760	41,498	
Non-current assets						
7,770,132	Property, plant and equipment	8,365,603	7,177,337	7,840,661	7,844,096	
7,770,132	Total non-current assets	8,365,603	7,177,337	7,840,661	7,844,096	
7,801,029	Total assets	8,444,960	7,212,555	7,849,421	7,885,594	

* The statement of accounting policies provides explanations of these figures, which are unaudited.

The prior year values of PPE have been restated due to the automatic vesting provision in the Reserves Act 1977 (refer to note 4 for details).

Schedule of liabilities – Crown as administered by the Department of Conservation

as at 30 June 2023

30/06/22			30/06/23	30/06/23	30/06/23	30/06/24
Actual \$000	Note	Actual \$000	Budget* \$000	Revised Budget* \$000	Forecast* \$000	
Current liabilities						
6,139	Trade and other payables	6,551	7,732	407	405	
581	Revenue in advance	667	–	–	–	
1,170	Provisions	1,639	–	–	–	
7,890	Total current liabilities	8,857	7,732	407	405	
7,890	Total liabilities	8,857	7,732	407	405	

* The statement of accounting policies provides explanations of these figures, which are unaudited.

Schedule of commitments – Crown as administered by the Department of Conservation

as at 30 June 2023

30/06/22		30/06/23
Actual \$000		Actual \$000
–	Other non-cancellable operating leases	–
–	Total commitments	–

Expenses yet to be incurred on non-cancellable contracts that have been entered into on or before balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

Schedule of contingent liabilities and contingent assets – Crown as administered by the Department of Conservation

as at 30 June 2023

30/06/22 Actual \$000		30/06/23 Actual \$000
Quantifiable liabilities		
–	Fulfill make good clause of Ruapehu Alpine Lifts' concession	87,500
107	Other quantifiable proceedings and potential claims	77
107	Total contingent liabilities	87,577

As at 30 June 2023, there were 29 claims against the Crown, 27 of which are not currently quantifiable (2022: 26 claims of which 24 were not quantifiable). Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

During the financial year, one of the Department's concessionaires, Ruapehu Alpine Lifts Limited, went into liquidation. The concession agreement requires Ruapehu Alpine Lifts to make good the ski infrastructure on the mountain. It is unlikely this condition will be able to be fulfilled and, as such, the requirement to make good the ski infrastructure will fall to the Department. The requirement to make good has been estimated in a desktop valuation to be between \$40 million and \$87 million but will require a quantity surveyor to provide a more accurate calculation. In addition, if a new concessionaire is located to run the ski operations on the mountain, the requirement to make good the ski infrastructure will be deferred to an unknown future date. These uncertainties have meant that the Department has recognised a contingent liability for the make good provision at 30 June 2023.

There were no contingent assets as at 30 June 2023 (2022: nil).

Statement of trust monies

for the year ended 30 June 2023

	As at 30/06/22 \$000	Contributions \$000	Distributions \$000	Net Interest \$000	As at 30/06/23 \$000
Bonds/Deposits Trust	10,349	100	(45)	292	10,696
Conservation Project Trust	1,113	12,873	(12,492)	63	1,557
National Parks Trust	36	–	–	1	37
NZ Walkway Trust	15	–	–	1	16
Total	11,513	12,973	(12,537)	357	12,306

The Department has delegated authority to operate these trust accounts under section 66 and section 67 of the Public Finance Act 1989.

Trust accounts are mainly used to hold bonds and deposits from operators working on public conservation land, including those contracted by the Department. These are repaid when the operators have been cleared of all obligations.

Te tauākī kaupapa here kaute

Statement of accounting policies

REPORTING ENTITY

These non-departmental financial schedules present financial information on public funds managed by the Department of Conservation on behalf of the Crown.

These non-departmental balances are consolidated into the *Financial Statements of the Government of New Zealand for the year ended 30 June 2023*. For a full understanding of the Crown's financial position and the results of its operations and cashflows for the year, refer to the *Financial Statements of the Government of New Zealand for the year ended 30 June 2023*.

REPORTING PERIOD

The reporting period for these financial schedules is for the year ended 30 June 2023. The forecast financial statements are for the year ending 30 June 2024.

The financial schedules were authorised for issue by the Director-General of the Department of Conservation on 29 September 2023.

BASIS OF PREPARATION

The financial schedules have been prepared on a going-concern basis and in accordance with the requirements of the Public Finance Act 1989, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP), and the Treasury instructions. The Department has applied the suite of Tier 1 Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) in preparing the 30 June 2023 financial schedules.

The statements have been prepared on a historical cost basis, unless otherwise stated. The accounting policies have been applied consistently to all periods presented in these financial statements.

These financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Department is New Zealand dollars.

BUDGET AND FORECAST FIGURES

The budget, revised budget and forecast figures have been prepared in accordance with NZ GAAP using accounting policies that are consistent with those adopted in preparing these financial schedules. They have also been prepared in accordance with *PBE Financial Reporting Standard 42: Prospective Financial Statements*. The budget, revised budget and forecast financial schedules are not subject to audit.

The budget figures for 2022/23 are those included in *The Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2023*. The revised budget figures for 2022/23 are those included in *The Supplementary Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2023*, adjusted for any transfers under 26A of the Public Finance Act.

The forecast figures for 2023/24 are those included in *The Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2024*. The forecasts have been prepared in accordance with the Public Finance Act 1989 and reflect the existing government and ministerial policies existing at that time, in addition to the Department's purpose, strategic intentions and activities based on the estimates and assumptions that might occur in the 2023/24 year.

GOODS AND SERVICES TAX

All items in the non-departmental schedules, including appropriation statements, are stated exclusive of goods and services tax (GST) except for receivables and payables, which are stated on a GST-inclusive basis. In accordance with instructions issued by the Treasury, GST is returned on revenue received on behalf of the Crown, where applicable. However, an input tax deduction is not claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense and eliminated against GST revenue on consolidation of the Government Financial Statements.

TRADE AND OTHER RECEIVABLES

Short-term trade debtors and other receivables are recorded at their face value, less any provision for impairment. The Crown applies the simplified expected credit loss model of recognised lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis based on the days past due.

The carrying amount of the asset is reduced through the use of a provision for impairment account and the amount of the loss is recognised in surplus or deficit. Overdue receivables that are renegotiated are reclassified as current (that is, not past due).

Accounting policy for impairment of receivables

Impairment of a receivable was only recognised when there was objective evidence the amount due would not be fully collected. While trade and other receivables were subject to the expected credit loss requirement of PBE IFRS 9, no additional impairment provision was provided because the impact was trivial.

TRADE AND OTHER PAYABLES

Short-term trade creditors and other payables are recorded at their face value.

RESTATEMENT OF CROWN LAND

The prior year land numbers have been restated by \$63.3 million due to the automatic vesting provision in the Reserves Act 1977 which allow local authorities to vest reserves land in their own name without notifying the Department. This has resulted in some reserves land vested in local authorities remaining in the Department's land record.

COMPARATIVES

The restatement of Crown land has resulted in the restatement of schedule of assets as at 30 June 2022. The restatement adjustments are detailed in the table on note 4.

He tuhinga mō ngā hōtaka mō te tau i mutu ake i te 30 Pipiri 2023

Notes to the schedules for the year ended 30 June 2023

Note 1: Revenue

The Department collects revenue on behalf of the Crown. This is mainly from concession fees, rent and leases, and licences from commercial users of Crown-owned land. Revenue is recognised when earned, reported in the current financial period, and is treated as exchange transactions.

30/06/22 Actual \$000		30/06/23 Actual \$000
981	Tourism occupations	4,041
930	Guiding	2,691
452	Aircraft landings	2,853
2,111	Telecommunications	2,075
1,100	Other occupations	1,313
1,484	Grazing	1,267
80	Ski areas	2,686
187	Boating	741
813	Residential/recreational	1,184
37	Vehicle transport	278
702	Easements	774
121	Filming	148
274	Miscellaneous	216
123	Extractions fees	178
29	Sporting and special events	139
9,424	Total concessions, leases and licences	20,584

Note 2: Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, rather than through continued use. Non-current assets held for sale (including those that are part of a disposal group) are not depreciated, amortised or revalued while they are classified as held for sale. This accounting treatment is in line with Treasury guidance.

30/06/22 Actual \$000		30/06/23 Actual \$000
10,465	Land	20,229
10,465	Total non-current assets held for sale	20,229

Total non-current assets held for sale mainly comprise land that has been identified for settlement of Treaty of Waitangi claims.

Note 3: Property, plant and equipment

	Land \$000	Buildings \$000	Infrastructure \$000	Cultural assets \$000	Total \$000
Cost or valuation					
Balance at 1 July 2021	6,966,155	2,000	20,065	5,100	6,993,320
Additions	10,682	–	417	–	11,099
Revaluation movement	781,482	–	1,610	–	783,092
Disposals	(6,982)	–	–	–	(6,982)
Assets transferred to current assets	(6,889)	–	–	–	(6,889)
Balance at 30 June 2022	7,744,448	2,000	22,092	5,100	7,773,640
Balance at 1 July 2022	7,744,448	2,000	22,092	5,100	7,773,640
Additions	17,526	14,043	1,401	–	32,970
Revaluation movement	573,436	201	2,571	–	576,208
Disposals	(1,789)	–	–	–	(1,789)
Assets transferred to current assets	(11,250)	–	–	–	(11,250)
Balance at 30 June 2023	8,322,371	16,244	26,064	5,100	8,369,779
Accumulated depreciation and impairment losses					
Balance at 1 July 2021	–	1,279	1,837	–	3,116
Depreciation expense	–	11	206	–	217
Revaluation movement	–	–	175	–	175
Disposals	–	–	–	–	–
Balance at 30 June 2022	–	1,290	2,218	–	3,508
Balance at 1 July 2022	–	1,290	2,218	–	3,508
Depreciation expense	–	10	226	–	236
Revaluation movement	–	131	301	–	432
Disposals	–	–	–	–	–
Balance at 30 June 2023	–	1,431	2,745	–	4,176
Carrying amounts					
At 30 June 2021	6,966,155	721	18,228	5,100	6,990,204
At 30 June 2022	7,744,448	710	19,874	5,100	7,770,132
At 30 June 2023	8,322,371	14,813	23,319	5,100	8,365,603

The prior year values of Land have been restated due to the automatic vesting provision in the Reserves Act 1977 (refer to note 4 for details)

Depreciation is provided on a straight-line basis at rates that will write off assets, less their estimated residual value, over their remaining useful life. Land and cultural assets are not depreciated.

Note 3: Property, plant and equipment (continued)

For revalued assets, a revaluation change is recognised against the revaluation reserve for that class of assets. Where this results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit.

Land is initially recognised at cost and is revalued annually based on rateable valuations provided by Quotable Value Limited. Individual land lots are only updated every 3 years by Quotable Value Limited using a mass-appraisal process. Land not matched to an assessment is valued using an average per-hectare rate. These values were certified as fair value by an independent registered valuer. The valuation is effective as at 30 June 2023.

Land lots not subject to revaluations based on the triennial rateable valuations are revalued applying an index determined using regional and district sales data for comparable land types provided by Core Logic.

The use and disposal of Crown land managed by the Department is determined by legislation. The main Acts are the Reserves Act 1977, Conservation Act 1987 and National Parks Act 1980. These Acts impose restrictions on the disposal of surplus areas and the use of reserves, conservation areas and national parks. Crown land is not subject to mortgages or other charges. Specific areas may be included in Treaty settlements if the Crown decides to offer those areas to claimants.

Crown infrastructure assets were valued at fair value using price indices effective as at 30 June 2023.

Historic buildings used for rental activities are stated at fair value using optimised depreciated replacement cost. The valuation is effective as at 30 June 2023.

Cultural assets are stated at fair value. These assets are not depreciated and were last valued as at 30 June 2012.

The Department has a number of heritage assets under its care due to the historical significance of these assets to New Zealand. The cost of heritage assets cannot be reliably measured given the nature of these assets and, accordingly, they are not able to be recognised on the schedule of assets.

Note 4: Prior period adjustments (restatement)

Schedule of assets – Crown as administered by the Department of Conservation for the year ended 30 June 2022

	Previously reported \$000	Land Adjustment \$000	Restated \$000
Non-current assets			
Property, plant and equipment	7,833,440	(63,308)	7,770,132
Total non-current assets	7,833,440	(63,308)	7,770,132
Total assets	7,864,337	(63,308)	7,801,029

Note 3: Property, plant and equipment

	Land Previously reported \$000	Land Adjustment \$000	Restated \$000
Cost or valuation			
Balance at 1 July 2021	7,029,463	(63,308)	6,966,155
Additions	10,682	–	10,682
Revaluation movement	781,482	–	781,482
Disposals	(6,982)	–	(6,982)
Assets transferred to current assets	(6,889)	–	(6,889)
Balance at 30 June 2022	7,807,756	(63,308)	7,744,448
Balance at 1 July 2022	7,744,448	–	7,744,448
Additions	17,526	–	17,526
Revaluation movement	573,436	–	573,436
Disposals	(1,789)	–	(1,789)
Assets transferred to current assets	(11,250)	–	(11,250)
Balance at 30 June 2023	8,322,371	–	8,322,371
Carrying amounts			
At 30 June 2022	7,807,756	(63,308)	7,744,448
At 30 June 2023	8,322,371	–	8,322,371

Note 5: Provisions

The Crown recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, and it is probable that an outflow of future economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

ENVIRONMENTAL PROVISIONS

This is the estimated cost of rectifying the environmental damage in the following affected or contaminated sites that the Crown has an obligation to remedy.

- The tailings and tunnels in numerous former goldmine sites in the Coromandel Peninsula, which may have unsafe access and/or may leach contaminants into waterways in the surrounding areas.
- Former landfill sites in the King Country District, at Mokau, Benneydale and Pureora.
- A number of abandoned coalmines, both underground and open cast, within the Benneydale, Mahoenui, Pirongia, Waitawhenua and Ohura coalfields. Risks of contamination from treatment ponds, tailing dams and underground drives.

TRANSFER OF CONCESSION REVENUE

A provision of \$0.3 million for concession revenue is payable to iwi relating to land transferred to them under Treaty settlements.

Note 6: Events after balance date

No significant events that may impact on the actual results have occurred between year end and the signing of these financial statements.

Ētahi mōhiotanga ahumoni tāpiri

Additional financial information

Statement of expenses and capital expenditure incurred against appropriations for the year ended 30 June 2023

30/06/22		30/06/23	30/06/23	30/06/23	Location of
Actual	Appropriation title	Actual	Budget*	Revised	end-of-year
\$000		\$000	\$000	Budget*	performance
				\$000	information
	Departmental output expenses				
326,935	Management of natural heritage	285,437	398,081	306,288	page 70
7,698	Management of historic heritage	7,782	8,061	8,494	page 71
184,775	Management of recreational opportunities	192,268	204,535	186,124	page 72
39,956	Conservation with the community	38,903	37,120	41,544	page 74
2,547	Crown contribution to regional pest management	2,223	3,241	2,225	page 71
150	Search and rescue activities PLA	533	714	714	
562,061	Total departmental output expenses	527,146	651,752	545,389	
	Departmental other expenses				
10,954**	Software as a Service intangible asset derecognition	–	–	–	
	Departmental other expenses				
40,748	Property, plant and equipment and intangible assets	40,235	49,662	49,698	
	Non-departmental output expenses				
18,520	Community Conservation Partnerships Fund	6,710	39,967	5,609	
936	Management services – natural and historic places	933	946	982	
38	Moutoa Gardens/Pākaitore	38	38	38	
19,494	Total non-departmental output expenses	7,681	40,951	6,629	
	Non-departmental other expenses				
–	Compensation payments	136	60	150	
422	Mātauranga Māori fund	780	663	1,027	
241	Waikaremoana lakebed lease	241	241	241	
407	Subscriptions to international organisations	422	450	450	
1,024	Payment of rates on properties for concessionaires	1,038	1,099	1,209	
217	Depreciation – Crown property, plant and equipment	236	337	311	
57	Provision for bad and doubtful debts	1,425	1,000	1,000	
–	Loss on disposal of Crown property, plant and equipment	1,080	15,525	15,525	
4,349	Vesting of reserves	3	1,328	1,563	
–	Impairment of public conservation land†	38,099	50	5,970	
4,445	Correction of land-holding records	–	–	–	
43	Administering bodies of Crown reserves	–	–	–	
845	Wildlife institutions relief fund	–	–	–	
–	Molesworth recreation reserve improvements	–	–	16,510	
12,050	Total non-departmental other expenses	43,460	20,753	43,956	

Statement of expenses and capital expenditure incurred against appropriations (continued)

for the year ended 30 June 2023

30/06/22		30/06/23	30/06/23	30/06/23	Location of
Actual		Actual	Budget*	Revised	end-of-year
\$000		\$000	\$000	Budget*	performance
				\$000	information
	Non-departmental capital expenditure				
–	Crown land acquisitions	–	2,000	2,000	
24	Purchase and development of reserves	1,051	3,600	6,614	
–	Pike River memorial and museum	–	921	–	
–	Molesworth Recreation Reserve	12,167	–	476	
–	Hump Ridge Great Walk	1,309	–	2,392	
24	Total non-departmental capital expenditure	14,527	6,521	11,482	
	Multi-category expenses and capital expenditure (MCA)				
	Identification and implementation of protection for natural and historic places MCA				
	<i>Non-departmental output expenses</i>				
933	Nature Heritage Fund	37	7,128	222	
6,689	Support for Māori land	8,033	17,238	12,968	
4,712	Legal protection Queen Elizabeth II National Trust	3,412	4,812	3,712	
–	South Island Landless Natives Act	–	4,495	–	
	<i>Non-departmental capital expenditure</i>				
1,167	Nature Heritage Fund land purchases	1,056	–	1,696	
13,501	Total identification and implementation of protection for natural and historic places MCA	12,538	33,673	18,598	
	Policy advice, statutory planning, and services to Ministers and statutory bodies MCA				
	<i>Departmental output expenses</i>				
5,650	Policy advice	7,950	4,138	8,035	page 75
11,159	Statutory planning, services to Ministers and statutory bodies	10,979	11,053	12,981	page 75
16,809	Total policy advice, statutory planning, and services to Ministers and statutory bodies MCA	18,929	15,191	21,016	
	Provincial Growth Fund – Conservation projects MCA				
	<i>Non-departmental other expenses</i>				
414	Regional projects	1,000	4,519	1,000	
	<i>Non-departmental capital expenditure</i>				
416	Infrastructure projects	13,766	3,039	23,863	
	Nature Heritage Fund land purchases				
830	Total Provincial Growth Fund – Conservation projects MCA	14,766	7,558	24,863	
31,140	Total multi-category expenses and capital expenditure	46,233	56,422	64,477	
676,471	Total annual and forecast permanent appropriations	679,282	826,061	721,631	

Statement of expenses and capital expenditure incurred against appropriations (continued)

for the year ended 30 June 2023

30/06/22		30/06/23	30/06/23	30/06/23	Location of
Actual		Actual	Budget*	Revised	end-of-year
\$000		\$000	\$000	Budget*	performance
				\$000	information
Multi-year appropriations					
Departmental output expenses					
-	Jobs for Nature (MYA)	61,664	-	85,698	
-	Total department output expenses	61,664	-	85,698	
Non-departmental output expenses					
-	Jobs for Nature (MYA)	31,848	-	31,491	
-	Kermadec Rangitāhua Ocean Sanctuary (MYA)	-	290	290	
23,703	Predator Free New Zealand (MYA)	17,544	27,187	22,433	
23,703	Total non-departmental output expenses	49,392	27,477	54,214	
700,174	Total annual and permanent appropriations and multi-year appropriations	790,338	853,538	861,543	

* The statement of accounting policies provides explanations of these figures, which are unaudited.

** In the prior year SaaS costs previously capitalised as an intangible asset were restated to recognise these as expenses, in line with updated financial accounting guidance. The SaaS expenses were incorrectly excluded from the prior year Statement of expenses and capital expenditure within the appropriation Departmental other expenses – Software as a Service intangible asset derecognition. This has been restated to reflect the SaaS costs within the appropriation statement.

† These amounts are excluded from the Schedule of expenses on page 115 as they are recorded as a change in the Crown Asset Revaluation Reserve.

Actual expenditure for an individual category may exceed the revised budget for that category but must not exceed the revised budget for the multi-category.

EXPENSES AND CAPITAL EXPENDITURE INCURRED IN EXCESS OF APPROPRIATION

During 2022/23, the Department has exceeded five appropriations.

Community Conservation Funds (non-departmental output expense)

Due to a miscalculation in the value of a transfer of funding from the 2022/23 to 2023/24 year, actual expenditure exceeded the available appropriation for the 2022/23 financial year. The total unappropriated expenditure is \$1.101 million.

The unappropriated expenditure is fiscally neutral across financial years, because the Department will reduce the 2023/24 Community Conservation Funds appropriation at the October 2023 baseline update by the amount of the unappropriated expenditure in 2022/23.

The incurring of this expenditure under Imprest Supply was approved by Cabinet before the expenditure was incurred, but it was identified too late for inclusion in the Appropriation (2022/23 Supplementary Estimates) Bill and so is unappropriated expenditure requiring validation.

Management of recreational opportunities (departmental output expenses)

A fiscally neutral adjustment between appropriations at the March 2023 baseline update transferred too much funding from the Management of Recreational Opportunities to the Management of Natural Heritage appropriation. This was not identified in time to adjust both of the appropriations. The total unappropriated expenditure is \$6.144 million.

The amount of the unappropriated expenditure was fully offset by an underspend in the Management of Natural Heritage appropriation.

Provision for bad and doubtful debts (non-departmental other expenses)

During the latter stages of the 2022/23 financial year, one of the Department's concessionaires Ruapehu Alpine Lifts Limited entered into liquidation.

The Department held receivables with Ruapehu Alpine Lifts Limited that were required to be provided for as doubtful, due to the liquidation. This debt provision was unexpected when appropriations were approved and resulted in unappropriated expenditure of \$0.425 million.

The incurring of this expenditure under Imprest Supply was approved by Cabinet before the expenditure was incurred, but it was too late for inclusion in the Appropriation (2022/23 Supplementary Estimates) Bill and is so unappropriated expenditure requiring validation.

Impairment of Public Conservation Land (non-departmental other expenses)

The Department conducted a comprehensive review of Treaty settlements during the financial year. It discovered for some settlements that approval had not been sought or obtained from Cabinet to increase the Impairment of Public Conservation Land appropriation for the impairment of land relating to Treaty settlements before the relevant Settlement Act comes into legislation.

This has occurred with several of the Department's Treaty settlements, some of which go back to 2017/18.

The Impairment of Public Conservation Land is calculated as the difference between the carrying value and transfer or settlement value of the land. This is recognised as a reduction to the Crown land revaluation reserve with no impact on the operating result.

The correct recording of these largely historic impairments has resulted in unappropriated expenditure in the amount of \$32.129 million (2022: \$6.781 million).

Molesworth Recreation Reserve (non-departmental capital expenses)

The Department had funding approved and appropriations created of \$0.476 million of Non-Departmental Capital for purchase of farming assets and \$16.510 million of Non-Departmental Other Expenses for payments for land improvements to the Molesworth Recreation Reserve. The Department's assessment of the payment of \$11.798 million against the of Non-Departmental Other Expenses was that it was compensation for re-grassing and fertilising of pastures which was an operating expense. However, our auditors reviewed the transaction and related documentation and were of the view that they are capital improvements and need to be recognised as a Non-Departmental Capital Expense. We therefore have an underspend of \$16.510 million dollars (nil spend) against the Molesworth Recreation Reserve Improvements Non-Departmental Other Expenses appropriation, and an overspend of \$11.691 million against the Molesworth Recreation Reserve – Purchase of Farming Assets Non-Departmental Capital Expense appropriation.

EXPENSES AND CAPITAL EXPENDITURE INCURRED WITHOUT, OR IN EXCESS OF, AUTHORITY

The Department does not have any expenses or capital expenditure incurred without, or in excess of, authority during 2022/23 (2022: \$3.130 million).

Statement of departmental capital injections

for the year ended 30 June 2023

30/06/22		30/06/23	30/06/23	30/06/23
Actual \$000		Actual \$000	Budget* \$000	Revised Budget* \$000
183	Asset transfers	290	–	–
61,624	Capital contributions	24,855	15,320	30,292
61,807	Department of Conservation – capital injection	25,145	15,320	30,292

* The statement of accounting policies provides explanations of these figures, which are unaudited.

Intra-departmental fencing assets transferred to the Department from Land Information New Zealand (LINZ) during the current budget year represent a capital injection from the Crown. During the current financial year, the Department received \$0.3 million of fencing assets from LINZ.

Summary of output class expenditure by output

for the year ended 30 June 2023

30/06/22 Actual \$000		30/06/23 Actual \$000
	Vote: Conservation	
	<i>Management of natural heritage</i>	
–	Landscape integrity	1,036
–	Taonga and iconic species	278
10,296	Pressure-led work	12,502
102,856	Land and water obligations	109,688
79,896	Jobs for Nature	89,649
32,278	Species persistence	47,179
101,609	Ecosystems conservation	86,769
326,935	Total management natural heritage	347,101
7,698	<i>Management of historic heritage</i>	7,782
7,698	Total management of historic heritage	7,782
	<i>Management of recreational opportunities</i>	
63	Recreation concessions	–
58,580	More visitors to iconic destinations	58,105
35,995	More New Zealanders enjoy gateway destinations	38,698
27,849	Locally treasured destinations	30,450
25,721	More people enjoy the backcountry	31,783
36,627	Accessing public conservation land	33,232
184,835	Total management of recreational opportunities	192,268

Summary of output class expenditure by output (continued)

for the year ended 30 June 2023

30/06/22 Actual \$000		30/06/23 Actual \$000
	<i>Conservation with the community</i>	
11,482	Effective implementation of Treaty settlements	13,487
9,090	Conservation identity/values	12,021
16,918	Conservation activity achieved by others	11,737
1,873	Conservation investment in NZ prosperity	1,658
412	Conservation outcomes from business partnerships	–
181	DOC products/services/brand	–
39,956	Total conservation with the community	38,903
	<i>Policy advice and ministerial servicing</i>	
5,650	Policy advice	7,923
11,159	Statutory planning, bodies, ministerial services	11,006
16,809	Total policy advice and ministerial servicing	18,929
2,547	Crown contribution to regional pest management	2,223
150	Search and Rescue Activities	533
578,870	Total output expenses	607,739
(2,401)	Unrealised remeasurement losses	(380)
2	Provincial Growth Funding – Memo of Understanding	–
576,531	Total expenses per statement of comprehensive revenue and expenses	607,359



Hooker Valley Track, Mount Cook National Park. Photo: Nik Shulihin

Ngā tāpiritanga

Appendices

He kuputaka mō te reo

Glossary of te reo Māori terms

awa	river
hapū	sub-tribe
iwi	tribe
kaitiaki	guardian, trustee
kaimahi	worker, employee, staff
kaitiakitanga	guardianship, stewardship, trusteeship, trustee
kanakana	lamprey (<i>Geotria australis</i>), known as piharau in the North Island
kawa	principles, protocols, etiquette
kawenata	covenants
mahi	work, job, employment
mahika kai	traditional foods, their sources, and methods of food gathering
mana whenua	authority over land or territory
manaakitanga	hospitality, kindness, generosity, support
manu	bird
manuhiri	visitor, guest
mātauranga Māori	the body of knowledge originating from Māori ancestors, including the Māori world view, perspectives and cultural practices
mātauranga-a-iwi	knowledge held by a tribe
moana	sea, ocean
motu	island, country, land
nohoanga	session, sitting, position of responsibility
Papatūānuku	the natural world or Earth mother
pou whenua	a post in the ground to mark possession, a boundary or land marker
rangatahi	youth, younger generation
rangatiratanga	chieftainship, right to exercise authority, chiefly authority
rohe	region, territory, district
tamariki	children, youth
taonga	treasure; something considered to be of value, including objects, resources or ideas
te ao Māori	the Māori world view – acknowledging the interconnectedness and interrelationship of all living and non-living things
te taiao	the natural world
tikanga	custom, correct protocol, traditions
tīpuna	ancestor, grandparent
tohu whenua	heritage sites that promote Aotearoa's unique culture and connect visitors to stories and places
tōpuni	areas specially protected by Ngāi Tahu because of their significance to the tribe
uri	offspring, descendant, relative
wai māori	freshwater
wānanga	(v) to meet and discuss, deliberate, consider; (n) meeting, discussion
whānau	family
whare wānanga	place of higher learning, university
whenua	land

Ngā tūranga me ngā mahi ā-ture

Statutory roles and functions

Our mandate and context are set by a statutory planning framework that supports the overarching legislation: the Conservation General Policy, the General Policy for National Parks, and the strategies and plans that flow from these policies. Various conservation management strategies identify the places that DOC manages on behalf of all New Zealanders.

DOC administers 25 Acts of Parliament and contributes to others, including the Resource Management Act 1991, Fisheries Acts 1983 and 1996, Biosecurity Act 1993, Forest and Rural Fires Act 1977 and Crown Pastoral Land Act 1998.

DOC is also responsible for implementing conservation-related redress in more than 60 legislated Treaty settlements. Activities include land transfers to iwi, detailed relationship agreements, co-management arrangements (which can include enhanced involvement in statutory management planning processes) and transferring day-to-day management of sites of importance to iwi to reflect their cultural values.

Our work is guided by biodiversity, and heritage and visitor strategies. These help to ensure we preserve and protect Aotearoa New Zealand's special places and species for their intrinsic values, to protect the values for future generations, and allow visitors to enjoy them, and to do this through being an honourable Treaty partner. Giving effect to the principles of the Treaty of Waitangi also requires us to actively protect and sustain the connections whānau, hapū and iwi have to the land, mountains, rivers, seas and taonga species.

We provide advice to the Minister of Conservation and input into local government policies, plans and consent applications regarding the coastal and marine environment. We also contribute to all-of-government activities in response to the Government's stated priorities for the public sector.

Our role is to undertake the following.

Protect land, species, ecosystems and cultural heritage for conservation purposes by:

- managing public conservation land and waters and conserving natural and cultural heritage throughout Aotearoa, including marine wildlife and mammals in Aotearoa New Zealand's territorial seas
- preserving native freshwater fisheries, and protecting recreational freshwater fisheries and freshwater fish habitats.

Manage threats and adverse impacts through:

- regulations and law enforcement, with roles and powers under the Conservation Act 1987 and other pieces of legislation, to protect native species and ecosystems, and give effect to the principles of the Treaty of Waitangi
- protecting the many native birds, fish, insects, lizards, frogs, bats and marine mammals in Aotearoa, both on and off public conservation land.

Be a voice for conservation by:

- speaking up for protection and restoration of biodiversity and heritage across Aotearoa and at a global level.

Connect people to nature by:

- working alongside communities across Aotearoa to monitor and care for the country's most valued and at-risk species and places
- enabling visitors to connect with and support nature and cultural heritage on public conservation land
- managing visitor assets, including tracks and huts, and making sure people from all over the world have a safe and enjoyable experience.

Te tautiaki taiao i tutuki i ētahi atu

Conservation achieved through others

Support for Māori land

This funding programme exists to protect the natural integrity of Māori land and preserve mātauranga Māori. The Ngā Whenua Rāhui Fund provides protection for Māori landowners with 25-year reviewable kawenata (covenants).

	2021/22 actual	2022/23 target	2022/23 actual	Variance
Percentage of restoration programmes undertaken that meet the criteria for success outlined in their programme plan, with a target of 85%	100%	85%	60%	Not achieved ³⁶
Hectares of land receiving treatment for small mammal predator control	24,085	31,560	19,108	Not achieved ³⁶
Number of small mammal predator control operations undertaken that meet their targets for operational success	28	24	24	Achieved
Hectares of land receiving treatment for goats	129,897	111,016	125,601	Achieved
Number of other terrestrial animal pest operations undertaken that meet the criteria for success outlined in their programme plan	1	1	1	Achieved
Number of acutely threatened species that will have improved security for one or more populations as a result of active species conservation programmes	8	7	7	Achieved
Number of agreements where biodiversity outcome monitoring is undertaken to measure the effectiveness of the agreement	5	17	7	Not achieved ³⁶
Hectares of land receiving biodiversity outcome monitoring to measure the effectiveness of the agreement	9,916	35,729	15,009	Not achieved ³⁶
Number of kawenata approved in each of the three most threatened Land Environments of New Zealand environments	2	Reported at year end	2	Achieved

³⁶ Delivery of this work programme was hindered because of Cyclone Gabrielle and staffing shortages.

Community conservation funds

This fund is directed at practical, on-the-ground projects. These projects will maintain and restore the diversity of Aotearoa New Zealand's natural heritage and allow more people to participate in recreation, enjoy and learn from historic places, and engage with and value the benefits of conservation.

	2021/22 actual	2022/23 target	2022/23 actual	Variance
Percentage of projects funded that meet deed and reporting standards, with a target of 95%	99%	95%	100%	Achieved

Legal protection Queen Elizabeth II National Trust

This fund is aimed at identifying and implementing the protection of biodiversity on private land.

	2021/22 actual	2022/23 target	2022/23 actual	Variance
Number of new covenant registrations	103	140	113	Not achieved ³⁷
Hectares for new covenant registrations	2,274	3,250	1,983	Not achieved ³⁸
Percentage of all new covenants approved that secure protection of one or more of the four national priorities for biodiversity protection on private land and/or add to a protected corridor or protected landscape	100%	90%	100%	Achieved
Percentage of covenants monitored during the year	39%	40%	40%	Achieved

Kermadec / Rangitāhua Ocean Sanctuary / Te Kāhui o te Moana o Rangitāhua

This appropriation is intended to achieve the delivery of priority research needs for the Kermadec/Rangitāhua Ocean Sanctuary.

	2021/22 actual	2022/23 target	2022/23 actual	Variance
The Kermadec/Rangitāhua Ocean Sanctuary research plan is on track to meet priority research needs.	New for 2022/23	Meets	Not met	Not achieved ³⁹

³⁷ Registrations were slower than expected, particularly at the start to the year. This was the result of lingering COVID-19 related fieldwork delays, coupled with the impact of severe weather in some regions later in the year.

³⁸ Hectares of protection is difficult to predict, fluctuating based on the size of approved covenants from years past.

³⁹ Development of a research plan was dependent on the Kermadec Ocean Sanctuary Bill. The Bill would establish the Kermadec Ocean Sanctuary and provide for the establishment of a new statutory body and their subsequent development of the research plan. To enable this, in June 2023, the Kermadec Ocean Sanctuary proposal was tabled at a Special General meeting by the Crown. Representatives at that hui have requested further work be done before an agreement can be made on next steps.

Nature Heritage Fund expenses

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

	2021/22 actual	2022/23 target	2022/23 actual	Variance
Number of protection approvals	New for 2022/23	2	3	Achieved

Loss on disposal of Crown property, plant and equipment

This appropriation is limited to losses incurred on the disposal of Crown property, plant and equipment, or incurred as a result of correcting departmental land-holding records.

	2021/22 actual	2022/23 target	2022/23 actual	Variance
The number of land-holding records corrected during the year	New for 2022/23	5 – 25	8	Achieved

Predator Free New Zealand

This fund focuses on activities aimed at controlling and eradicating mammalian pests in Aotearoa by 2050.

	2021/22 actual	2022/23 target	2022/23 actual	Variance
The Predator Free Trust activity is on track to meet the Predator Free Programme disbursement milestones	Meets	Meets	Meets	Achieved
The predator free programme is on track to meet funding allocations for tools resulting from the predator research priorities	Meets	Meets	Meets	Achieved

Te rapu me te mātai tangata

Search and surveillance

We enforce laws that conserve Aotearoa New Zealand's natural and historic heritage. Our conservation role includes legislative responsibilities for Aotearoa New Zealand's conservation matters under several Acts of Parliament.

To administer this legislation, we are charged with carrying out a compliance and law enforcement function across a range of geographic and species-related legislation in place to protect Aotearoa New Zealand's wildlife, plants and animals, both land and marine.

In carrying out this function, we must comply with the Search and Surveillance Act 2012. Section 171 of the Act relates to reporting the exercise of an entry power, a search power or a surveillance power while carrying out law enforcement activities.

Significant matters to report for the year ended 30 June 2023

Section 171(a): the number of occasions on which entry or search powers were exercised without a warrant: **9 (nine)**.

Section 171(b): the number of occasions on which warrantless surveillance powers were exercised in the period covered by the report that involved the use of a surveillance device: **0 (zero)**.

Note: These surveillance activities were carried out in monitoring problem marine reserves and whitebait fishery sites.

Surveillance devices used: binoculars, telescopes, hand-held cameras, trail cameras, 1 x permanent CCTV camera operating 24/7 (Nelson Marlborough region) with footage over-writes every 7 days.

Section 171(c): in respect of each kind of surveillance device used without a warrant in the period covered by the report, the numbers of that kind of device used:

(i) for a period of no more than 24 hours: **0 (zero)**.

(ii) for a period of more than 24 hours but no more than 48 hours: **0 (zero)**.

Section 171(d): the number of persons charged in criminal proceedings where the collection of evidential material relevant to those proceedings was significantly assisted by the exercise of a warrantless search or surveillance power in the period covered by the report: **0 (zero)**.

These findings cover the year from 1 July 2022 to 30 June 2023 and are compiled from a survey of 44 district offices that carry out compliance and law enforcement roles.

Ngā mahi o ngā poari punanga i tutuki

Performance of reserve boards

Reserve Boards are appointed under the Reserves Act 1977, where the board manages a reserve that is public conservation land, vested in the Reserve Board for management purposes.

Table 7: Financial performance of Reserve Boards for the 2021-2022 financial year

Reserve board	Type	Revenue \$	Expenditure \$	Cash in bank accounts \$
Northern North Island				
Coates	Local purpose	1,181	1,150	496
Oakura	Recreation	50,268	44,845	41,872
Ruakaka Central	Local purpose	13,504	16,966	13,672
Taurikura	Hall	8,022	7,621	2,624
Waipu Cove	Recreation	1,599,377	1,378,848	438,040
Whatitiri	Recreation	22,060	27,062	16,189
Eastern North Island				
Awakaponga	Local purpose	11,568	19,184	10,595
Lake Rotoiti	Scenic	15,686	24,250	10,863
Lower North Island				
Tiriraukawa	Hall	4	80	1,591
Poukiore	Recreation	8,448	5,565	58,039
Pākaitore/Moutoa Gardens	Historic	38,048	34,079	88,632
Horowhenua Lake	Recreation	6,099	1,307	63,612
Whitireia Park	Recreation	5,531	2,141	65,050
Northern South Island				
Homewood	Hall	221	3	10,578
Kaiteriteri	Recreation	6,961,786	7,552,876	1,252,508
Western South Island				
Millerton	Hall	7,203	6,123	11,444
Charleston	Local purpose	14,297	25,473	4,071

Table 8: Financial performance of Reserve Boards for prior financial years

Reserve board (and year of most recent financial results)	Type	Revenue \$	Expenditure \$	Cash in bank accounts \$
Northern North Island				
Ruakaka (2021)	Recreation	879,589	713,094	219,280
Waikiekie (2017)	Recreation	4,521	6,484	22,556
Glorit (2020)	Local purpose	13,640	17,808	6,185

Ngā whakaaro mō te āmua e tūhuratia ana i te Kupu Akoako Māramatanga Pae Tawhiti

Futures thinking explored in Long-term Insights Briefing

In March 2023, DOC and Toitū Te Whenua Land Information New Zealand released a joint long-term insights briefing (LTIB), that asks “How can we help biodiversity thrive through the innovative use of information and emerging technologies?”

The LTIB is expected to set out the strengths and weaknesses of policy options, without indicating a strong preference for any option. Accordingly, the LTIB is not government policy, nor is it a certainty that we will walk the pathway in the document (or have the funding to do it), but it is a discussion, independent of Ministers, that DOC needs to have.

At its core, the problem laid out in the LTIB is a simple one, when tackling the biodiversity challenges that DOC faces, it cannot be in all the places, all the time, doing all the things. While DOC cannot predict conservation and environmental outcomes in the future with any certainty, it can use ‘futures thinking’ to be better prepared, plot or imagine preferred pathways it can travel.

If we can adopt innovative ways to listen to nature and interweave them with existing approaches (including mātauranga), monitoring is improved and puts us in a better position to make important decisions, weigh up competing priorities and track biodiversity outcomes.

The LTIB articulates that DOC’s toolkit is not enough to achieve the biodiversity outcomes articulated in Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy. Through public consultation and engagement, the LTIB ended up focusing on the opportunities, risks and issues surrounding three emerging areas.

1. Remote sensing. From high-resolution satellite images and drones through to precise GPS co-ordinates, huge potential exists to monitor, measure and respond to data obtained at a distance. We are already making good use of

remote sensing (eg, bird and dolphin surveys and forest monitoring), but we are still early on this journey and this needs to be woven into our operational toolkit to realise its full potential.

2. Genetic technologies. Reading, and potentially modifying, the genetic code opens up a new tool in how we monitor and protect biodiversity. This section of the LTIB explores the less controversial aspects of DNA technology, such as environmental DNA (eDNA), through to the often-polarising debates on gene editing to control unwanted pests. In 2022, DOC took 1,324 eDNA samples from around the motu at 402 different sites. Regarding gene editing tools for predator control, DOC’s position has remained consistent in that it needs additional tools and the pressures on taonga are such that it cannot take options off the table before they have been evaluated.

3. Artificial intelligence (AI). The arrival of ChatGPT over the past year has raised the awareness of AI and its potent potential to gather complex information, find patterns and build models. The kind of data generated by remote sensing and eDNA will require AI capabilities to find patterns in a maze of data and ultimately to inform decision making.

DOC has started exploring these technologies, and room exists to embed them into our work programmes in the coming years. Our LTIB also touches on the need to educate, partner and recruit people to build capacity and capability.

The risk with the technologies in the LTIB is that, due to their complexity, communities, iwi and hapū will feel disconnected from the work. However, these are not intended to replace our current tools, rather, they are interwoven.

Data collection and data management are critical to effectively progress any of the technologies

discussed in the LTIB. We need to make the data accessible to people despite its complexity. Plans, such as DOC's SpyFish project and the Environmental Protection Authority's Wai Tuwhera o te Taiao – Open Waters Aotearoa programme, seek to do just this with AI and eDNA respectively. In his 2022 report on environmental spending, the Parliamentary Commissioner for the Environment stated 'no amount of information is valuable if it isn't going to be used'. As DOC and its partners adopt the technologies, it is imperative the data meet international FAIR guidelines: findable, accessible, interoperable and reusable.

During the COVID-19 pandemic, the importance of innovation in technology became visible (eg, RNA vaccines and genomics) as did new data science and modelling to track and predict outbreaks; with

the right catalyst, innovation can be rapid. DOC advocates such agility is needed to tackle the climate and biodiversity challenges that are right in front of us. Accordingly, it is DOC's commitment to explore the technologies described in the LTIB and to promote them within its own agencies as well as within Te Ara Paerangi (the current reforms of the research, science and innovation system), a process that includes national priority setting. However, not all uses of technologies developed overseas will be appropriate for use in Aotearoa, considerable challenges need to be overcome, including infrastructure deficits and the need for ethical, legal and governance frameworks.



Long-term Insights Briefing. Photo: DOC



A summary of the eDNA samples taken in 2022. Photo: Wilderlab

Te Pūnaha Whakaraupapa Mōrea o Aotearoa

New Zealand Threat Classification System

The New Zealand Threat Classification System (NZTCS) is a technical tool for assessing the risk of population decline and extinction faced by Aotearoa resident native taxa. The NZTCS scores taxa against criteria based on understanding of its population state, size and trend, taking into account population status, impact of threats, recovery potential and taxonomic certainty. It is administered by DOC and used by members of the public and organisations throughout Aotearoa.

The NZTCS underpins biodiversity management priorities for DOC, other agencies and communities that participate in conservation. It is also used to report on Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy goals and our obligations under international agreements.

To date, the threat status of over 15,306 species has been assessed using this system (see table 9).

Table 9: Threat status for subset of species group

Threat status	All species groups	Subset of species groups						
		Bats	Birds	Freshwater fishes	Marine mammals	Invertebrates	Reptiles	Vascular plants
Data Deficient	5,323	1	2	–	30	1,640	3	107
Extinct	82	–	62	1	–	8	1	7
THREATENED	Nationally Critical	1	18	4	4	195	10	213
	Nationally Endangered	–	14	6	1	86	16	76
	Nationally Vulnerable	1	37	12	2	107	22	114
	Nationally Increasing ⁴⁰	1	11	–	–	7	1	–
AT RISK	Declining	1	27	11	–	103	49	158
	Recovering	–	9	–	1	4	3	8
	Relict	–	25	–	–	104	8	23
	Naturally Uncommon	–	37	6	2	1,451	7	661
Not Threatened	4,810	–	37	12	5	1,721	5	1,384
Total number of assessed species	15,306	6	491	76	57	5,755	134	2,786

⁴⁰ Threatened – Nationally Increasing is the new name and category for the former At Risk – Recovering A category and has been used in assessments since 2021.

⁴¹ This figure includes three species assessed as At Risk – Recovering A before this category was renamed.

New Zealand Threat Classification System assessments completed in 2022–23

Species groups are assessed on a rolling 5-year cycle, as much as possible, and new assessments are released every year. The conservation status was released for four species groups this financial year: marine invertebrates, selected taxa of mushroom fungi (*Agaricales*, *Boletales*, *Russulales*), Orthoptera (wētā, crickets, grasshoppers) and bats. Changes in conservation status of these groups of species are reported in the table 10. An additional 2,870 species of vascular plants were assessed in 2022–23 and outcomes of this assessment will be reported in the 2023/24 annual report.

Table 10: Change in conservation status of indigenous species as published in 2022–23

Species groups	Marine invertebrates	Mushroom fungi (<i>Agaricales</i> , <i>Boletales</i> , <i>Russulales</i>)	Orthoptera (wētā, crickets, grasshoppers)	Bats	Total
CONSERVATION STATUS					
Number of taxa assessed for the first time ⁴²	373	598	24	0	995
Number of taxa for which the threat status has improved	4	9	5	0	18
• because of more knowledge	4	9	5	0	18
• because of actual improvement	0	0	0	0	0
Number of taxa for which the threat status has worsened	5	0	19	0	24
• because of more knowledge	5	0	12	0	17
• because of actual decline	0	0	7	0	7
Number of taxa that moved from the 'Data Deficient' category ⁴³	8	139	14	0	161
Number of taxa assessed as Data Deficient	252	565	17	1	835
POPULATION TREND					
Number of taxa with an increasing population	1	–	2	1	5
Number of taxa with a decreasing population	40	–	18	3	65
Total number of taxa assessed in 2022–23	786	961	162	6	1,915

⁴² Numbers of taxa assessed for the first time reflect outcomes from research on taxonomic definitions of taxa. They also reflect outcomes from survey work to localise known species and to discover new species.

⁴³ Numbers of taxa that have changed status from the Data Deficient category or from any other categories because of more knowledge reflect outcomes from research on Threatened and Data Deficient species.



Snares crested penguin, Snares Islands/Tini Heke. Photo: Leon Bernard



**Te Kāwanatanga
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