Applying for a discount on DOC Backcountry Hut and Campsite Passes (2024)

Guidance document for organisations

The Department of Conservation (DOC) offers discounts on the Backcountry Hut Pass and Campsite Pass as rewards to organisations contributing to conservation and recreation. These discounts can also act as an incentive for action.

This document is a summary and guide for applying for a discount. DOC has a discount policy that sets out the requirements in more detail.

If you wish to seek a discount, work with your contact in DOC (a sponsor) or relationship manager to assist in the process.

What discounts are available to organisations contributing to conservation and recreation?

A two-tier structure is used to provide recognition of the varying value of contributions made. The level of discount is based on the contributions (e.g. volunteer hours) as a simple proportion or ratio against revenue (i.e. gross revenue of organisation). Refer to Table 1 for the ratio and the discount level.

There is a threshold for eligibility, which is set at a minimum contribution value of 5,000 hours volunteer work or its equivalent in dollar terms¹. If this threshold is met then the first tier of discount is available if the ratio of 0.5:1 is also met. The second tier of discount is available if the ratio of 5:1 is met.

Table 1 Discounts on stated prices

Discount		Product	Who
%	Ratio		
20%	> 5:1 >0.5:1	Backcountry hut pass OR Campsite pass (12-month only)	Organisations recognised for contributions to recreation and conservation.

This is determined by the average annual hourly wage in current year (\$38 per hour in 2023). Applying this rate to 5,000 hours equals \$190,000.



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Key points to note:

- A ratio is used to guide the extent of the discount offered to organisations and is related to the level of contribution provided. The Ratio is based on the monetisation of the contributions.
- A minimum level of contribution is required to be eligible for a discount (5,000 volunteer hours or monetary equivalent).
- A request for the approval of a discount is to be sought via an application to DOC, supported by a sponsor within DOC.

What contributions to recreation and conservation count towards a discount?

To qualify for a discount the contribution must:

- be for conservation or recreation purposes (refer to contribution categories below)
- be arranged through an organisation and carried out on behalf of it (separate individual contributions are not valid)
- comply with the Department's regulations and legislation (e.g. National Park Management Plans)
- not be inconsistent with the Department's <u>purpose and stretch goals</u> and priorities
- be undertaken in a safe and responsible manner, with appropriate health and safety procedures in place for any volunteer work.

A discount will not be granted to an organisation where the contribution has already been recognised with the discount on a concession Annual Activity Fee.

Any promotional activity must be approved in advance by the Department.

It is the responsibility of the applicant to quantify and provide evidence of the contribution.

Contributions for recreation and conservation must be for **one or more** of the following:

- preserving and/or enhancing New Zealand's natural and/or cultural heritage²
- furthering New Zealand's progress towards Predator Free 2050
- restoring ecosystems, including restoration, planting, and controlling introduced pests (weeds and/or animal predators)

This can take place on public conservation land, private land, council owned land, multiowner Māori land and covenanted land.

- restoring waterways, wetlands, or the coastal environment
- promoting and improving conservation and recreation knowledge
- supporting the development and/or maintenance of the Department's recreation and visitor facilities (includes campsites and huts)
- working with the Department to promote the Department's messages³.

How to calculate an organisation's contribution Ratio

The formula for calculating the Ratio is:

Ratio = Contribution (\$) / Organisations Gross Revenue (\$)

1. <u>The valuation of the contribution</u> is in monetary terms and is made up of the aggregated value of items such as:

Table 3 Contribution Valuations

Contribution	Valuation method
Monetary donations	The actual monetary amount donated. A receipt is evidence.
In-kind service (e.g. transport or advertising space)	The actual monetary amount expended or commissioned or a quote to provide the service if provided by the applicant organisation.
Voluntary labour hours	Multiplied by the average national hourly wage for the last full financial year, sourced from Statistic NZ.
Monetary value of a NFP organisation's contribution to a direct conservation or recreation output	The 'net loss' from producing an output (e.g. a journal), where there is revenue (selling or charge contributors) from that output. This 'loss' accounts for any volunteer time in producing the output.

Refer below for an example of how to calculate the Ratio.

The contribution should be based on the organisation's previous years actual contribution.

If an organisation does not have a previous year's contribution documented or accepted by the Department:

- for a single year discount it will need to be estimated and validated by the Department if it seeks a discount for the next year or
- for a multi-year agreement, the estimated contribution will need to be validated by the Department at the end of the first year for the discount to continue.

This requires approval from the Strategic Communications and Engagement Unit.

2. The Gross Revenue is the unadjusted revenue of the organisation that can include membership fees, sponsorships, and grants as well as sales, etc. from commercial organisations. Its purpose is to normalise for the size or value of the organisations involved (i.e. contributing organisations differ significantly in size).

Who is covered by the discount?

The discount is for the applicant's organisation's members/staff.

The organisation must be a bona fide organisation/legal entity, for example an incorporated society or trust.

The organisation must not receive direct financial or commercial benefit⁴ from the recreation or conservation activities that are the justification for the discount it seeks.

How to apply for a discount

Applications for discounts require the completion of the Discount Application Form and its submission to the Strategy, Investments and Pricing Team (SIP).

Applications should be supported, coordinated, and submitted by a sponsor within DOC. The key contact for the application process is the Manager, Strategy, Investments and Pricing.

When are applications due?

Organisations must submit their applications to DOC by 31 March for those discounts to be applied in the following fiscal year. DOC will confirm any discount by 1 May and the discount will come into effect on 1 July.

However, for 2024, applications are due by 30 April. Late applications will be accepted but discounts (if granted) will come into effect later than 1 July 2024.

Example of calculating the contribution ratio and resultant discount

Contribution	Effort	Monetary Basis	Value
Volunteer at a campsite	5,200 hrs	Hrs x\$38 ⁵	\$197,600
Volunteer trapping and planting	2,000 hrs	Hrs x \$38	\$76,000
Financial donation to a conservation charity	Receipted	Money	\$10,000
Ad space in the organisation's magazine	Organisations standard fee	Quote	\$3,000

For example, the sale of hiking equipment.

^{5 2023} national average hourly wage

Contribution	Effort	Monetary Basis	Value
Transporting endangered species	Receipted	Expense ⁶	\$900
Total			\$287,500

Organisation's Gross Revenue is \$108,500

Assessment of discount value

CI = 287,500 / 108,500 = 2.7:1

Minimum thresholds test. The contribution meets the minimum contribution threshold to be awarded a discount (5,000 hours) and returns a ratio of over 0.5:1 but less than 5:1).

Allocated discounts - the organisation returns a contribution ratio of 2.7:1, making it eligible for a 10% discount on either Backcountry Hut Passes OR Campsite Passes (the Organisation can choose which of these they prefer).

What checks are applied?

- Inputs for calculating the Ratio must be certified by a member of the organisation's Senior or Executive Management (in the application). For example, the Chief Financial Officer.
- The estimated contributions will require validation by DOC.
- Applicants should keep records of the contributions achieved for validation.
 DOC reserves the right to audit recipients of a discount to check the information provided and ongoing contribution.
- Where there is a significant (>15%) difference between the actual contribution (validated) and that applied for (estimated), the discount may be adjusted in the following years to reflect the actual contribution.

If a transport company seeking the donation then a formal quote for at-cost delivery (market rate)