

# **Department of Conservation**

## **Annual Report**

FOR THE YEAR ENDED 30 JUNE 2000

Presented to the House of Representatives pursuant to  
Section 39 of the Public Finance Act 1989

Cover photo: Marlborough Sounds—  
View south-west from Mount Stokes (1205 m)  
in evening sunset.  
Photographer: Rob Suisted

Hon Sandra Lee  
Minister of Conservation

I present the Department of Conservation's annual report for the year  
ended 30 June 2000.

A handwritten signature in black ink that reads "Hugh Logan". The signature is written in a cursive, flowing style with a large initial 'H' and 'L'.

Hugh Logan  
Director-General

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**FOREWORD**

This annual report is a lot different from ones we have produced in previous years. This is because of the extensive work we have been doing with central agencies to review the Department's capability, accountability and performance reporting, colloquially known as the CAP pilot. The CAP pilot sets out to trial new approaches to Departmental planning and reporting within the overall accountability system, and monitoring and assessment of Departmental performance and capability. The aim is to shape the next evolution of the accountability and assurance systems so that they better meet the needs of all stakeholders.

The major change is that the front part of this annual report now gives a detailed picture of where the Department is in relation to government goals and its own strategic framework. It identifies the challenges the Department faces in coming years, and what organisational capability it has developed to successfully achieve its considerable outputs, to manage its assets, and to equip itself for the future.

The detailed Statement of Service Performance then gives a clear statement of how the Department has performed in terms of the outputs it has produced against the targets set for the year. We have given more background information to provide context to explain how the particular output relates to our work in general.

The financial statements still give the hard information you would expect to see as the backbone of any organisation's annual report.

I hope that this new format is useful and helps to assess what contribution the Department makes to New Zealand.

A handwritten signature in black ink that reads "Hugh Logan". The signature is written in a cursive, flowing style.

Hugh Logan  
Director-General

## INTRODUCTION TO THE DEPARTMENT OF CONSERVATION

### Mission and Vision

The Department is the central government organisation charged with conservation. Its role, or mission, is:

To conserve New Zealand's natural and historic heritage for all to enjoy now and in the future

He āta whakaute, manaaki, me te tiaki i ā Papatuanuku ki Aotearoa kia ū tonu ai tona whakawaiutanga hei oranga ngakau mō te tini te mano ināianei, āke tonu ake

The Department's vision is:

New Zealand's natural and historic heritage is protected; people enjoy it and are involved with the Department in its conservation.

Kei te mahi ngātahi te Papa Atawhai me nga iwi whānui ki te whakaute, te manaaki me te tiaki i nga taonga koiora me nga taonga tuku iho o Aotearoa hei painga mō te katoa.

### Functions

In detail the Department's functions are:

- To manage land and other natural and historic resources;
- To preserve as far as practicable all indigenous freshwater fisheries, protect recreational fisheries and freshwater habitats;
- To advocate conservation of natural and historic resources;
- To promote the benefits of conservation (including Antarctica and internationally);
- To provide conservation information; and
- To foster recreation and allow tourism, to the extent that use is not inconsistent with the conservation of any natural or historic resource.

### About the Department

The Department was established in 1987, has 1,373 permanent staff<sup>1</sup>, employs a large number of temporary and seasonal staff and contractors, and operates on funding from the Crown of \$134.8 million in 1999/00, and from other sources of \$18.3 million (figures exclusive of GST).

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<sup>1</sup> The number of permanent staff, expressed as full-time equivalents, as at 30 June 2000

The Department manages about eight million hectares held in 13 national parks, 20 conservation parks and about 3,500 reserves (and other categories of protected land). In the marine environment, 1.1 million hectares have some form of protection in 16 marine reserves, two marine mammal sanctuaries, two marine parks and one specially protected area. This is less than 1% of the area within the Exclusive Economic Zone, but almost 7% of the territorial sea.

About half the Department's budget is spent on maintaining and restoring natural heritage and by far the largest proportion of this is spent on pest and weed control. About 45% of the budget is spent on helping people enjoy their heritage, and the largest proportion of this is spent on maintaining infrastructure.

The Department has a culture that reflects the demands of the job, the roots of the Department, and the commitment of staff to conservation. The nature of the Department's work means that structurally it is de-centralised and operates a far-flung network of offices.

The organisational structure reinforces the importance of conservation delivery in the field. Departmental staff are often characterised as self-reliant, working on their own or in small groups in the field. There is a high level of delegation. De-centralised management and delegation drive the Department to maintain high levels of professionalism and a strong system of national standards.

Conservation management and the work of the Department is characterised by a high level of public input. Conservation is based on societal support, and the concept that conservation land is the common heritage of all New Zealanders. As such, conservation land is regarded as public land. These principles are inherent in all conservation legislation. Furthermore, this legislation establishes a hierarchy of conservation boards and the New Zealand Conservation Authority, appointed by the Minister. The Authority has powers to approve formal management plans binding the Department and also serves to advise the Minister.

## **A BRIEF OVERVIEW OF THE YEAR**

The past year has been a notable one for conservation, with achievements that are innovative and far-reaching, carrying exciting implications for the Department, for conservation, and for all New Zealanders.

A major conservation cornerstone was laid this year with the completion of the New Zealand Biodiversity Strategy, the long-term strategic context for integrated biodiversity conservation. The Department led co-ordination of this initiative, and will play a key role in implementing the actions that the Strategy determines are of priority to halt the decline in biodiversity in New Zealand.

New Zealand's protected area network was significantly enhanced this year by several initiatives. The Hauraki Gulf Marine Park was established as a new concept in multi-use marine parks, incorporating seawater, seabed, and a network of conservation lands around the coast of the Hauraki Gulf and Coromandel. The Hauraki Gulf Forum was also established to facilitate integration of existing environmental management of the Gulf and its catchments, ultimately protecting the vitality of the Park itself. New Zealand also opened two more marine reserves (Te Tapuwae o Rongokako at Gisborne, and Pohatu at Banks Peninsula) making 16 in total, and progressed the review of the Marine Reserves Act 1971 with the preparation of a public discussion document.

The end of the year brought news that a 14<sup>th</sup> national park may be in the offing with a recommendation by the New Zealand Conservation Authority that one be created on Stewart Island/Rakiura. The protection of a block of virgin forest in excess of 3,500 hectares surrounding Lords River on Stewart Island, to be managed by the Māori owners as national park, was an outcome of the SILNA (South Island Landless Natives Act) negotiations.

Species protection efforts continued apace this year, with a further three offshore islands declared pest-free, the launch of the North Island Kokako Recovery Plan, renewal of Bank of New Zealand's long-term sponsorship of the Kiwi Recovery Programme, and the start of a new integrated stoat control programme.

Advances in historic heritage management were made with the establishment of an asset management system, and the completion of several major historic heritage protection works including Mansion House (Kawau Island). Fort Takapuna Historic Reserve was opened in Auckland.

All in all, the year has resulted in a major directional steer for the Department through the development of the Biodiversity Strategy, and has seen some significant advances in the protected area network. In the coming years the Department will work to capitalise on this year of forward thinking by realising the ambitions that have been expressed by New Zealanders for protection of their heritage.

### **INTO THE FUTURE: CHALLENGES AND RISKS**

The Department continually assesses and reviews the challenges and risks that face it in the future. The major challenges the Department is addressing currently are:

- Evaluation of outputs in terms of measurable conservation outcomes
- Bridging the gap between public expectations as to what can be achieved and what is feasible.

### **Measuring Conservation Outcomes**

One of the key challenges to the Department is to evaluate its outputs in terms of measurable conservation outcomes, and establish a strong linkage between the outputs it is reporting on and the ecosystem responses, or outcomes. It is important to do this in order to establish confidence in the quality of conservation expenditure and in the Department's accountability.

The Department has made significant progress over the last few years in developing ways to more accurately measure the outcomes of its work and improve the ability to relate management work to outcomes. For example, this year's review of the Department's mainland island projects has drawn together measures of outcome success that have been developed for a range of parameters and outputs.

#### ***Mainland Islands: Outcome-focused results***

Mainland island projects are moving towards being outcome-focused. For example, while most possum control objectives include reference to residual trap-catch indices (a measure of the very low numbers of possums still being caught after the control operation), several have objectives that include outcome-focused statements. These include broad outcome-focused statements (e.g. to control possums to a level where the ecosystem shows a positive response), and more specific ecosystem responses including reductions in possum impacts on invertebrates, birds and other forest biodiversity. Another example of the increased emphasis on outcomes is that all mustelid (stoats, ferrets and weasels) control projects on mainland island sites are outcome-focused, relating to bird or bat numbers and breeding success. This is an important step towards achieving broader ecosystem management goals, rather than continuing to focus solely on the pest populations themselves.

The results from these mainland island projects include indications that major changes in forest vegetation have been induced as a result of intensive possum control. Significant declines in foliar browse indices and increases in flowering and fruiting in some palatable plant species have been recorded. Some outcome measurement is known to be longer-term. For example, improvement in foliage cover of northern rata trees after successful possum control may take several years. This year, work by the Project Crimson Trust (sponsored by Carter Holt Harvey in partnership with the Department) was resurveyed ten years on, showing that pohutukawa regeneration has increased tenfold.

The mainland island project review also suggests that possum control has led to increased bird pollination of mistletoes, and that pest control (including of possums) has resulted in increases in the number of birds counted. The results have shown good evidence that stoats, in particular, have significant impacts on native bird populations, and increasing

numbers of vulnerable species (e.g. kaka, kiwi) suggest stoat control is effective at some sites. However, other factors may also be contributing to the decline of some species. That the three types of mustelid (stoats, ferrets and weasels) and cats are targeted together further complicates evaluations of conservation outcomes.

On Kapiti Island, quantifiable information on outcomes of rat eradication has been collected. Kiore and Norway rats were eradicated in 1996, and this was confirmed as successful in 1998. Eradication led to significant increases in at least four bird species, although the assessment of recovery will not be completed until January 2002. Mid-year counts showed that red-crowned parakeets were 238% more conspicuous, saddlebacks 135%, robins 86% and bellbirds 59%. These increases were consistent with results of five previous counts between April 1999 and April 2000.

In conclusion, the review of mainland island pest control projects identifies that reported outcomes are significant in that they indicate, virtually for the first time, that populations of a range of native species can be enhanced, and ecological processes may be revitalised at mainland sites as a result of intensive pest control. While it is clear that reported results and preliminary outcomes from these projects are very important, scientific reviews have yet to be carried out to confirm these findings.

### ***Into the Future***

In the coming years, developing a better understanding of the strategic value of particular species in moving towards ecosystem-focused management programmes will be important. There is a pressing need to develop a better understanding of the value in using species as keystones, 'umbrellas' and indicators. Continuing the shift from a focus on a species alone, to one encompassing ecosystem processes will be fundamental if a management focus on ecosystems is to be achieved.

The Department's conceptual model for measuring conservation achievement and project outcomes in terms of the difference made to the state of natural heritage by a project or suite of projects, has undergone its pilot this year in the Twizel area, and further trials are planned. It may be several years before the Department has a workable, scientifically accepted way of measuring conservation outcomes, but good progress is being made.

### **Managing the Imbalance between Expectations and Resources**

Public consultation in recent years has indicated that the public wishes to achieve higher conservation goals than current levels of resourcing could achieve. For example, public submissions on the draft New Zealand Biodiversity Strategy considered that the goal of halting the decline of indigenous ecosystems and species did not go far enough,

and they wanted to restore populations of indigenous species across their natural range. With current resourcing, this is not a realistic target. Public consultation has indicated similar imbalances in relation to historic heritage conservation and visitor facilities and services.

There is a risk that, as the Department achieves better conservation value for money through more systematic decision-making, the result is perceived as a lesser conservation achievement that fails to meet public expectations. For example, prioritisation of species conservation work to particular species and populations may achieve nationally important biodiversity outcomes (for example, successful implementation of new kiwi zones), but reductions in range would still occur and some species re-introductions would not be done, to the disappointment of some people and communities. Similarly, prioritisation of animal pest and weed control may be unpopular because it leaves some areas uncontrolled.

### ***Into the Future***

Bridging the gap between conservation expectations and current conservation achievement is necessary to reduce the potential for misunderstandings and conflict that arise. The Department's external and community relations functions have an important role to play in managing stakeholder and public expectations, engaging with the community in reporting on the current state of conservation assets, being transparent about the choices to be made, and collaborating with others to ensure agreement of desirable conservation outcomes, and robust measurement of the effectiveness of conservation interventions.

## **CONTRIBUTION TO KEY GOVERNMENT GOALS**

The Department's mission is "*to conserve New Zealand's natural and historic heritage for all to enjoy now and in the future*". This supports several of the Government's key goals, which were set out in February 2000:

- to protect and enhance the environment;
- to strengthen national identity and uphold the principles of the Treaty of Waitangi;
- to grow an inclusive, innovative economy for the benefit of all;
- to improve New Zealanders' skills; and
- to close the gaps for Māori.

### **Protecting and Enhancing the Environment**

The Department's work is fundamentally based on protecting and enhancing the environment, and all of its outputs contribute to this key

goal. The Department manages and protects the land and marine area network entrusted to it for conservation purposes and works to protect and enhance populations of threatened indigenous species, and to protect marine mammals and their habitats. The Department provides advice outside the protected area network to local communities, local government and landowners to aid protection of indigenous biodiversity. It also provides administrative support and advice to conservation-related statutory bodies such as the New Zealand Conservation Authority, Conservation Boards, Nga Whenua Rahui and the Nature Heritage Fund. The Department has a role in biosecurity, responding to exotic disease or pest incursions, detecting unwanted organisms in indigenous forests, and contributing to the costs of administration of regional councils' pest management strategies.

An important part of protecting and enhancing the environment is enhancing the experience for people who visit protected areas, and encouraging their participation. The Department manages the many huts, tracks, signs and bridges in the protected area network in order to help visitors appreciate and enjoy the natural, historic and cultural values of the place they are visiting, in safe and sustainable ways. Visitor and information centres are located throughout the country to inform the public about New Zealand's natural and historic heritage. The Department promotes public awareness and community participation, so ensuring that current and future generations are committed to protecting and enhancing their natural and historic heritage. Commercial enterprise and tourism are allowed, and recreational activities are fostered on conservation land while protecting its intrinsic values, and this in turn encourages people to visit protected areas.

### **Strengthening National Identity**

New Zealand's national parks, reserves, marine reserves, indigenous biodiversity and historic and cultural heritage are essential components of national identity. Internationally, New Zealand is identified by its natural brands – the kiwi and the silver fern. National identity is strengthened among New Zealanders through the Department's work to conserve areas of historic heritage and cultural value, and to develop partnerships and devolution arrangements for conservation management. It is also strengthened through increased public awareness and community participation in conservation of natural and historic areas.

### **Treaty of Waitangi**

The Department has an important role in giving effect to the principles of the Treaty of Waitangi, and this is expressed in section 4 of the Conservation Act 1987. The Department consults extensively with iwi on many aspects of its work, fosters relationships with Māori, and is working to develop more opportunities for Māori to be involved in conservation through co-operative conservation management projects.

The Department participates in negotiations of Treaty settlements insofar as they relate to conservation, and develops protocols and other statutory instruments to ensure recognition and protection of iwi relationships with a specific area and its natural, historic and cultural attributes.

### **Economy**

Conservation makes a valid contribution to the growth of an inclusive, innovative economy for the benefit of all. The Department manages the commercial and other use of land entrusted to it in a consistent and business-like manner that is cost-effective, maximises revenue, allows enterprise, permits tourism and fosters recreation while protecting conservation values. The Department also provides appropriate environmental and conservation input into statutory planning activities.

### **Skills**

Important skill-building opportunities are provided through conservation training and volunteer schemes. This year the trainee conservation ranger programme developed by the Department and Nelson Polytechnic had its first graduates, releasing newly skilled workers into the conservation arena. New Zealanders and tourists alike enthusiastically join the Department's volunteer scheme to develop their conservation skills and make a valuable and practical contribution. The Department, together with the Ministry for Youth Affairs, also develops projects for Conservation Corps workers to provide them with adaptable skills.

### **Effectiveness in Closing the Gaps**

The Department is primarily set up to conserve natural and historic heritage for all New Zealanders. The Department has a higher test than most in terms of its compliance with the Treaty of Waitangi as set out by section 4 of the Conservation Act 1987: "This Act shall be so interpreted and administered as to give effect to the principles of the Treaty of Waitangi." The Department has been working to implement this obligation, and is challenged by it in every aspect of its work.

A small proportion of its expenditure is targeted to Māori to provide opportunities for tangata whenua involvement in conservation management, and to enable them to better protect natural heritage on their land. The Department also assists in negotiating the cultural redress elements of settlements of historical grievances arising under the Treaty of Waitangi (Output Class 1). This expenditure is not targeted solely at improving outcomes for Māori in the generally understood sense of improving economic and social factors. It is nevertheless a conduit through which the association between tangata whenua and the land may be expressed and reaffirmed. In this sense it contributes to the wellbeing of Māori.

In addition, the Department commits a significant amount of expenditure to fulfilling its obligation to consult with iwi Māori in areas of policy development and operational matters. The Department also has Kaupapa Atawhai managers in each conservancy to liaise with iwi and hapu. The Department is involved in several co-operative conservation management arrangements with tangata whenua throughout the country,

Over the next five years, \$2.35 million has been committed to increase iwi and hapu participation in managing biodiversity in ways that are consistent with customary knowledge (Matauranga Māori). This will also have positive outcomes for Māori.

The Department does not target expenditure to improve outcomes for at-risk groups. It has not as yet targeted expenditure solely at Pacific Island peoples, but is doing so in the coming year (2000/01) to improve conservation awareness.

### ***Category 1 expenditure***

The Department's expenditure in Category 1 (expenditure targeted solely at improving outcomes for Māori) is accounted for in the following terms:

#### ***Nga Whenua Rahui***

Nga Whenua Rahui is administered by an independent committee serviced by the Department that is directly responsible to the Minister of Conservation. It facilitates the voluntary protection by Māori of indigenous ecosystems on Māori-owned land. The purpose of the fund was for an appropriate protection mechanism that allows for tikanga and rangatiratanga of the owners to be maintained as well as government funding to help meet the costs associated with protection, and in recognition of the general public benefit.

In particular, the fund gives special recognition to protecting and enhancing the cultural and spiritual values associated with land and its water bodies.

For the year 1999/00 the actual and budgeted expenditure of the fund was \$536,000.

The fund makes a contribution towards costs involved in the ongoing management of the land under voluntary protection, which includes fencing and pest control. The fund also contributes towards the cost of wananga for landowners to learn about their indigenous ecosystems and related issues. In some cases the fund also pays a cash consideration for long-term protection of larger areas, in recognition of the opportunity lost by the owners to utilise the land in a way that would be incompatible with the conservation of its intrinsic values, for example, logging or grazing.

The protective arrangements are formalised under the Reserves Act 1977 and/or Te Ture Whenua Māori/Māori Land Act 1993. Monitoring

and inspections are carried out to ensure that the conservation benefit is achieved, i.e. that stock is excluded, pest control is effective, and the natural values of the area are preserved or are regenerating. Monitoring of other types of outcomes for the landowners is not carried out.

### *Tikanga Atawhai*

The Tikanga Atawhai fund aims to provide tangata whenua with opportunities to manage conservation projects in their rohe. For the 1999/00 year the fund provided \$75,000 for this purpose. The projects are varied according to the particular interests and proposals of the tangata whenua concerned. Each conservancy has a Kaupapa Atawhai Manager who is responsible for monitoring the Tikanga Atawhai projects within their conservancy boundaries. Outcomes for Māori in terms of economic and social benefit are not currently measured, but performance measurement criteria will be established.

### *Treaty Settlements*

The Department contributes to negotiation and implementation of the conservation aspects of settlements in relation to historical grievances under the Treaty of Waitangi. The overall process of settlement negotiations is the responsibility of the Office of Treaty Settlements and the Minister in Charge of Treaty of Waitangi Negotiations. An outcome of the overall process is to improve the economic and social position of Māori by advancing the commercial and economic base of hapu and iwi.

The Department contributes primarily to the cultural redress aspects of settlements. This may involve, for example, legal mechanisms that better recognise an iwi's mana over particular areas of conservation land managed by the Department either by transfer of sites of high significance to iwi, or by more accurately portraying and encouraging respect for the iwi's association with the land, or by ensuring the iwi is able to input into management of a specified area.

Outcomes in terms of direct benefit to Māori from the cultural redress aspects of a Treaty settlement are not measured.

In 1999/00 the Department's actual and budgeted expenditure on Treaty issues (in output class 1.02) was \$626,000, and on Treaty of Waitangi settlement implementation (in output class 6.04) \$1.371 million.

### *Matauranga Māori*

This year it was announced that \$2.35 million has been set aside over the next five years for Māori to develop appropriate frameworks to preserve customary knowledge about nature, Matauranga Māori. The New Zealand Biodiversity Strategy identified the under-use and ongoing loss of customary Māori knowledge about nature as key issues that

needed to be addressed if the Strategy's goals were to be achieved. Many Māori gave the clear message in submissions on the Strategy that lack of funding in the past has constrained Māori from active involvement in conservation initiatives and preservation of Mātauranga Māori. The new fund will help to address that need. The fund will be administered by the existing committee for the Nga Whenua Rahui fund.

### ***Category 3 Expenditure***

The Department's expenditure in Category 3 (expenditure on Māori not targeted solely at improving outcomes for Māori) is accounted for in the following terms:

#### ***Kaupapa Atawhai Managers and Iwi Relationships***

Each conservancy has a Kaupapa Atawhai Manager (KAM) who is responsible for liaison between the Department and local iwi and hapu. KAMs are appointed to provide advice and support to enable managers at conservancy level to meet their obligations under section 4 of the Conservation Act, while undertaking quality management of conservation assets in accordance with approved business plans. The KAM reports to the conservator and is responsible for providing advice and support on the principles of the Treaty so that the conservator can sustain and improve the management of conservation assets. The KAM is the identifiable link with iwi who lie within the boundaries of the conservancy and is usually (but not necessarily) the first point of contact between the department and iwi.

### **STRATEGIC MILESTONES**

This year, the Department revisited its strategic direction, and began to re-draft its Strategic Business Plan. The plan is expected to be finalised by the end of 2000, and will take the Department through the changing priorities and challenges of the next few years. The plan will outline national priority outcomes, which apply to a 10-year period.

The Department's major achievements during this year have been driven by the Strategic Business Plan (1998-2002), which is entitled "*Restoring the Dawn Chorus*" to symbolise the long-term challenge facing the Department. The plan aims to take the Department closer to its vision that New Zealand's natural and historic heritage is protected, and people enjoy it and are involved in conservation, through achievement of three main goals:

- key conservation results will be achieved in priority programmes;
- communities will be more effectively involved in conserving their heritage; and

- the Department will be valued by New Zealanders and recognised internationally as a world leader for the quality conservation service it provides.

The plan identifies the key steps forward that the Department needs to take in order to progress towards its vision. This section reports on the major milestones that have been achieved over the past year in terms of those key steps forward. (The Statement of Service Performance in this Annual Report reports in more detail on individual outputs.)

The key steps identified in the Strategic Business Plan are:

- Better information for monitoring and reporting on ecosystems and facilities
- Upgraded recreational facilities
- Expanded restoration and recovery efforts for offshore and mainland islands
- Closer integration of historic values with site management
- More marine conservation
- A network of protected natural areas
- Closer co-operation with landowners and local authorities
- More effective working relationships with iwi Māori
- Recreational promotion
- Increased pest and weed control
- Greater respect of key groups in the community
- Completed organisational change process
- Better integration of ecosystem and species management

### **1. Better Information**

The Department identified that a key step towards achieving its vision is to put in place better programmes for monitoring and reporting on the ecosystems, species, sites and facilities it manages, and measuring the Department's effectiveness.

This year, the Department has pilot-tested a decision support tool that aims to assess the conservation values of diverse projects, to assist conservation managers to make better informed decisions as to which projects to prioritise in which areas to achieve optimum conservation outcomes. The tool has been successfully trialled in Twizel this year, and further trials are planned for next year in other areas. Geographical Information system technology has provided greater scope to collect and analyse data than ever before, enabling the Department to map the percentage area of each ecosystem under protection, the change

in fragmentation of indigenous vegetation cover, the change in the abundance and distribution of animal pests and weeds, and the biodiversity condition of ecosystems and habitats compared with historic and current baselines.

In parallel with this tool, the Department has designed an outcome-focused approach to support decision-making. This will provide guidance for the establishment of outcomes at a national and local level, and for developing cost-effective actions. Considerable progress has been made, and an overall framework is largely complete. National outcomes have been developed, although they are being refined through more detailed work in individual areas. They are being used to guide development of business plans. Possible methodologies for developing place outcomes have been piloted in three areas.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, the Department's decision support tools are still under development and are not yet operational. Information systems development, including components of asset management systems and data, are on target or a little delayed, but are developing rapidly. There are still significant gaps in terrestrial and freshwater information systems and data, which will be addressed by the Biodiversity funding package.

### ***Into the Future***

The Department's strategic direction is to achieve the maximum conservation benefits for New Zealand. It aims to:

- clearly show that investment in conservation is well spent and that the results and outcomes are well monitored; and
- report on the current condition of New Zealand's indigenous biodiversity, the goal levels to which the community aspires, and the costs of further action to meet those goals.

## **2. Better Integration**

It is an important key step to have policies and plans that integrate species protection and ecosystem conservation work. This includes being able to apply similar criteria in deciding on priorities for such activities as species protection, controlling animal pests or weeds, or seeking protection for areas not currently protected and better integrating the management of these activities at priority sites.

A major milestone this year was the completion of the New Zealand Biodiversity Strategy, which was launched by the Prime Minister in March 2000. This set out clearly the long-term strategic context for biodiversity conservation, and the prioritised steps needed to achieve a halt in its

decline. The strategy integrates actions by several government agencies. The Department played a lead role in developing the funding package, and will continue that lead role in implementing the strategy in the coming years.

The establishment of the Hauraki Gulf Marine Park brought to New Zealand a new policy concept for integration of environmental management. The Hauraki Gulf Marine Park Act was passed into law in February 2000, bringing the seabed, seawater and conservation land on islands and around the coast of the Hauraki Gulf and Coromandel into a new Marine Park – New Zealand's first. It established the Hauraki Gulf Forum which brings together the various regulatory and management agencies and iwi to ensure that the work they undertake in the Gulf and its catchments is properly coordinated and the special values of the Gulf are protected.

A review of the Department's mainland island projects has provided best practice lessons for integrated conservation management that can be applied across all ecosystem management work (see 'Expanded Restoration and Recovery Efforts', below).

The Department is contributing to the development of the Government's Oceans Policy, which will work to integrate aspirations for marine use and conservation of species and ecosystems.

In addition, the current work to develop a decision support system (see 'Better Information' above) goes some way towards achieving better integration of species and ecosystem protection work, as it helps to identify which project or combination of projects is achieving the best outcomes for an area.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, the New Zealand Biodiversity Strategy provides lists of priorities within each functional area, but does not prioritise between them. The Department is improving its ability to prioritise like against like, but is not yet well advanced in prioritising different activities (e.g. species restoration vs. development of visitor facilities). The decision support tools currently being developed are designed to achieve this.

### ***Into the Future***

The Department's strategic direction includes:

- co-ordinating and implementing the New Zealand Biodiversity Strategy effectively and efficiently; and
- contributing effectively to the development and implementation of the Government's Oceans Policy.

### **3. Expanded Restoration and Recovery Efforts**

It is vital for the Department to continue and expand the restoration of high priority offshore and mainland island ecosystems and advance recovery programmes for threatened species in accordance with an integrated approach to management.

The Department continued this year to operate its six mainland island projects, with the goal of restoring the ecosystems to as close to their original state as possible. Mainland islands are a relatively new conservation approach involving adaptive management. They are discrete, intensively managed natural areas that are used as test sites to refine species protection and integrate ecosystem conservation work such as pest eradication, and translocation of threatened plants and animals for species recovery purposes. A review of these projects has shown their benefits and a number of steps for further improvement.

The Department has progressed eradication of pests from offshore islands, with a further three declared pest-free during the year. There are now several pest-free islands, but more are needed to extend the number and range of island ecosystems that can be used as sanctuaries for threatened or endangered species such as the kakapo, tusked weta and kokako.

In May 2000 the Department launched the North Island Kokako Recovery Plan, a vision for kokako conservation that aims to have 1000 breeding pairs of the birds by 2020. The Kiwi Recovery Programme (a joint initiative with the Royal Forest and Bird Protection Society) is set to continue with Bank of New Zealand's renewal of its long-term sponsorship for a further three years, ensuring that research, Operation Nest Egg, and advocacy will continue. Plans for the development of five new kiwi sanctuaries throughout New Zealand were initiated with the commitment of biodiversity strategy funding for 2000/01 onwards.

#### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, public consultation on the New Zealand Biodiversity Strategy indicated that the Department's efforts are not achieving the high conservation goal levels desired by the community. The Department is effectively progressing as fast as it can in the short to medium term. The Biodiversity funding package will assist, progressively, to increase the level of achievement, but some reductions in species range and ecosystem condition will still occur.

#### ***Into the Future***

The Department's strategic aim for restoration and recovery efforts is that mainland island and species recovery programmes are protecting and restoring priority ecosystems and populations of threatened flora and fauna.

#### **4. Increased Pest and Weed Control**

A key step towards the conservation vision is to increase efforts to sustainably control animal pests and weeds at the highest priority sites in accordance with an integrated approach to management.

Sustained control of animal pests is essential for the maintenance of New Zealand's biodiversity. A key element of animal pest control is measuring the long-term ecosystem response (outcome), and the Department is focusing on the development and use of outcome monitoring techniques such as the foliar browse index for forest vegetation.

A new integrated stoat control programme was progressed this year, with new control methods being trialled to improve eradication success.

The Department's national ecological weed control plan guides the weed control programme. A major component of this programme is site-led control projects, where critical weed threats are managed in high priority specific land, wetland and freshwater sites that are important to New Zealand's natural heritage.

#### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, pests and weeds remain the principal threat to endangered indigenous flora and fauna on land and in fresh water.

Only a proportion of priority pest and weed control work is being done, and more effective methods and techniques are urgently needed. The Biodiversity Strategy funding package will assist substantially in achieving the necessary goals in this area.

#### ***Into the Future***

The Department's strategic aim for pest and weed control is that:

- enhanced animal pest and weed control is preventing the deterioration of larger numbers of representative ecological areas; and
- biosecurity risks to indigenous flora and fauna are being effectively eradicated or contained where feasible and practical.

#### **5. More Marine Conservation**

This key step is to put greater emphasis on protecting marine resources by establishing a clear strategic framework for this effort, working more closely with other government agencies and reviewing the scope and purposes of the Marine Reserves Act 1971.

This year the Department has been working closely with other government agencies to develop an Oceans Policy for New Zealand

that will establish a strategic framework for marine management and conservation, and will result in more marine conservation.

The Department has also been developing a map of coastal marine area characteristics that will enable the Department and other prospective applicants to identify priority areas to put forward as marine reserve proposals. The aim is to form a protected area network in which each of New Zealand's diverse marine ecosystem types are represented.

The review of the Marine Reserves Act was progressed with the preparation of a public discussion document. The review aims to ensure that the scope and purposes of the Act are relevant and workable in relation to the overall aim of protection of marine ecosystems.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, progress in extending marine conservation has been slow, and marine protection methods take a considerable time to implement. The Department is not yet confident that the right balance has been struck between conservation and development in the marine environment, and an overall policy framework and co-ordination are required. The development of an Oceans Policy is a key step, but is taking longer than expected.

Overall, public expectations for marine protection and conservation will be hard to achieve, and, in particular, issues for Māori relating to their aspirations for marine protection and access to kai moana will be a challenge to resolve.

### ***Into the Future***

The Department's strategic aim for marine conservation is that a more comprehensive range of marine ecosystems is protected. Its aims include that:

- the Department has contributed effectively to the development and implementation of the Government's Oceans Policy;
- the Marine Reserves Act has been reviewed and amended and a strategy for marine protection is being implemented; and
- marine ecosystem protection has been significantly extended through a range of mechanisms including new marine reserves.

## **6. A Network of Natural Protected Areas**

This key step identified in the Strategic Business Plan involves establishing a network of naturally functioning protected natural areas by developing a landholding strategy, achieving protection for the highest priority unprotected sites, upgrading other sites to park status, and doing more to survey ecological districts.

The protected area network managed by the Department is regarded internationally as outstanding, and is one of the principal tourist attractions in New Zealand. However, the full range of indigenous biological and landscape features is not represented. The aim is to complete the network. Priorities for formal protection initiatives are based on the significance of the natural and historic values present and any perceived threats to these.

To this end, the Department has progressed with its programme of protected natural area surveys and this year has completed 16 Recommended Areas for Protection agreements.

This year the Department set out criteria for establishing strategic priorities for changing land status in areas of conservation land entrusted to it, in consultation with Conservation Boards and stakeholders. The New Zealand Conservation Authority approved these criteria.

The potential scope of the protected natural area network was further advanced by the announcement in April 2000 that the New Zealand Conservation Authority recommended that the Minister of Conservation create New Zealand's 14<sup>th</sup> national park on Stewart Island/Rakiura.

Resources were secured for three independent funds that protect areas of private land: Nature Heritage Fund, Nga Whenua Rahui, and the Queen Elizabeth II National Trust. The Nature Heritage Fund committed funding to protect 15,000 hectares of high conservation value indigenous ecosystems on private land.

The protection of a block of virgin forest in excess of 3,500 hectares surrounding Lords River on Stewart Island, to be managed by the Māori owners as national park, was an outcome of the SILNA negotiations during the year.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, extensive gaps in the representativeness of terrestrial and freshwater protected areas remain. Significant progress is being made in the public debate necessary to identify effective protection strategies for terrestrial areas. Similar progress is now needed for freshwater and marine protection. Additional funding allocations in the Biodiversity Strategy funding package for the Nature Heritage Fund, Nga Whenua Rahui and the QEII National Trust are all a major advance in terms of potential for strengthening the network of natural protected areas.

### ***Into the Future***

The Department's strategic direction for the protected area network includes that:

- a more comprehensive range of outstanding, scarce and under-represented freshwater ecosystems is being protected and enhanced

- the transfer and gazettal and ongoing management of ex-Timberlands West Coast lands has been overseen
- marine ecosystem protection has been significantly extended through a range of mechanisms including new marine reserves
- The Department is working with individual landowners and rural communities to protect natural areas and indigenous species.

### **7. Closer Co-operation with Landowners and Local Authorities**

This key step involves promoting natural heritage values for all parts of New Zealand by working more closely with private landowners and local authorities and taking a more focused and consistent approach to work away from land entrusted to the Department.

The Department was extensively involved in the Ministerial Advisory Committee's investigation into biodiversity impacts of private landowners – the BioWhat? Report – aimed at raising awareness of biodiversity on private land and actions that can be taken by landowners to prevent further detrimental impacts.

The tenure review process advanced during the year under the Crown Pastoral Land Act 1998 with about a quarter of the 370 leases now in the review process. The review provides for lessees to acquire a freehold interest in land held under a pastoral lease and for the Crown to have land restored to its full ownership and control that has significant natural, historic and recreational values. Land being freeholded can also be made subject to various types of protective mechanism.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, the BioWhat? investigation has emphasised the importance of constructive conservation partnerships with private landowners and other agencies, but more work is needed to determine the most appropriate policy mechanisms to use in this situation.

The Department's role in promoting natural heritage values on private land remains controversial. A collaborative approach utilising a range of methods is proposed.

### ***Into the Future***

The Department's strategic direction includes generation of enhanced conservation awareness and participation. This includes that the Department is:

- working with individual landowners and rural communities to protect natural areas and indigenous species; and

- collaborating in collective efforts to implement regional biodiversity strategies and plans.

### **8. Closer Integration of Historic Conservation**

This key step involves ensuring the historical values of places are integrated into their management and a clear commitment is made to managing historical sites, and clarifying the Department's wider role in historic heritage protection.

This year an asset management system was established for historic heritage to identify places that have historic values, classify what those values are, and prioritise the assets for conservation management. The asset management system identifies the standard that the asset should be managed to, and identifies the work that needs to be done to get to that standard.

The historic heritage asset management system runs in parallel to the visitor asset management system, and the systems ensure that the historic heritage values of an asset are integrated into their management. For example, a visitor asset such as a bridge may also have historic values. If the bridge is maintained or repaired, it is done so sensitively and in keeping with the style of the original builders. Interpretation displays on historic sites also focus on historic values.

#### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, significant progress is being made in developing the Department's historic asset management systems, but the conservation work necessary to maintain intrinsic values is, overall, falling behind. The establishment of the Ministry for Culture and Heritage is a significant step intended to raise the profile of historic heritage protection. After a considerable hiatus, priority is being given to collaborative work on the key steps.

#### ***Into the Future***

The Department's strategic direction is that a much stronger emphasis is placed on the historic and cultural values of protected areas, including the significant enhancement of historic and cultural heritage.

### **9. Recreational Promotion**

This key step identified in the Strategic Business Plan is to continue to promote and manage recreational opportunities and to provide a broad spectrum of appropriate opportunities for all who visit land entrusted to the Department. The Department has the statutory duty to foster the use of natural and historic resources for recreation to the extent that it is not inconsistent with the conservation of those resources.

The Department completed the visitor information and visitor centre reviews. The Department made a detailed analysis of the information needs of visitors and reviewed the way in which this information was provided. Several key pieces of research were undertaken to determine if the Department was providing a reasonable standard of access to visitor information and to identify barriers. The way in which the Department dispenses information and promotes recreation opportunities from its own premises was a key consideration.

The Visitor and Information Centre review disclosed a number of barriers that will be addressed over the next 18 months as the outcomes from the reviews are implemented. In particular, visitor information services will be available to visitors via telephone, fax, post and the internet. Online booking and ticketing services for walks, huts, and campgrounds will also be available.

In addition, a new information technology framework will be progressively introduced to provide a higher standard of visitor service at all offices and centres. Much of this information will also be available via internet services to other providers in the public and private sector. The Department will establish co-operative arrangements with other public and private sector providers to ensure that information on the Department's services is available to the full range of people who may require it, particularly during times and in locations where the Department is not well placed to provide the service.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, recent reviews have established the Department's strategies and priorities. Implementation in the coming years should achieve significant progress in information services and interpretation.

### ***Into the Future***

The Department's strategic direction is that outdoor recreation opportunities in conservation areas maximise the benefits for New Zealanders and overseas visitors, including that:

- Recreation facilities and services are being delivered to agreed standards on a basis that can be funded over the long term.
- New Zealanders and overseas visitors have easy access to the information they need to make choices about the recreational opportunities they wish to pursue, through a range of information networks and providers.
- In and near protected areas, visitors have ready access to recreation information and site interpretation which helps them to enjoy and understand the places they are visiting.

- Visitors express a high level of satisfaction with the inspiration, recreation and enjoyment which they derive from protected areas.

### **10. Upgraded Recreational Facilities**

This key step identified in the Strategic Business Plan is to ensure that all recreational facilities are safe and meet legal requirements, and to establish general community acceptance about how much the Department can afford to upgrade recreational facilities to new standards, where any new facilities should be provided and how low priority sites and facilities might be managed.

This year the Department continued extending the scope of the Visitor Asset Management Programme, that had been established the previous year, to include all recreation facilities and to develop lifecycle models for huts and tracks. The asset management programme for structures was fully implemented this year with the start of the biennial 'Ongoing Condition Inspection' of every structure and annual (lifecycle) maintenance of structures to ensure that they meet the required standard. The baseline inspection of huts, structures and tracks was ongoing during the year. The data gathered from this work has assisted the Department to identify and quantify the work required to bring these assets up to standard and to maintain them for their expected life.

The national Visitor Asset Management System (VAMS) database was further developed with the implementation of "in the field" data capture using hand held computers to record inspections of structures. This innovative system will be extended to all asset types over the next five years, with hut, track and sign inspections to be implemented during 2000/01.

Consultation with interested community groups on the Visitor Asset Management Programme has continued. There is a very high amount of public interest in the programme, with many interest groups getting involved in the debate over the maintenance and retention of backcountry huts. A policy on consultation with the community about the removal or closure of huts was approved by the Minister of Conservation and published by the Department. This policy requires the Department to consult fully with all interested parties about the future of each hut, and has been well received by the community.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, as a result of extensive assessment work, the Department will for the first time soon be able to accurately quantify the long-term costs of providing recreational facilities and services to the public. Changes to accounting practice and reporting standards for fixed assets could have profound effects.

Preliminary estimates indicate that ongoing maintenance and replacement of recreation facilities will require a much greater investment

than is currently being made. This is one of the most difficult issues currently facing the Department, and is of intense interest to the public and stakeholder organisations.

### ***Into the Future***

The Department's strategic direction is that outdoor recreation opportunities in conservation areas maximise the benefits for New Zealanders and overseas visitors, including that the Department has identified and agreed on an affordable and achievable range of basic recreational facilities and services which better meet the expectations of visitors, and a long-term funding base is established.

### **11. Greater Respect of Key Groups in the Community**

This key step identified in the Strategic Business Plan is to earn the respect and support of key groups in the community by taking an open and informing approach to relations with these groups.

In the past year the Department has progressed its programme of stakeholder relationship management to the point where it is recognised by other government departments as a leader in the field of external relations. The programme has been extended this year from head office to conservancies. The Department has considerable respect of key groups in the community, and support, although it accepts that this may not always be forthcoming from some sectors.

Draft results from a survey conducted at the end of the year showed that ratings of the Department's performance in managing relationships with associates have remained steady. There was some improvement shown this year in associates' views of the Department's performance in all specific conservation activities.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, very significant improvements in stakeholder relationships, public favourability ratings and public awareness have been achieved. The Conservation Awareness Funding package for the 2000/01 year will provide further valuable impetus in priority areas.

### ***Into the Future***

The Department's strategic direction includes generating enhanced conservation awareness and participation, including:

- consulting with the community on all major policies and management issues
- effectively engaging the community in the review of management strategies

- sharing information and expertise with communities and harnessing their involvement and raising awareness of conservation issues, making best use of electronic media
- promoting a conservation ethic through increased practical opportunities for participation and experience of conservation
- building resources for schools and community
- ensuring that the public has full confidence in the Department's management of land entrusted to it and that many in the community collaborate enthusiastically on conservation projects

## **12. More Effective Working Relationships with Iwi Māori**

This key step identified in the Strategic Business Plan is to establish and maintain effective relationships with iwi Māori to achieve mutually agreed conservation aims as part of the Department's responsibilities to give effect to the principles of the Treaty of Waitangi.

The Department's policy and practices in giving effect to the principles of the Treaty of Waitangi, (as set out in section 4 of the Conservation Act 1987)<sup>1</sup> are continuing to evolve.

A series of major consultation exercises has been implemented with Māori in recent years. These relate to historic heritage management, customary use, biodiversity, coastal policy, and conservation management strategies, amongst others. To inform policy development in the 1999/00 year, the Department has reviewed the results of these consultations to define the main messages received from Māori about their needs and aspirations in conservation management. The messages received through the different consultation processes are very consistent. The Department has established a work programme, which addresses each of the main messages.

The Department developed and began implementing during this year Te Pukenga Atawhai, a comprehensive competency-based training programme designed to significantly improve the understanding and performance of staff in relation to section 4 responsibilities (see section on Staff Skills for more detail).

### ***Te Puni Kokiri Review: Implementation of Recommendations***

In November 1998 Te Puni Kokiri reported on its assessment of the Department's service delivery to Māori. The overall findings were that the Department had taken positive steps to improve its working relationships with iwi and hapu, but that a significant barrier to further developing those relationships was the limited number of opportunities to contribute to, and be involved with, the Department in co-operative

<sup>1</sup> This Act shall be so interpreted and administered as to give effect to the principles of the Treaty of Waitangi.

conservation management arrangements. During this year, after further analysis of the service delivery and stakeholder interview reports, the Department identified four high-level themes. The principal recommendations of the TPK review have been incorporated within those themes, which form the basis of the Department's work programme:

- Relationship management (incorporating tangata whenua messages and perceptions).
- Including the perspective of tangata whenua, both internally and externally, in the development of national policies and processes.
- Strategy development: a strategic focus leading to implementation.
- Planning, measuring, monitoring, and reporting on what the Department is doing and achieving.

The Department's objective is to integrate Māori-based initiatives into its everyday work and processes. The overall work programme will be regularly reviewed to reflect progress.

Progress with work programmes during the year included completion of a working draft on co-operative conservation management with iwi and hapu, completion of a project brief on Māori-specific positions, an action plan agreed on Whai Wahitanga (Māori participation); and a final draft completed of the revised Kaupapa Atawhai Strategy.

### ***Kaupapa Atawhai Strategy***

The Department's Kaupapa Atawhai Strategy sets out its vision, mission and goals in relation to Māori and in relation to its responsibilities under section 4 of the Conservation Act, to give effect to the principles of the Treaty of Waitangi in its work. The Kaupapa Atawhai Strategy was written in 1997, and at the end of the 1999/00 year a draft revision of it was completed.

During the 1999/00 year, the Department established a Kaupapa Māori Strategic Policy Initiatives project to co-ordinate and manage a range of related policy initiatives. The first task of this project, to develop a draft policy statement on the application of the principles of the Treaty of Waitangi to the work of the Department, was completed and submitted to the General Management Team.

Other documents developed in the 1999/00 year include:

- a strategic position statement on customary use
- waahi tapu policy guidelines

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, the Department's relationships with tangata whenua and its understanding of its

responsibilities to give effect to the principles of the Treaty of Waitangi in its work, are continuing to evolve. Through the Pukenga Atawhai training programme and recent policy developments, the groundwork is being laid for the next phase of active partnerships with tangata whenua and for the policy framework to support and guide this.

### ***Into the Future***

The Department's strategic direction is to develop genuine conservation partnerships with tangata whenua to achieve enhanced outcomes, including:

- Giving priority to effective partnerships with tangata whenua at the local level
- Creating new opportunities for Māori to be involved in, and benefit from, conservation
- Ensuring that Nga Whenua Rahui and the Matauranga Māori fund are increasingly influential in protecting and enhancing biodiversity on Māori land, and helping to put traditional Māori knowledge to good use.

### **13. Completed Change Process**

This key step identified in the Strategic Business Plan is completion of the change process begun in 1996, to enable the Department to achieve its goals of improved conservation quality and accountability by improving systems, changing the style of the Department, and recruiting, developing, and retaining skilled staff. In assessing progress against the McKinsey 7S framework the next areas for focused attention are to concentrate efforts of changing the style of the Department and acquiring or developing the skill-base required. The McKinsey 7S framework comprises skills, style, strategy, structure, systems, staff, and shared values.

The Department recognises the change process as a continuous improvement process. The Department improved itself incrementally throughout the year with implementation of a new computer network, successful Year 2000 compliance, a new leadership programme and other training programmes, extensive development of standard operating procedures, regionalisation of the science function, and strengthening of the regional office "improving" function. These improvements are described in more detail in the 'Ownership and Capability' section of this report.

### ***Summary of progress against the Strategic Business Plan***

In terms of progress against the Strategic Business Plan, very significant improvements have been made in the robustness of the Department's

organisation and systems. Future challenges lie in developing the capacity of the organisation to fulfil its role in areas where new policy is being developed, such as marine conservation, and to fulfil the Department's opportunities for collaboration. A key requirement is the improvement of the measurement of the achievement of conservation outcomes to demonstrate that value is being added.

The capacity of the organisation to absorb new systems and processes is a constraint in the face of the speed of change in the strategic environment.

### ***Into the Future***

The Department's strategic direction is to enhance capability to achieve conservation gains, including;

- making tangible changes in the diversity of staff to meet operational requirements and reflect the community the Department serves
- strengthening the Department's understanding of conservation needs and risks, and the methods to address them
- progressively extending the network of sites where the outcomes of conservation interventions are being measured
- strengthening the Department's marine and freshwater conservation capability consistent with the Department's role
- developing the internet and intranet sites and information systems for access by staff, local authorities, tangata whenua, landowners and community organisations

## OWNERSHIP AND CAPABILITY

This section reports on the past year in terms of the status of, and changes to, the Department's ownership and its capability: what it manages on behalf of the Crown, and what the inputs and processes are that enable it to achieve outputs and outcomes.

These comprise several different areas:

- people management
- resources
- external relationships
- leadership and corporate governance.

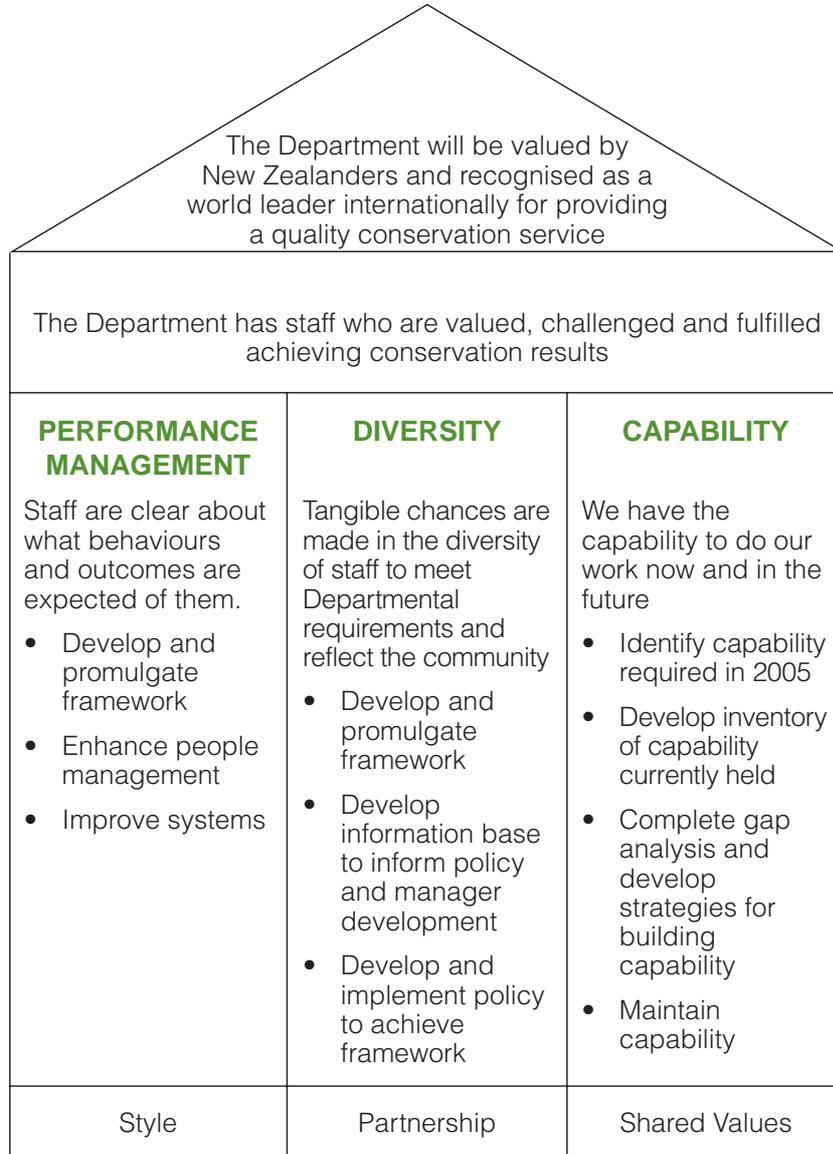
## PEOPLE MANAGEMENT

The Department's most important asset in terms of capability is its staff. The Department is the sixth biggest employer within the New Zealand public service. Its operational bases are spread around the country in over 60 locations to provide geographically focused management of public land entrusted to the Department.

A strategic framework links the management of human resources and organisational development with the Department's Strategic Business Plan and guides the human resources and organisation function.

The framework shows the link between the capacity goal in the Strategic Business Plan, the vision from the People Plan, and the human resources and organisation strategic direction which focuses on Performance Management, Diversity and Capability. The goals and statements shown under each of these headings are supported by a detailed work plan, which will ensure they are achieved.

The framework includes three factors that underpin the strategic management of human resources and organisational development. These factors are reminders that the style with which the Department goes about human resource management is important, that partnership between staff and unions is important, and shared values – a common understanding of the Department's values and directions – is important.



### **Performance Management**

The primary focus in performance management is to enhance people management. Significant progress was made this year with the development and implementation of the Leadership Foundations training course for managers (see Staff Skills below), and with the revision of the Planning and Performance Review system.

Future work will include a review of the performance management strategic framework, a review of all policies supporting the performance management strategic framework and the development of phase two of the Leadership Foundations training course for managers.

### **Internal Communications**

A greater focus was placed this year on internal communications, with the purpose of ensuring that the Department has an effective dialogue with its staff, identifies communication needs, shares information, and ensures communication occurs within and across all levels of the Department. A new position within head office was created to develop a national internal communications strategy, to work with managers on organisational issues and co-ordinate internal staff communications. The Department's geographical spread of staff adds to these challenges. The implementation of the Intranet this year gives the Department's staff vastly improved internal communications capability and access to a wealth of information at their desks.

### **Staff Contract Negotiations**

In June 2000 the Department and PSA and AWUNZ, the unions covering Departmental staff, successfully completed contract negotiations by ratifying a new three-year collective employment contract (CEC). The process started with the signing of a Management/Union Partnership Agreement in September 1999, a new type of agreement for the Department which will see management and staff working closer together on organisational and human resources issues. A national forum and a local forum was then established in each conservancy to provide for an ongoing relationship between management and staff through their union delegates.

### **Staff Skills**

One of the three overarching strategic goals for the Department's staff is capability. The Department must have the capability to fulfil its responsibilities now and in the future.

To support staff in extending their competencies and in being effective in undertaking their work, the Department runs a number of core national training programmes. These are: Ecological Management Training, Te Pukenga Atawhai, Leadership Foundations, Health and Safety, and

People Matter. In addition, staff attend training to meet specific and local needs. Managers are progressively receiving additional training in managing performance, and the personal performance review system has been updated over the past year.

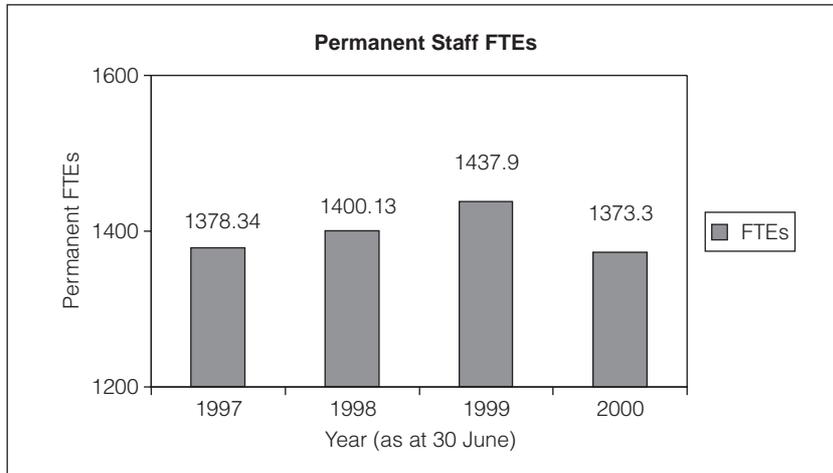
The development of three of the core national training programmes was completed and the first courses run during the year. The training programmes are targeted at improving the Department's capability in terms of staff leadership and relationship with Māori, and improving relationships with communities and stakeholders.

- **Leadership Foundations:** A key part of the Department's Leadership Capability and Succession Management Strategy is the Leadership Foundations Workshop, a skills-based management leadership development programme. Since its pilot in August 1999, 45% of managers have attended, including all General Managers and Conservators. Six workshops are scheduled for the 2000/01 financial year, which should accommodate a further 40% of managers.
- **Te Pukenga Atawhai:** This exciting, in-depth training programme to improve staff understanding of Māori perspectives was piloted in June 1999. The senior management team participated in the first course in August 1999. Staff working with Māori were prioritised for their attendance on the course, and 314 staff attended the course this year. The course has been so successful that the Department has received inquiries from other departments and interested parties about adopting the course.
- **People Matter:** This course focuses on giving front line staff the skills to work better with local communities and stakeholders. Course participants and managers have rated this as one of the best and most relevant courses they have attended. There are plans to run six courses during 2000/01.

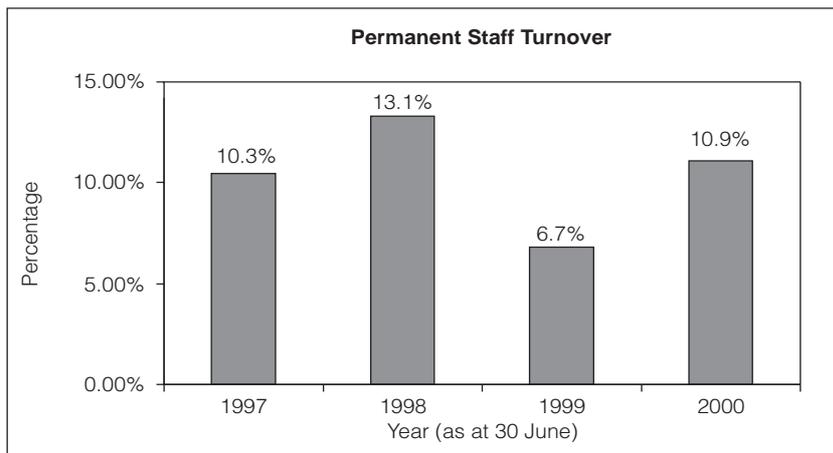
In addition, the trainee ranger programme has yielded its first graduates. Eighteen students received their National Certificate in Conservation (Trainee Ranger) on 30 June 2000 from Nelson Polytechnic. The trainee rangers follow one year of polytechnic study and three months of practical work experience in Area Office projects. To date the Department has been able to offer eight of the graduates two-year traineeship positions throughout the country. The continuation of the course will help to ensure that fresh ideas and energy are being injected into the Department, and that rangers have the skills and talent appropriate to the important jobs that they perform.

### Staff Statistics

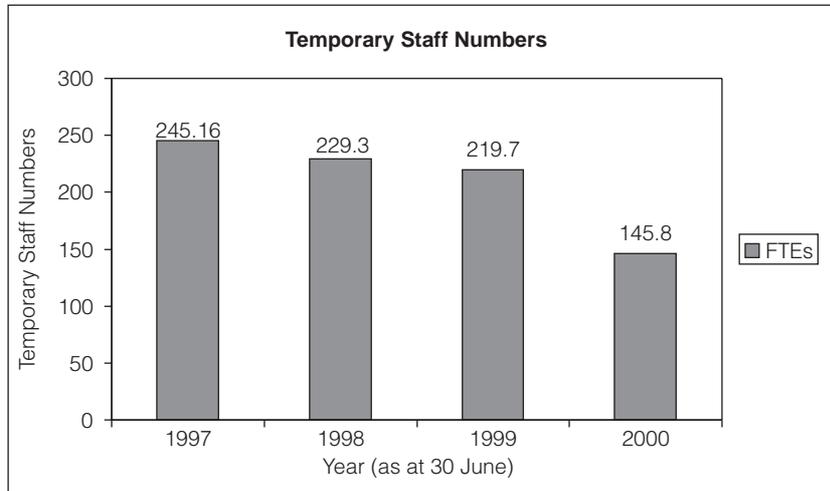
The Department employed 1,373.3 permanent full-time equivalent staff (FTEs) as at 30 June 2000. This represents a decrease of 4.5% on the year to 30 June 1999. For the previous two years, FTE staff numbers had shown small increases, but they are now at the 1997 level.



During the year to 30 June 2000, turnover of permanent staff was 10.9%, compared with 6.7% for the previous year. The change in turnover reflects a settling down compared to post-restructuring (1997/98).



Typically, the Department employs over 400 temporary staff in the peak summer season. Temporary staff numbers increase significantly in summer to raise capacity for handling the increased visitor numbers to public land managed by the Department, and to undertake seasonal work. In January 2000 temporary staff peaked at 427.3 FTEs. In winter the numbers of temporary staff are lower.



### Staff Diversity

An important strategic area for the Department's management of staff is to ensure that tangible changes are made in the diversity of staff in order to meet Departmental requirements and reflect the community. The Department is committed to the development of a diverse workforce and improved current and future workforce capability. This commitment was outlined in the Department's *Business Rationale for People Diversity*, which was developed and signed off during 1999/00. Also developed in 1999/00 was an *Implementation Plan for People Diversity*. This is the Department's strategic map for achieving and managing people diversity. In addition, the Department has signed off on managers' responsibilities in managing people diversity and a series of EEO targets to 2010.

The Department has underway:

- a workforce diversity survey to support the other diversity projects
- projects to clarify the barriers to greater participation of women and Māori in the workplace and to develop strategies for removing the barriers
- a project to develop managers' awareness of people diversity issues and their ability to manage appropriately
- a project to develop a series of 'diversity lenses' designed to remove unintended bias from human resources systems, policies and practices
- systems improvement which has led to more reliable reporting and a broader range of statistics about our workforce.

This suite of projects will result in more effective management of staff, staff who feel safe in the workplace and who are supported to contribute

fully, and strategies that will enable the Department to meet its EEO targets.

**Equal Employment Opportunities Targets**

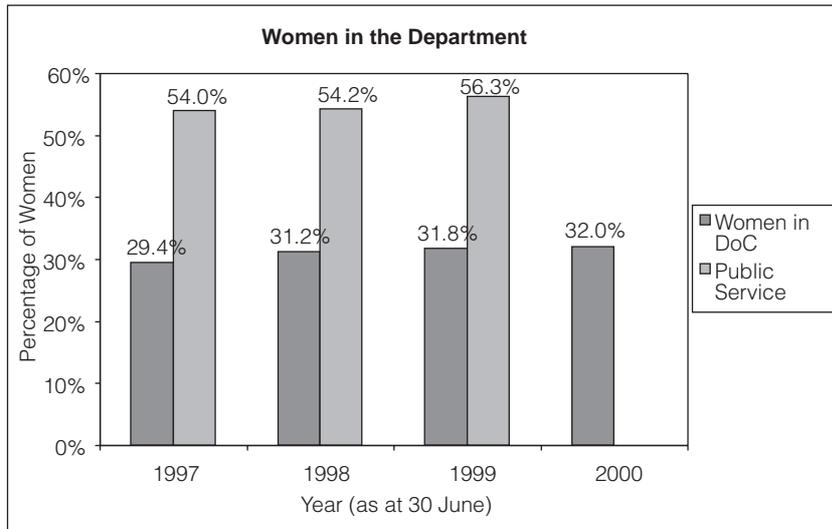
The EEO targets for 2010 were set by the Department in June 2000.

**EEO TARGETS TO 2010**

| Category                       | Statistics at June 2000 | Targets to 2010 | Milestones to 2005 |
|--------------------------------|-------------------------|-----------------|--------------------|
| Women .....                    | 32%                     | 40%             | 35%                |
| Māori .....                    | 10%                     | 18%             | 13%                |
| Pacific Island Peoples .....   | 0.4%                    | 1%              | 0.6%               |
| People with Disabilities ..... | 5.5%                    | 10%             | 7.5%               |

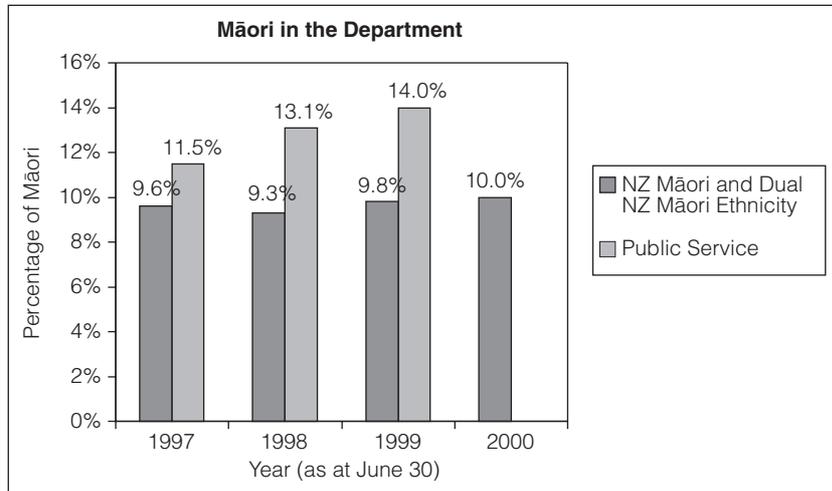
**Women in the Department’s Workforce**

Women constituted nearly a third (32%) of the Department’s permanent and temporary workforce. While this figure is well below the Public Service average, the long-term trends are more positive; for example, 49.5% of all applicants for Departmental positions are women, and 54.6% of appointees are women.



**Māori in the Department’s Workforce**

Employees with NZ Māori or dual NZ Māori ethnicity represent 10% of staff (permanent and temporary) at 30 June 2000. Representation in the Department’s workforce has increased from 9.3% to 10% since June 1998. Long-term trends are more positive. While Māori comprise 6.2% of the total applicant pool, 12.1% of appointees are Māori.



## RESOURCES

The Department's resources include financial resources, information resources, assets, and technology, including information technology. Financial resources are reported on in the financial statements in this report.

### Visitor Assets

The Department is responsible for thousands of assets used by visitors, including huts, campsites, tracks, walkways and roads, structures (e.g. boardwalks, bridges, signs), and amenity areas, sewage systems and toilets. The Visitor Asset Management System is designed to manage the maintenance and utilisation of the Department's visitor assets to improve total asset life-cycle performance. The system was first implemented in 1997 and has been upgraded on an ongoing basis each year. It was further developed this year to provide "in the field data collection" (using hand held computers) on the condition of visitor assets. The system now provides vital management information on 13,900 visitor structures, 1,010 huts, over 11,000 km of track, and 20,000 signs. It also holds basic information on over 1,000 km of roads, 400 amenity areas, 310 campsites and 50 bookable accommodation units, and will be further upgraded in the coming year to hold more information on these assets.

One of the key developments this year has been the implementation of an asset life-cycle modelling process that enables the Department to predict with a high degree of accuracy the annual cost of hut and structure maintenance, as well as the replacement year and cost of these assets. The database has been used this year to manage the

Department's visitor structures, enabling upgrade and maintenance work to be prioritised, and engineering and safety checks to be carried out in an efficient and thorough way.

Additional funding allocated for visitor structures maintenance and replacement was distributed this year in conservancy baselines, and has provided a higher degree of certainty that visitor structures are maintained to the appropriate standard. Consultation with stakeholders on the management of visitor assets has continued, and the database has helped illustrate the enormous size of the asset system managed and the criteria used to determine maintenance priorities.

### **Historic Heritage Assets**

This year an historic heritage asset management system was established (see 'Closer Integration of Historic Conservation'). The system runs in parallel to the visitor asset management system, and ensures that historic and visitor asset management are integrated at the same site. The system identifies places that have historic values, classifies what those values are, and prioritises the assets for conservation management. It identifies the standard that the asset should be managed to, and identifies the work that needs to be done to get to that standard.

### **Information Assets**

The Department's strategic business plan calls for completion of the overhaul of Departmental management and reporting systems to ensure the capability to provide key information to those making decisions, and that decisions can be made in an integrated way. Given the size, distribution and structure of the Department, and the strategic requirements for consistency and quality of integrated conservation management, timely access to relevant national data becomes essential for staff.

This represents both a major challenge and an opportunity. The challenge is to deliver strategic systems, which offer improved business performance to a changing organisational structure and culture in the most cost-effective manner. The opportunity is to rationalise, standardise and integrate the information, systems, technology and infrastructure of the Department so as to support the implementation of the organisational structure and enable the achievement of the desired strategic business direction.

The Department's systems, technology and implementation plan is based on the use of low risk, industry standard, integrated solutions. Together, they offer the Department the means to significantly reduce the cost of ownership, improve performance and achieve an effective transition from its current position to its desired destination.

Over the year, programmes listed for completion in the second year of the Department's five-year Information Systems Strategic Plan were completed.

### ***Connect 2000***

The Connect 2000 programme upgraded and extended the Department's computer network to 69 sites and also ensured that all its systems were Year 2000 compliant. In addition, a further 70 field centre sites were provided with dial-up networking capability and the desktop systems at these sites were also upgraded. As part of this rollout all staff were given access to the Department's Intranet, and a departmental-wide document management system was implemented.

The Department and Fujitsu NZ (the Department's outsourced services supplier) were recently awarded the Computerworld Excellence Award for the "Most Successful Project Implementation of the Year" for Connect 2000.

### ***Intranet***

The Intranet was deployed to all sites and provided staff with easy access to organisational information. The Intranet is currently used as one of the key mediums for internal communication. All new applications created for Departmental staff now use the Intranet interface. The design of a new infrastructure to allow the Department's Internet and Intranets to be integrated has been completed, and now awaits implementation. This will also provide for external access to parts of the Department's information systems.

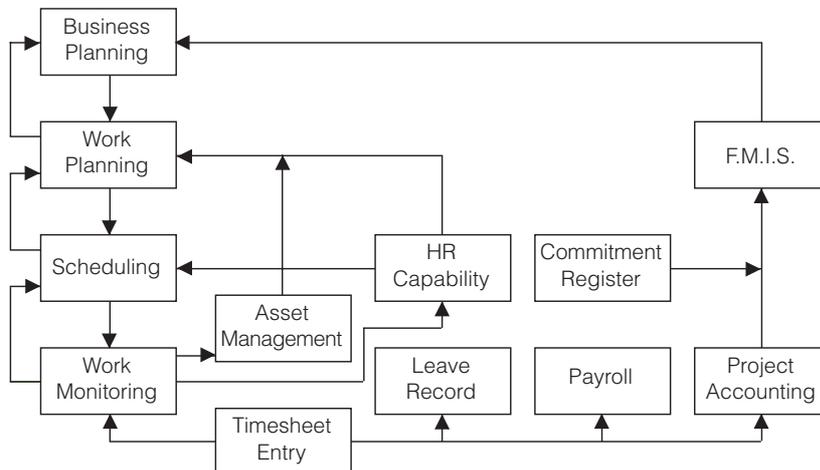
### ***Information Resource Centre***

The Library and Information Services review was completed and a new online Information Resource Centre service was implemented to improve the Department's capability to provide information to its staff.

### ***Basic Systems for Conservation Managers***

The purpose of the programme of work 'Basic Systems for Conservation Managers' is to deliver standard operational support and management information systems and tools throughout the Department. This year a high level design was completed that showed productivity gains and improvements to the quality and timeliness of management information may be realised, provided the issues of data compatibility and system integration are identified and addressed.

### Integration of Conservation Management Systems



An integrated Business Planning Software Application was installed and used during the year. Further work is currently being undertaken to enhance functionality based on user feedback. A national Commitments Register was completed as a result of the review of financial and payroll processing throughout the Department. The ministerial correspondence and briefing tracking system in use in the Department was redeveloped to ensure that it was Year 2000 compliant. Design work has been commenced on work plan management. Further enhancements were made to the Visitor Asset Management System.

### Databases to Support Basic Systems For Conservation Managers

This programme of work creates national biological databases, allowing for ecosystem and biological unit management plans, species management, and plant and animal pest management. The basic infrastructure work has been completed, and allows for the creation of integrated biological databases. The first of these was a project to create a national weeds database, containing weed species details, weed control techniques available for each species, weed distributions, bibliography and contacts list. This has been completed. A similar project for threatened plants is currently under construction, and work has commenced on monitoring and surveying.

### Spatial Information

The projects within this programme address spatial data and presentation. Several of the projects involve joint agreements with other government agencies for the acquisition of specific data sets. These

data sets can then be overlaid in various combinations to facilitate planning, decision-making, and performance monitoring for integrated conservation management. A major review of the spatial needs of the Department was completed, and the subsequent recommendations agreed to by senior management.

The impact on operations will be an improvement in productivity through reduced duplication of effort (and systems), and improved quality and presentation of information through systems standardisation and integration. Potentially, the greatest impact on operations will result from improved knowledge of, and performance in, integrated conservation management through the synergy and graphical representation of spatial and textual data.

Data acquisition has continued as resources allowed and the Land Cover Database of New Zealand was acquired. Land managed by the Department was identified on the DCDB and linked to the Department's Land Register. (The DCDB is the electronic cadastral (legal boundary) database for New Zealand and is the national standard for this information.)

### ***Radio Communications Strategy***

A radio network is essential for the Department for reasons of:

- staff safety in remote and potentially dangerous situations
- fire fighting operations
- conservation management

When the Department was formed in 1987 it inherited the bulk of the Forest Service radio network. This network was specifically designed to provide coverage for production forests and was built on technology from the 1970's. The Department is now seeking to replace this system and has developed a Radio Communications Strategy.

To provide for staff safety the best system is an open channel radio network with provision for after-hours connection for staff working in remote areas. This will be met by a primary VHF system supported by HF in the more rugged areas such as Fiordland. Fire control responsibilities can be met by use of portable VHF Repeater modules designed for rapid deployment outside the areas that would be uneconomic to cover with fixed network services. Tait Communications Limited was selected to complete the radio network upgrade and is in the process of planning the site audit and pilot implementation.

### **Property Management**

During the year the Wellington leases for the Central Regional Office and the Science Centre expired and were not renewed. New leased accommodation was taken to accommodate these groups and they

moved in at the end of this reporting year. The Department has no vacant, owned or leased, office accommodation.

Rental reviews were undertaken in the following centres: Wanganui, Nelson, Christchurch and Hokitika. Rental rates remained at about the same level. Overall average gross rental costs continue to remain above the market average due to the head office (40% of total) lease being well above the market rate. This rental rate for head office is held by a ratchet clause condition in the lease document.

The statistics for the year are as follows:

### Leased Accommodation

|                                     |                |
|-------------------------------------|----------------|
| Total gross rental per annum        | \$3,825,429    |
| Total floor area leased             | 23,500 sq mtrs |
| Number of car parks                 | 160            |
| Number of staff accommodated        | 951            |
| Average cost of leased space per m2 | \$162.78       |
| Average space per person            | 24.71 sq mtrs  |
| Cost of space per person            | \$4,022.53     |

### Owned Accommodation

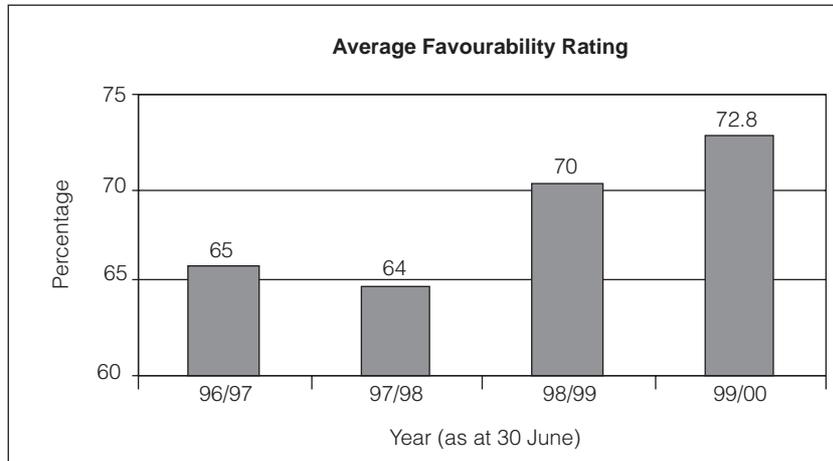
|                          |               |
|--------------------------|---------------|
| Area                     | 1,616 sq mtrs |
| Car parks                | 36            |
| Number of staff          | 47            |
| Average space per person | 34.48 sq mtrs |

## EXTERNAL RELATIONSHIPS

The Department considers that an important part of its capability is its ability to focus on proactively managing stakeholder relationships and building confidence with the public, gaining their support for conservation work.

### The Public

The Department has for some years participated in an “omnibus” monthly public opinion poll which provides an indication of the public perception of the Department’s performance. The past year has seen a continued improvement in the Department’s public favourability rating, with an average of 73% over the whole year stating that the Department was doing an excellent or a good job. The favourability rating by Māori for the same period was only slightly lower than the general average.



Every year about a million New Zealanders can be expected to visit a national park, reserve or conservation area – whether just to stretch their legs, have a picnic or swim in the river. In total, about two-thirds of all New Zealanders- well over two million of us – have visited public conservation lands sometime in the past.

Over two million visitors go to visitor centres each year. Over the last year the Department's website ([www.doc.govt.nz](http://www.doc.govt.nz)) has expanded and grown in popularity, and increasing numbers of people turn to it to find information about parks, historic sites, species, and news. It is now one of our largest visitor centres. Usage of the website has almost tripled during the year.

Statistics for the website for the year are:

- Number of hits 6,022,806
- Number of page views 638,916
- Number of user sessions 172,112.

### Stakeholder Relationships

The Department has continued its programme of proactive stakeholder relationship management. The programme supports the Department's strategy of moving from a reactive state to proactive management of issues and relationships. The stakeholder relationship management programme involves prioritising 20 strategically important relationships ('Target Twenty') for which a structured programme of regular liaison was maintained throughout the course of the year. Nationally, a relationship management plan was developed for each key associate to guide and inform interaction with the Department.

This initiative was extended during the year to conservancy and area offices, which are now applying a similarly structured approach to managing relationships with local associates. While the format of the Target Twenty programmes varies from conservancy to conservancy, every conservancy has undertaken a prioritising exercise for key associates and is managing those relationships proactively.

A baseline survey of key associates was conducted at the start of the year, and an update is currently being analysed. Initial draft results indicate that ratings of the Department's performance in managing relationships with associates have remained steady. There was some improvement in associates' views of the Department's performance in all specific conservation activities shown this year. (See 'External Relationships').

The external relationship capability continues to be reinforced by the network of Kaupapa Atawhai Managers established in all the Department's conservancies. Their strong links to iwi provide a vital point of liaison and a source of advice for the Department in its relationships with Māori at all levels.

## LEADERSHIP AND CORPORATE GOVERNANCE

Corporate governance comprises stewardship, leadership and control. The Department has a framework for corporate governance founded on the models prescribed in the 1997 restructuring. The framework is established by the Director-General to ensure the Department's stakeholders, owners and users have assurance that the Department is fulfilling its responsibilities with due diligence and accountability.

The General Management Team (GMT) provides the Director-General with integrated advice and is structured so that General Managers can exercise their accountabilities with the support and confidence of their colleagues. The GMT, which meets fortnightly, is not a decision-making body. The accountability framework makes it clear that in the Department of Conservation, accountable managers make decisions and management teams exist to provide formal opportunities for decision-makers to seek and hear sound and appropriate advice.

The GMT has one sub-committee, which deals with resource allocation. This committee consists of the three Regional General Managers and the General Manager Business Management and General Manager Conservation Policy.

The Department's organisation has been designed using Stratified Systems Theory to group roles according to complexity of work. The organisational tiers match different stratum from one to five. The Department has structure separated into tiers which enables focus on different activities:

- head office on developing strategy (Stratum IV & V)

- regional offices on developing the major improvement processes (standard operating procedures) needed to realise the strategy (Stratum IV& III)
- conservancy offices on sustaining and supporting the operational base on which improvements are made (Stratum III & II)
- area offices and associated work sites on actual delivery of conservation outputs in the field (Stratum II & I)

| <b>STRUCTURE:</b>  | <b>ROLES</b> |
|--------------------|--------------|
| • HEAD OFFICE      | STRATEGY     |
| • REGIONAL OFFICES | IMPROVING    |
| • CONSERVANCIES    | SUSTAINING   |
| • AREAS            | DELIVERY     |

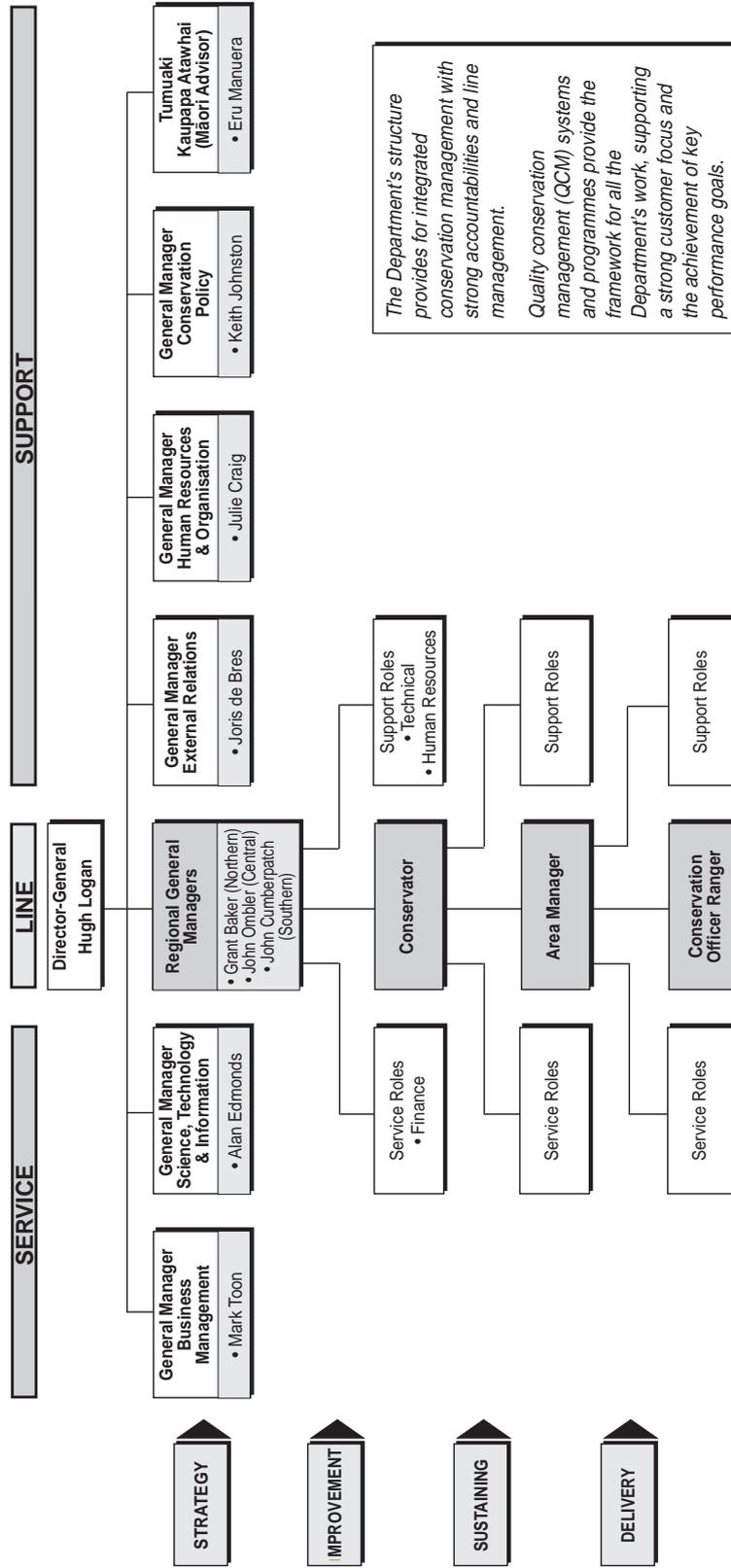
The Director-General operates the Audit and Risk Management Committee, which comprises both internal and external representatives. This committee provides the Director-General with assistance in the control domain of corporate governance, primarily focusing on internal controls, financial control, health and safety, legislative compliance and risk management. During the year, membership of this committee has been reviewed to strengthen the external representation.

Leadership in the Department is supported by the leadership behaviours identified by the GMT and included as part of the Leadership Foundations Course, which all managers in the Department will attend. The leadership style includes openness and integrity, responsibility and growth, communication vision, walk the talk and recognising contributions

### **Annual Organisational Health Check**

The annual organisational health check audits provoke a number of continuous change improvements. In 1998 the health check identified the need for a number of minor reviews to ensure the organisational model was firmly embedded. Reviews arising from the organisational health check included strategic direction of the Human Resources and Organisation Area, Financial Payroll and Processing and Conservancy Structure and Role Clarity. The 1999 organisational health check largely identified the need to continue to improve and to follow through on the reviews initiated as a result of the first organisational health check in 1998.

## DEPARTMENT ORGANISATIONAL STRUCTURE



To illustrate, a project was undertaken on role clarity, which identified a need to focus on service. Findings from the review have been transferred to the Director-General's expectations of general management. The Department's Area Office structure has been reviewed and the role of programme management at Area Offices clarified. This is a significant improvement and will be implemented over the next two years.

### **Operating Review System**

The operating review system is a major control system that provides current and accurate management information on the Department's operations from the delivery level to chief executive level each month. Its objective is to provide the means by which all departmental managers, and, ultimately, the Director-General, can establish auditable proactive control ensuring accountability, performance, and organisational effectiveness and capability. An important aim of the system is to shift the organisation from reactive issues management to proactive issues management.

The operating review system is linked to the business planning system and the performance and planning review system. The operating review system was subject to audit in the last 12 months and improvements were recommended.

### **Internal Reviews**

- Several internal reviews were carried out during the year.
- Human Resources and Organisation Review
- Quality Conservation Management Review
- Human Resources Adviser reassessment
- Health and Safety Review
- Area Structure Review.
- Financial Payroll Processing Review
- Science Review
- Library and Information Review: significant structural and role changes
- Connect 2000

Further information on the more significant reviews in the past 12 months are set out below, and in other sections of this report, as appropriate.

### ***Human Resource Adviser Role***

One of the fundamental principles of the 1997 restructuring was the devolution of people management to managers supported by specialist

human resources staff. It was acknowledged at that time that managers would need at least two years to build the capability to fully undertake their responsibilities. This meant the human resources staff needed to take a greater role in actual people management than the organisational structure intended. An assessment of the Department's human resource support capability was carried out during the year. The review concluded that the current organisational structure for delivering human resources support was the most appropriate for the Department. The human resources adviser role was retained with 65% focused on supporting managers and 35% focused on national human resources and organisation strategic and improving work.

### ***Health and Safety***

The opportunity arose during the 1999/2000 year to look at how the Department delivers its Health and Safety strategic and improving and monitoring roles. The main issue to emerge from the review was the need to improve the focus on monitoring and improving Health and Safety practice. As a result of the review a new position was established in the Southern Regional Office with a national focus on monitoring and improving Health and Safety practice, and the Department's existing focus on strategic Health and Safety issues was confirmed.

### ***Standard Operating Procedures***

Having determined that much of the Department's work could be subject to standardisation, regional offices have been tasked with the development of standard operating procedures (SOPs) as part of a Quality Conservation Management approach. The Department has developed a clear top-down commitment to quality through a suite of SOPs that provide Departmental staff with a set of clear objectives, accountabilities, procedures and standards they have to follow to achieve a particular outcome. Each SOP incorporates best practice as part of each step.

Over the year the Department introduced more than 40 SOPs covering many aspects of the Department's work; for example, weed surveillance, ongoing visitor structure inspection, public notification of pesticide operations, and land management.

This year the SOP system was reviewed and re-launched, re-focussing the regional offices on their role of producing incremental improvement, and creating greater opportunity for staff involvement in quality management.

### ***Financial Payroll and Processing***

During this year the Department carried out an internal review of its Financial Payroll and Processing system. A review of financial processing was begun in 1996, but was interrupted by the subsequent restructuring.

At the beginning of 1999, the Oracle financial system was being upgraded for Year 2000 compliance, and the new version provided functionality and workflow opportunities that may have had organisational structure, staffing and work practices implications for the financial and payroll processing functions in conservancies, regional offices and head office. The review was therefore reinitiated to evaluate these opportunities.

The review's recommendations were adopted and are being progressively implemented as planned including the development and approval of job descriptions, and the management of change processes, reassignments and resulting vacancies. The review is expected to yield significant cost savings.

### ***Provision of Science and Research Advice***

Provision of robust and relevant scientific research and advice is a critical function within the Department when core conservation activities depend on that advice for their success.

The Department's Science and Research Unit worked this year to redirect the way in which science and research projects are identified, planned and funded. In the past science projects were identified as part of a needs process deriving mainly from conservancies. Research questions were generally of a direct operational nature and very often focused on local concerns. The Department has recognised that many of the larger, more long-term strategic research questions were not getting adequate attention. As a consequence the redirection exercise aimed to prioritise the Department's research effort onto those national issues set out in the Department's Strategic Business Plan. For example, new research will be designed that leads to:

- more effective tools for pest eradication;
- development of more generic ecological restoration models;
- smarter techniques for protecting threatened species;
- classification and measurement systems aimed at better conservation outcome assessment;
- more defensible marine and freshwater classification systems; and
- more robust frameworks for historic and community-based conservation initiatives.

With staff skills and experience focused more tightly on the delivery of conservation outcomes, the redirection exercise will greatly enhance the value of the Department's research effort.

Research issues specific to particular conservancies, or small groups of conservancies, will now be commissioned and managed by those conservancies. This reflects the increased technical depth now residing

DEPARTMENT OF CONSERVATION

C. 13

in conservancies and should result in more transparent costing and better science transfer. Advice on all issues, national or local, will still be available to conservancies, reflecting the Department's desire to obtain the best advice from all sources.

This new approach will be implemented in the financial year 2001/02.

**STATEMENT OF RESPONSIBILITY**

In terms of sections 35 and 37 of the Public Finance Act 1989, I am responsible, as Director-General of the Department of Conservation, for the preparation of the Department's financial statements and the judgements made in the process of producing those statements.

I have the responsibility for establishing and maintaining, and I have established and maintained a system of internal control procedures that provide reasonable assurances as to the integrity and reliability of financial reporting.

In my opinion, these financial statements fairly reflect the financial position and operations of the Department of Conservation for the year ended 30 June 2000.



Hugh Logan  
Director-General  
of Conservation



Harry Maher  
Acting General Manager  
Business Management

**Audit New Zealand****REPORT OF THE AUDIT OFFICE****TO THE READERS OF THE FINANCIAL STATEMENTS OF  
THE DEPARTMENT OF CONSERVATION  
FOR YEAR ENDED 30 JUNE 2000**

We have audited the financial statements on pages 57 to 185. The financial statements provide information about the past financial and service performance of the Department and its financial position as at 30 June 2000. This information is stated in accordance with the accounting policies set out on pages 164 to 167.

**Responsibilities of the Director-General**

The Public Finance Act 1989 requires the Director-General to prepare financial statements in accordance with generally accepted accounting practice which fairly reflect the financial position of the Department of Conservation as at 30 June 2000, the results of its operations and cash flows and the service performance achievements for the year ended 30 June 2000.

**Auditor's responsibilities**

Section 38(1) of the Public Finance Act 1989 requires the Audit Office to audit the financial statements presented by the Director-General. It is the responsibility of the Audit Office to express an independent opinion on the financial statements and report its opinion to you.

The Controller and Auditor-General has appointed E M Mason, of Audit New Zealand, to undertake the audit.

**Basis of opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Director-General in the preparation of the financial statements; and
- whether the accounting policies are appropriate to the Department's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards, including the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed

our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have carried out other assurance related assignments for the Department of Conservation.

Other than these assignments, and in our capacity as auditor acting on behalf of the Controller and Auditor-General, we have no relationship with or interests in the Department of Conservation.

### **Unqualified opinion**

We have obtained all the information and explanations we have required.

In our opinion the financial statements of the Department of Conservation on pages 57 to 185:

- comply with generally accepted accounting practice; and
- fairly reflect:
  - the financial position as at 30 June 2000;
  - the results of its operations and cash flows for the year ended on that date; and
  - the service performance achievements in relation to the performance targets and other measures set out in the forecast financial statements for the year ended on that date.

Our audit was completed on 29 September 2000 and our unqualified opinion is expressed as at that date.



E M Mason  
Audit New Zealand  
On behalf of the Controller and Auditor-General  
Wellington, New Zealand

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**STATEMENT OF OBJECTIVES**

**AND**

**SERVICE PERFORMANCE**

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## **STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE**

### **VOTE: CONSERVATION**

#### **D1 – POLICY ADVICE AND MINISTERIAL SERVICING**

##### **Description**

This class of outputs covers the provision of policy advice to the Minister of Conservation on specific reviews of legislation or specific Government policies affecting conservation, including legislative reviews or policy initiatives involving other government departments or agencies, and/or managed by Ministers other than the Minister of Conservation. It also covers major internal departmental policy initiatives that contribute to a number of outputs or output classes.

Also included is the provision of policy advice on implementation of section 4 of the Conservation Act 1987, participation in negotiations of Treaty of Waitangi settlements, Waitangi Tribunal hearings and inter-departmental meetings, and management of operational relationships with iwi, hapu and Māori. Implementation of Treaty of Waitangi settlements is covered under output class 6.

This output class also covers the provision of a correspondence reply, coordinating and information service to the Minister of Conservation, and a coordination and editing service to the Department in relation to the production of its accountability documents.

##### **Relationship to Government Outcomes**

This output class contributes to the Government's Key Goals to "Protect and Enhance the Environment" and "Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi" by:

- providing high quality and appropriate advice on legislation and policy initiatives affecting conservation
- participating in the negotiations of Treaty of Waitangi settlements and fostering relationships with Māori.

Under this output class, the Department also contributes to the Government's Key Goal to "Close the Gaps for Māori and Pacific People" by fulfilling its obligations to consult with iwi Māori in areas of policy development, and through participation in Treaty of Waitangi settlements in terms of cultural redress.

All other Government Key Goals and desired outcomes are also taken into consideration when developing policy initiatives and legislation and providing advice.

**OUTPUT 1.01: POLICY AND LEGISLATIVE REVIEW****Overview**

The Department administers a large number of Acts and Regulations. It also has powers, duties and responsibilities under many more. From time to time it is necessary to amend the legislation or to introduce new Acts and Regulations to correct drafting errors, respond to new situations, meet public expectations, or modify the philosophy on which the legislation is based. In addition, as a department of State, the Department must actively participate in parliamentary and other government processes.

The Department must also develop high level strategies and policies to guide its operations and ensure consistency with Government strategic directions. The Department of Conservation's Strategic Business Plan "Restoring the Dawn Chorus" published in January 1998 set a clear direction for the for the five years 1998–2002, with goals and objectives for natural and historic heritage conservation and recreation and for involving the community and improving the Department's capacity.

A key focus for 1999/00 was the review of this plan to ensure that the Department is able to clearly demonstrate that it is adding value through its conservation management. A further key programme in 1999/00 was completion of the New Zealand Biodiversity Strategy.

**Quantity and Quality****Policy Advice**

*A review of the Strategic Business Plan will be completed by 31 October 1999.*

Substantial progress was made on review of the Strategic Business Plan, with a redraft of the plan prepared by December 1999. The timeline for this project was amended to correlate with the Department's participation in the Capability, Accountability and Performance Pilot being run in conjunction with the State Services Commission. The revised Strategic Business Plan will be completed before 31 December 2000.

Work on a review to further integrate the Department's Historic Heritage, Visitor, and Public Awareness strategies with the Strategic Business Plan priorities that was planned for 1999/00 will now commence in 2000/01 when work on the Strategic Business Plan has been completed.

*Work arising from relevant outcomes of the Historic Heritage Review will be implemented, including development by 31 December 1999 of proposed legislation changes to the Historic Places Act 1993.*

As a result of the Historic Heritage Review completed in March 1999, review, historic heritage policy, entity purchase and monitoring transferred from the Department of Conservation to the Ministry for

Culture and Heritage on 1 September 1999. As noted below, the Ministry is also now the lead agency for the review of the Historic Places Act 1993. The Department is continuing to assist the Ministry in matters of mutual interest and where its experience is of relevance.

*The New Zealand Biodiversity Strategy will be published by 30 June 2000, after public consultation on a draft strategy.*

A key strategic task for the Department over the last few years has been leadership of the development of a New Zealand Biodiversity Strategy, in association with the Ministry for the Environment and 13 other Crown agencies. The draft strategy was launched in January 1999. In the following months, an estimated 3,000 people attended over 50 meetings throughout New Zealand to discuss the draft strategy, and approximately 7,800 submissions were received.

Following Cabinet approval, the New Zealand Biodiversity Strategy was launched in March 2000, and underlines the Government's commitment to halt the decline in our indigenous biodiversity and, in some places, restore it within a twenty-year time frame.

Funding to implement priorities with the Strategy over the next five years was announced in June 2000. The \$187 million Biodiversity Funding Package contains funding for the Department of Conservation, as well as for Environment, Fisheries and Biosecurity. Highlights include \$57 million for animal pests and weeds on public conservation land, \$37 million for biodiversity on private land, and \$40 million for marine biodiversity and biosecurity. A system for monitoring and evaluating new biodiversity expenditure has been put in place and a Ministers' group on biodiversity, led by the Minister of Conservation, will report annually to Cabinet on progress.

During the year, the Department also provided input and advice to the Ministry for the Environment on the development of a national policy statement on biodiversity. This will address the appropriate protection and management of private and other land to safeguard indigenous terrestrial and freshwater biodiversity.

#### **Additional Achievements**

By 30 June 2000, significant progress had been made on the preparation of a strategic policy statement on the customary use of native birds, plants and other traditional materials. This policy statement was requested by the Minister in conjunction with an instruction to the Department to undertake a work programme to implement the recommendations of the New Zealand Conservation Authority on Māori customary use.

The process for, and scope of, a review of the Department's Resource Management Act Strategy was confirmed in October 1999, which includes development of policy on the approaches the Department could take to enhance conservation on private land. By 30 June 2000, a revised strategy document had been prepared and peer reviewed within the Department. The final document will be redrafted and presented to the Minister by December 2000.

Following on from the debate on the Department's draft national deer control plan, a departmental policy statement on deer control was prepared. Consultation was also completed on policy and amendments to rationalise legislation governing the use of fish as biocontrol agents. A proposed amendment to the Conservation Act 1987 will be developed in 2000/01 and will also address all fish transfers and releases.

### **Legislation**

*Progress relating to legislative review is dependent upon ministerial direction, Cabinet's acceptance of bids for the legislative programme and allocation of priorities by Parliament. However, the following review areas have been identified:*

- *Review of the offence and penalty provisions of the Wildlife Act 1953 and Conservation Act 1987.*

This review aims to establish consistency in the penalty and offence provisions and to increase penalties to reflect the seriousness of the offences so that law enforcement work is better able to achieve conservation objectives. This project was widened to also review the powers, offences and penalties and miscellaneous provisions of a number of other Acts administered by the Department. The wider review is scheduled for completion by 30 June 2001.

- *Review of the scope and purpose of the Marine Reserves Act 1971 and the provision of recommendations to the Minister of Conservation by 31 December 1999 on any necessary amendments to enable protection of marine areas in line with the marine reserves strategy.*

A draft Marine Reserves Strategy was prepared, but further action was deferred pending the review of the legislation. Terms of reference for this review were revised and confirmed by the Ministers of Conservation and Fisheries. Officials of all relevant government agencies agreed on a draft public discussion document and this document will be forwarded to Cabinet with the terms of reference for the review in August 2000, seeking approval for public release in late September 2000. The target completion date is 30 June 2001.

- *Review of the provisions of the Reserves Act 1977 that relate to administering bodies.*

This review was completed, but the resultant amendments and the other minor amendments below were not introduced to the House before it rose prior to the general election. Although these amendments were included in the bids for the 2000 Legislative Programme, they are not a priority for the current government and will not proceed.

- *Progression of some minor technical amendments to the Reserves Act 1977.*

See above.

- *Review of the Historic Places Act 1993 to implement the national heritage protection strategy.*

From September 1999 responsibility for national historic heritage policy and agency purchase and monitoring transferred to the Ministry for Culture and Heritage. The Ministry is now the lead agency for the review of the Historic Places Act 1993.

- *Development of the Hauraki Gulf Marine Park Bill.*

The Hauraki Gulf Marine Park (HGMP) Act was reported back to the House in September 1999 and passed into law in February 2000. This brought the seabed, the waters and conservation land on islands and around the coast of the Hauraki Gulf and Coromandel into a new Marine Park. As a new concept in cooperative management, the Act also established the Hauraki Gulf Forum. This forum brings together the various regulatory and management agencies and iwi to ensure that the work they undertake in the Gulf and its catchments is properly coordinated and that the special values of the Gulf are protected.

- *Progression of some minor technical amendments to several Acts administered by the Department for inclusion in the Statutes Amendment Bill 1999.*

The Bill was introduced to the House on 6 October 1999 for the First and Second Readings. The Bill has been reported back from the Justice and Electoral Select Committee for consideration by the House.

#### **Additional Achievements**

In addition to the above, preliminary work commenced on a review of the protection of fish passage under the Freshwater Fisheries Regulations 1983 and the Resource Management Act 1991 to resolve jurisdictional ambiguity and other issues. A review also commenced on a review of dated provisions of the Freshwater Fisheries Regulations, including fauna reserves. Both reviews will proceed in 2000/01.

Consultation is taking place on the consolidation of fish transfer provisions in the Conservation Act 1987 and Regulations, and this will be addressed in a full review of the regulations.

Assistance was provided on the Conservation Act (Protection of Trout as a Non-Commercial Species) Amendment Bill which was reported back to the House by the Select Committee with recommendations that it be passed. The Ministry for the Environment has taken over the lead role on this Bill.

Advice was provided to the Local Government and Environment Select Committee on the Private Member's Bill seeking amendments to the penalty provisions of the Wildlife Act 1953; and on the Forests (West Coast Accord) Bill in conjunction with the Ministry of Agriculture and Forests.

Work was also undertaken on development of the Tutae-Ka-Wetoweto Forest Bill, which is currently being drafted for introduction into the House before October 2000. This Bill will allow implementation of a deed and covenant negotiated with the Rakiura

Māori Land Trust to secure the protection of Lords River, a large block of Stewart Island. Under the deed and covenant, the Trust has agreed to manage the land based on principles for conservation, preservation and protection derived from the Reserves Act 1977 and the National Parks Act 1980.

## OUTPUT 1.02: TREATY OF WAITANGI

### Overview

Because the Department manages approximately 30% of New Zealand's total landmass, and has responsibility for protecting conservation assets of cultural and historic heritage value as well as conservation of flora and fauna, it has a significant contribution to make to government goals relating to the Treaty of Waitangi. Accordingly, the Department's Strategic Business Plan gives priority to building and maintaining effective working relationships between the Treaty partners and advising the Crown on conservation issues relating to Treaty of Waitangi settlements.

There are Treaty claims covering most of the land and resources administered by the Department in the North Island. Significant claims currently under consideration, negotiation or implementation are Ngai Tahu, Ngati Awa, various iwi of Taranaki, Te Arawa Lakes, Pouakani, Rangitaane o Manawatu, Te Uri o Hau, Te Roroa, Muriwhenua, Ngati Turangitukua, and the Wai 262 indigenous flora and fauna claim.

Work under this output covers:

- Provision of policy advice on implementation of section 4 of the Conservation Act 1987, giving effect to the principles of the Treaty of Waitangi.
- Participation in negotiations of Treaty of Waitangi settlements, Waitangi Tribunal hearings and inter-departmental meetings.
- Management of operational relationships with iwi and hapu in line with the Department's Strategic Business Plan, including the development and operation of protocols, memoranda of understanding and general consultative and participative arrangements and other activities to improve and cement relationships.

Activities within the Department under this output also include Kaupapa Atawhai strategy implementation and monitoring, Kupenga Atawhai monitoring and the production of *He Atinga*, a newsletter for Māori.

The output does not include the implementation of Treaty settlements (see output 6.04), staff training and development of iwi relationships/ Treaty issues, or specific consultation provided for under other outputs.

### Quantity and Quality

*A range of advice to the Minister and the Office of Treaty Settlements on up to 10 claims is anticipated. The quantity, nature and timing of advice will be to the satisfaction of the Minister.*

The Department continued to make a significant contribution of resources to Crown teams working on the negotiation and implementation of Treaty of Waitangi claims, with advice and input provided on 14 claims, including the Te Ariki and Taranaki claims.

During the first half of the year the Department provided extensive input into the Crown's negotiations on a number of claims, including the Rangitaane o Manawatu, Pouakani, and the Te Uri o Hau claims.

Heads of Agreement were signed with Rangitaane o Manawatu on 25 November 1999, but there has been little activity since that date. The final Deed of Settlement was signed on the Pouakani claim on 19 November 1999 and work has continued on drafting the settlement legislation with ongoing input from the Department. This latter claim relates to an area to the northwest of Lake Taupo and covered significant portions of the Pureora Forest Park. The agreement that was reached provides a strong basis for an enduring relationship in this area between the Department and the Pouakani people.

Negotiations on the claim from Te Uri o Hau (on the north side of Kaipara Harbour) resulted in a Heads of Agreement being signed in November 1999 and significant work was undertaken in the first half of 2000 towards a final Deed of Settlement.

Extensive input was provided aimed at moving the Ngati Awa Heads of Agreement to a final Deed of Settlement in November 1999, but this did not eventuate. Final settlement may be completed in the latter half of 2000 with considerably more input from the Department. Negotiations with Tuwharetoa ki Kawerau also progressed rapidly early in the year but little progress has been made since November 1999.

Several negotiation meetings were held on the Te Roroa claim and, while progress was slow in the first half of the year, momentum gathered again in the first six months of 2000.

Limited input only was required from the Department on the Te Arawa Lakes negotiations and on the Muriwhenua claim where the Crown is still involved in resolving mandating issues with the iwi. Negotiations did not progress significantly on the Ngati Makino and Ngati Pikiiao claims, and Crown negotiations on the Mohaka ki Ahuriri (including Napier Inner Harbour) did not progress during 1999/00.

The Department continued to play a joint lead role with Te Puni Kokiri and the Ministry of Commerce in the development of the Crown's involvement in the Wai 262 claim. Hearings were held in the first few months of the 1999/00 year but the claim is some time away from completion.

Public fact sheets were published within two weeks of the Pouakani, Rangitaane o Manawatu and Te Uri o Hau settlements.

No surveys of the Minister or the Office of Treaty Settlements were undertaken during the year.

*The Te Ariki claim will be resolved by 30 June 2000.*

Although the Department provided considerable input into negotiations on this longstanding claim in the first few months of the 1999/00 year, the claimants did not ratify the final Deed of Settlement that was expected to be signed in November 1999. Negotiations are now in abeyance.

*Progress will be made on the resolution of the Taranaki iwi claims by 30 June 2000.*

Negotiations with four of the eight Taranaki iwi required considerable input from the Department. Heads of Agreements were signed in September 1999 with Ngati Ruanui, Ngati Tama, and Ngati Mutunga. Work has started on moving the Ngati Tama and Ngati Ruanui claims toward final Deeds of Settlement. Pre-negotiation discussions started with Nga Rauru in South Taranaki involved the Department to a limited degree only. The Te Atiawa Heads of Agreement were signed on 27 November 1999 after delays while mandating issues were worked through.

Public fact sheets were published within two weeks of the settlement of the Ngati Ruanui, Ngati Tama, Te Atiawa and Ngati Mutunga claims.

*Progress will be made on the negotiation of agreements on cooperative conservation management with iwi and hapu.*

Work commenced on an initial draft of a policy framework for a range of models to improve iwi and other stakeholder participation in conservation management. This was due for completion by 31 December 1999. However, some major policy issues were identified that needed to be resolved before the co-operative conservation management policy could be fully developed. The project has now been re-named "Managing conservation in partnership with tangata whenua". The Department's Kaupapa Atawhai Managers are reviewing draft papers.

*The Department will report to the Minister of Conservation by 1 December 1999 on implementation of agreed recommendations from the review of the Department by the Ministry of Māori Development in respect of the delivery of services to Māori.*

A report was provided to the Minister of Conservation in June 2000 outlining the departmental work programme that has been developed in response to the review by Te Puni Kokiri of the Department's service delivery to Māori. The work programme incorporates the principal recommendations in the TPK report under four high level themes:

1. Relationship management (incorporating tangata whenua messages and perceptions).
2. Inclusion of the perspective of tangata whenua, both internally and externally, in the development of national policies and processes.
3. Strategy development: a strategic focus leading to implementation.

#### 4. Planning, measuring, monitoring, and reporting on what the Department is doing and achieving.

The objective is to integrate Māori-based initiatives into the Department's day-to-day work and processes. Various elements of the work programme are under way, for example:

- In relation to co-operative conservation management with iwi and hapu, working drafts on participation, accountabilities and relationships have been completed.
- Scoping has been completed or is under way for a range of projects or processes relating to the inclusion of the perspective of tangata whenua in the development of national policies and processes.
- Under strategic development, a working draft on the application of the Treaty of Waitangi principles and section 4 to the work of the Department has been completed, together with the final draft of a revised Kaupapa Atawhai Strategy.
- a national monitoring and reporting process on what the Department is doing and achieving has been developed.

The work programme will be reviewed regularly to reflect progress.

*Six issues will be published of He Atinga, a newsletter of conservation information of interest to Māori.*

Six issues were published during the year.

*Consultation will take place with appropriate representatives of Māori on key policy and operational issues.*

Major consultation processes run by the Department over the past six years were reviewed to clarify and summarise Māori needs and aspirations in conservation management. A "toolkit" of consultation options for national policy has been drafted.

Consultation is taking place where appropriate. For example, Departmental Kaupapa Atawhai Managers had informal discussions with iwi representatives on the draft marine reserves discussion document and its presentation of issues relevant to iwi.

### **OUTPUT 1.03: MINISTERIAL SERVICING**

#### **Overview**

The Department is required to provide general services to the Minister of Conservation, including the provision of draft replies to ministerial correspondence, parliamentary questions, requests for information and official information requests. A tracking and distribution system of all papers to and from the Minister's office is also provided.

In addition, a co-ordination and/or editing service is provided in relation to the production of the Department's accountability documents. These include the Annual Report, Performance Reports, Chief Executive Performance Agreement, Departmental Forecast Report, Purchase Agreements and *Conservation Action* – the Department's user-friendly annual report that comments on both achievements and plans.

### Quantity and Quality and Timeliness

*A range of policy advice papers, submissions to Cabinet, briefing papers, ministerial correspondence and parliamentary questions numbering between 2,500 to 3,000 is anticipated.*

|   | 1999/00 |              | 1998/99 | 1997/98 |
|---|---------|--------------|---------|---------|
|   | Target  | Actual       | Actual  | Actual  |
| Responses to ministerial correspondence ..... | 2,200   | <b>1,314</b> | 2,049   | 1,976   |
| Ministerial requests for information .....    | 200     | <b>238</b>   | 175     | 190     |
| Parliamentary questions .....                 | 200     | <b>209</b>   | 142     | 206     |
| Official information requests ....            | 60      | <b>32</b>    | 64      | 79      |

Draft replies to ministerial correspondence were 40% less than forecast, and also 36% and 33.5% less than the totals in the previous two years.

In contrast, responses to ministerial requests for information were 18% more than forecast, and 35% and 24% more than the responses provided in the 1998/99 and 1997/98 years respectively.

The number of answers provided to parliamentary questions was close to expectations and the 1997/98 total, but over 47% more than the number provided in the intervening 1998/99 year.

The number of Official Information Act 1982 requests received was 47% less than forecast, and 50% and 60% less than in the previous two years.

*75% of draft replies to ministerial correspondence will be provided within 20 working days.*

75% of draft replies to ministerial correspondence were provided within the agreed timeframe, compared to 78% in 1998/99 and 72% in 1997/98.

*100% of draft replies to parliamentary questions will be provided within the timeframes set by the Minister.*

100% of the 209 draft replies to parliamentary questions met the deadline. Timeliness of responses was not reported in the previous two years.

*90% of first drafts of replies to ministerial correspondence will be accepted by the Minister.*

98% of replies to ministerial correspondence were accepted on the first draft, the same percentage as achieved in 1998/99 and 1% more than the 97% in 1997/98.

*All accountability documents provided will be to the required standard and meet ministerial, Departmental and statutory deadlines.*

All accountability documents were produced to the required standard. Emphasis was placed on improving presentation and the quality of the content of these documents.

*The Minister of Conservation will expect advice to be delivered in accordance with the following quality standards:*

- *Reports will clearly state their purpose.*
- *Assumptions behind the advice will be explicit.*
- *An adequate range of options will be presented and assessed.*
- *Evidence will exist of adequate consultation with interested parties.*
- *Problems of implementation, technical feasibility, timing and consistency with other policies will be considered.*
- *Material presented will be effectively summarised, concise, in plain English and free of spelling and grammatical errors.*

No survey of the Minister's satisfaction was undertaken during the year. Feedback is obtained on a weekly basis through meetings with the Minister.

### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 2,019                      | 2,019           | 2,264           |
| – Other .....           | 1                          | -               | -               |
| Total Revenue .....     | <u>2,020</u>               | <u>2,019</u>    | <u>2,264</u>    |
| Total Expenditure ..... | <u>2,020</u>               | <u>1,892</u>    | <u>2,259</u>    |
| Net Surplus .....       | <u>-</u>                   | <u>127</u>      | <u>5</u>        |

## **D2 – IMPLEMENTATION OF LEGAL PROTECTION**

### **Description**

This class of outputs covers the survey, investigation and implementation of formal protection of land, freshwater and marine areas, including advice and education. Protection may be achieved by conservation covenant, gift, purchase, lease, management agreement, setting apart, or public access easement, using statutes administered by the Department. It also includes changes to the existing status and classification of land, freshwater and marine areas under the administration of the Department, and participation in the review of Crown pastoral leases and occupation licences under the Crown Pastoral Land Act 1998.

### **Relationship to Government Outcomes**

This output class contributes to the Government's Key Goals to "Protect and Enhance the Environment" and "Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi" by:

- formally protecting land, freshwater and marine areas to create a network of protected natural areas that represent the full range of New Zealand's natural heritage
- formally protecting conservation areas of cultural and historic heritage value.

## **OUTPUT 2.01: LEGAL PROTECTION AND STATUS CHANGES**

### **Overview**

The Department manages approximately 2.9 million hectares of national park, 4.2 million hectares of conservation areas, 0.4 million hectares of reserves and 0.4 million hectares of covenant or similar land.

Internationally, this is regarded as an outstanding protected area network and as one of the principal tourist attractions for New Zealand. However, the full range of indigenous biological and landscape features in New Zealand is not represented in protected areas. Often those features that are least well represented are also under the greatest threat.

The aim of work under this output is therefore the formal protection of priority sites to complete this network of protected areas that best reflects the full range of conservation and community values. Priorities for formal protection initiatives are based on the significance of the natural and historic values present and any perceived threats to these.

Achievement of this is dependent upon having reliable information. The Protected Natural Areas Programme surveys use a standard

methodology to provide a description of the natural habitats remaining in an ecological district and indicate priorities for protection (principally by identifying recommended areas for protection).

Formal protection is then achieved through four main mechanisms: purchase, covenant, allocation from another government agency and heritage order. The process varies depending on the mechanism.

Work under this output therefore includes a wider range of activities including:

- Surveys under the Protected Natural Areas (PNA) programme.
- Funding applications to the Nature Heritage Fund, the Land Acquisition Fund and Nga Whenua Rahui.
- Reservation of Crown land and marginal strips, and classification of reserves and setting apart of specially protected areas.
- Land status changes, including investigations for new national parks or extensions to national parks under section 8 of the National Parks Act 1980.
- Investigations and nominations for designation as Ramsar and World Heritage sites.

### Quantity and Quality

*Six Protected Natural Area surveys by ecological district will be progressed, with 10 surveys completed and the report published.*

During the year, 17 surveys were progressed, 11 more than the above target, but less than the 23 and 24 surveys progressed in the 1997/98 and 1998/99 years. Three reports were published – seven less than targeted. Six reports were completed in each of these previous years.

*36 Recommended Areas for Protection (RAP) agreements will be progressed.*

This target was revised in the Purchase Agreement to 16 agreements being completed. This revised target was met with 16 agreements completed with the assistance of Nature Heritage Fund funding. This was less than half the 38 agreements completed in 1998/99 but four more than the 12 agreements completed in 1997/98. Other agreements were also progressed during the year, but the numbers are not available.

#### **Additional Achievements**

As the next step in the process, 116 site negotiations for formal protection were under action during the year, five (4.5%) more than the 111 forecast in the Purchase Agreement. 34 funding applications were lodged with the Nature Heritage Fund, Nga Whenua Rahui, or Land Acquisition Fund, eight (or 19%) fewer than the 42 forecast in the Purchase Agreement.

38 legal protection agreements were implemented, covering 3,385 hectares. While the number of agreements was substantially lower than the 276 targeted in the Purchase Agreement, the area covered exceeded the original target of 1,044 hectares by 224%.

*130 applications under section 24AA(2) of the Conservation Act 1987 relating to marginal strips are expected to be received and processed.*

During the year, 405 applications were received and processed, 275 (212%) more than the above target and 77 (23%) more than the revised forecast of 328 in the Purchase Agreement. This was also 4% more than the 389 applications received and processed in 1998/99.

Marginal strips are strips of land that are set aside for conservation purposes under Part IVA of the Conservation Act. They are established when Crown land is sold or otherwise disposed of on the landward side of any foreshore, lake or river. These strips assist with giving effect to Queen Victoria's instructions to Captain Hobson to reserve areas for particular purposes and they provide for public access along the coast, lakes, and rivers. They are part of a long established and important institutional arrangement to maintain public recreational access to these areas in New Zealand.

*90 applications for marginal strip waivers or reductions will be progressed, and 90 completed.*

Actual performance was five applications received, and five completed, 85 fewer than the above targets. However, these targets were revised in the Purchase Agreement to ten applications to be progressed and seven completed. 24 applications were actioned in 1998/99.

The Minister has the power to reduce marginal strips, or even waive them entirely under sections 24A and 24 B of the Conservation Act.

*Three National Park investigations (section 8) will be progressed relating to the establishment of a Kauri National Park and Stewart Island National Park, and the extension of Abel Tasman National Park to include the foreshore. The investigation relating to the extension of Abel Tasman National Park will be completed.*

No progress on the Kauri Park proposal is possible pending settlement of the Treaty of Waitangi claim. The current Kauri National Park proposal originates from a Royal Forest and Bird Protection Society initiative in the late 1980s. This was followed up by the Northland Conservation Board and the New Zealand Conservation Authority which requested the Department to investigate the proposal. The Department reported back to the Authority in 1993, which then refined it to centre on the Hokianga Harbour area. Strong submissions from iwi have resulted in the proposal not progressing until Treaty of Waitangi claims have been settled. These include two current claims (Muriwhenua and Te Roroa) and other claims may be pending.

In April 1999, the then Minister of Conservation visited Stewart Island and discussed the possibility of establishing a national park on the island

with the New Zealand Conservation Authority, which asked the Department to investigate the proposal. The Department completed the Rakiura (Stewart Island) National Park investigation and a public discussion document was released in July 1999. The Southland Conservation Board considered the Department's report and forwarded it to the New Zealand Conservation Authority in November 1999. The Authority recommended to the Minister in February 2000 that this national park be created as New Zealand's 14th national park.

The timeframe for the investigation on the possible extension of the Abel Tasman National Park to include the foreshore was extended to allow for more public consultation this year as a result of the high level of public interest (2058 public submissions). The Mayor of Nelson has been appointed to chair an advisory forum on future management options for the foreshore. Preliminary consultation with iwi and interested parties on the possible management options was completed prior to the first meeting of the Advisory Forum.

#### **Additional Achievement**

In addition to the above, the Order in Council providing for the addition of Waitutu conservation area to the Fiordland National Park was executed by the Governor-General on 20 September 1999 and subsequently gazetted.

*Three applications will be progressed for areas to be designated as wetlands of international importance under the Ramsar Convention in respect of Aotea Harbour (Waikato), Lake Wairarapa, and Awarua (Southland). The Awarua application is expected to be finalised and formally lodged by 30 June 2000.*

The Aotea Harbour application is on hold pending iwi support and approval. This application is not now expected to progress for a year or more. Liaison with iwi is continuing in the hope of overcoming their concerns.

The response of the community to the Lake Wairarapa proposal has been divided, and a Treaty of Waitangi claim has also been lodged on the area. A discussion paper on the management of Lake Wairarapa wetlands and the possibility of seeking Ramsar status has been previously circulated for public feedback. A world Wetlands Day was also held. The Department is raising awareness of other Ramsar sites with stakeholders.

The Awarua investigation is nearly finalised. Southland District Council, Southland Regional Council, Invercargill City Council and Ngai Tahu have all approved the proposal. A report is expected to be lodged with the Minister later in 2000.

*50 other classifications under the Conservation Act 1987 and the Reserves Act 1977 will be processed and 50 will be completed.*

65 other classifications were under action and completed during the year, nine (16%) more than expected. This was almost double the

number in 1998/99 when 36 other classifications were under action and completed. In 1997/98, 57 were under action and 69 were completed.

#### **Additional Achievements**

Classifications establish the purpose of management for each particular reserve under the Reserves Act 1977. There are seven main types of classifications, each with their own set of rules under the Act, ranging from highly protected areas with a high degree of restriction such as nature reserves to areas that have less protection and less restriction such as local purpose reserves.

In addition to the above "other classifications", 32 new reserves, additions and covenants were established, exceeding the 12 forecast in the Purchase Agreement by 167%.

As well as establishing the marine park, the Hauraki Gulf Marine Park (HGMP) Act 2000 created two new reserves on the former HMNZS Tamaki land near Narrow Neck on the North Shore. These reserves contain some of the best examples of early European military fortifications in New Zealand and their establishment realises a long-held dream by many of the locals on the North Shore to see this land retained and managed as a publicly accessible reserve. The Fort Takapuna Historic Reserve has recently been opened to the public after a number of the more recent buildings were removed and old 1886 fortifications were restored. The Department is presently working with the local community to plan for the future use and development of the adjoining recreation reserve.

Other priority reserves work completed during the 1999/00 year included gazettal of the Otuaataua Stonefields as an Historic Reserve, acquisition and classification of Waikanae Estuary and Lake Papaitonga in Wellington, and purchase of Birchfield swamp on the West Coast and of Avoca station in Canterbury. Avoca station awaits action by Land Information New Zealand on its surrender from pastoral lease.

Delays in finalising a number of other reserve priorities resulted for a variety of reasons. Acquisition was completed of Te Toto in Waikato with Land Acquisition Fund funding but designation as a reserve has not yet been finalised. The survey of Hikurangi (East Coast/Hawke's Bay) was completed, but finalisation was not possible owing to a court injunction.

The acquisition of the Mount Possession area in Canterbury was negotiated but transfer is pending a satisfactory resolution of roading issues. On the West Coast, the transfer of the Te Ana Caves awaits Transit New Zealand plan approval. In Otago, classification of Kittmere Track is awaiting roading action by the Department, while classification of Waipouri/Waihola has been delayed by a dispute over boundaries and fencing, and is subject to arbitration.

Other activities under this output during 1999/00 included the continuation of work on the gazettal of outstanding wilderness area designations in the South Island by 2002. A draft discussion paper on the Paparoa and Adams areas was completed and this proposal is on track for public notification this year. The remaining wilderness areas are being addressed as part of the Fiordland National Park Management Plan review and the Rakiura (Stewart Island) National Park Management Plan if the latter is approved.

Discussions were also ongoing on the protection of conservation values in respect of two University of Canterbury pastoral leases, Craigieburn/Grassmere and Flock Hill.

Work was completed on a standard operating procedure on "Exchanges of Land" and this was approved in July 2000.

## **OUTPUT 2.02: IMPLEMENTATION OF LEGAL PROTECTION OF MARINE AREAS**

### **Overview**

Marine reserves and other marine protected areas assist with protecting New Zealand's marine biodiversity. As at 30 June 1999, the Department had established 15 marine reserves and one other marine protected area, extending from the Kermadec Islands to Stewart Island. This amounts to only 4% of New Zealand's territorial sea, with over 3% comprising the very large area of the Kermadec Islands Marine Reserve. The Department's Strategic Business Plan seeks to establish a network of protected natural areas that represent the full range of New Zealand's marine natural heritage.

Work under this output covers the survey, investigation and implementation of formal protection of marine reserves and other marine protected areas, using statutes administered by the Department, including the Marine Reserves Act 1971. Core work relates primarily to the establishment of marine reserves. It also covers the establishment of other marine protected areas, and all processes relating to the establishment of reserves and other protected areas. The latter include implementation of the Marine Reserves Strategy and marine classification, research and marine surveys, advice to external applicants, pre-statutory processing of proposals (including promotion development, proposal development, consultation and survey), statutory processing of applications for marine reserves (including consultation and advice to the Minister), and gazettal and opening of approved marine protected areas.

It also includes initial management-related matters for new marine reserves, such as the installation of boundary markers, information signs and pamphlets. These are required to be in place shortly after the marine reserve has been formally gazetted and by the time an official opening is held. Management of existing marine protected areas or new ones once these have been formally opened falls under output 4.08.

### **Quantity and Quality and Timeliness**

*Four studies or investigations into possible marine reserve sites will be undertaken.*

Two investigations were under way during the year, compared to four in the 1998/99 year. The Auckland West coast aerial survey undertaken by an external party was completed and consultation is under way on this proposal. An investigation into a possible marine reserve site at the Sugar Loaf Islands Marine Protected Area is under way by the Nga Motu Marine Reserve group. The Department is providing technical advice to the group.

*One Department marine reserve proposal will be progressed prior to lodging with the Director-General and one new Department marine reserve application will be lodged with the Director-General.*

The Department's proposal to establish a marine reserve at White Island was released for public comments. An analysis of the submissions received was completed, but the lodging of an application with the Director-General was delayed because only one area (Volkner Rocks) within the larger White Island proposal received good support. This application is now being revised to cover the Volkner Rocks rather than White Island, and has been renamed Te Paepae Aotea.

Progress on the Jackson Bay marine reserve proposal was slowed to ensure continuity with development of a Ngai Tahu/Department joint strategic approach planned for development in 2000/01 for all marine reserves in Ngai Tahu's rohe.

*Two new marine reserve applications are expected from external applicants.*

No applications were received. Three applications had been expected in respect of Whangarei Harbour, the Bay of Islands and Wellington South coast. The applicants for the Whangarei Harbour and Wellington South coast proposals are making steady progress on finalising these applications.

*Two new marine reserve applications are expected to be made jointly by the Department and an external party.*

No joint applications were made during the year.

#### **Additional Achievements**

A major highlight during the year was the gazettal and opening of two new marine reserves, lodged as applications in previous years. The establishment of Te Tapuwae o Rongokako Marine Reserve, on the East Coast 16km north of Gisborne, marked an important milestone as the first marine reserve to involve iwi and the Department as joint applicants. Ngati Konohi worked with the Department over a period of ten years of community consultation and negotiation to protect the 2,450 hectare marine area. The reserve contains eight marine habitat types, including inshore reef, rocky intertidal platforms and sediment flats.

Pohatu Marine Reserve is the first marine reserve to be established on the east coast of the South Island. It lies just east of the entrance to the Akaroa Harbour on Banks Peninsula. This reserve provides protection for an area representative of the Banks Peninsula marine environment. It comprises very exposed coast with much of the subtidal area dominated by kelp forest, a reef fish assemblage of cold temperate affinities and paua.

In addition to the above, a further six marine reserve applications lodged in previous years are currently with the Minister awaiting approval. In most cases, the need for further consultation, particularly with tangata whenua, and/or other Ministers or ministries is delaying their approval and gazettal. These applications relate to Paterson Inlet, Akaroa Harbour, Parininihi (North Taranaki), Kaikoura, Nuggets and Glenduan to Ataata Point (North Nelson). An application in respect of Te Matuku (Waiheke) was

received and the Department is working on the report to the Minister on this application.

The Department also provided advice on a number of other marine reserve or marine protected area proposals at various stages of development. In addition to the Whangarei Harbour, Bay of Islands and Wellington South coast proposals mentioned above, these proposals include Great Barrier Island East coast, Auckland West coast, Fiordland, and the proposed change of Tawharanui marine park to a marine reserve.

A draft marine classification to underpin the Marine Reserves Strategy and as an advocacy tool was completed during the year and released for internal comment. Implementation is planned for 2000/01.

Marine reserves and other marine protected areas have an interaction with traditional fishing rights. Effective working relationships with tangata whenua continued to be built and maintained, with tangata whenua closely involved in the development of departmental marine reserve proposals and applications. A similar approach for non-departmental initiatives for marine reserves was encouraged.

The allocation of Biodiversity Strategy Funding Package resources to the marine reserve programme from 2000/01 to 2004/05 will provide additional support to the establishment of this network of marine reserves.

## OUTPUT 2.03: TENURE REVIEW

### Overview

An area of significant work in recent years and for the future is Crown pastoral lease tenure reform in the South Island high country, aimed at promoting sustainable land use and the protection of inherent conservation values. This reform will allow the lessees to obtain the freehold title to productive land, while allowing the remaining areas to be put to more appropriate use such as conservation or public recreation. The voluntary tenure review process is estimated to result in about one million hectares being allocated to the Department for conservation purposes if all leases are reviewed. Restoration of this land to full Crown ownership is aimed at assisting with the completion of the network of protected areas that represent the full range of New Zealand's natural heritage.

This output covers participation by the Department in the review of Crown pastoral leases and occupation licences under the Crown Pastoral Land Act 1998. This Act sets out clear objectives and procedures for the tenure review process. The Department's responsibilities under this output include investigations, reporting, negotiations, consultation and implementation of the statutory process for leases and occupation licences. This output does not cover the Department's statutory responsibilities under the above Act for advising the Commissioner of Crown Lands on the issue of recreation permits and discretionary consents (see output 6.02), or ongoing management of areas administered by the Department after implementation of the tenure review process.

### Quantity and Quality and Timeliness

*Reviews of 141 Crown pastoral leases and occupational licences will be actioned.*

92 reviews were under action, 49 (or 35%) fewer than expected and 34 (or 27%) fewer than in the previous two years. The Commissioner of Crown Lands sets the number and rate of reviews to be done, and the Department provides reports and consents as appropriate.

*12 conservation resource reports will be provided to the Commissioner of Crown Lands.*

28 conservation resource reports were provided to the Commissioner, who has requested a higher workload from the Department. This was more than double the original forecast.

*13 Crown pastoral lease reviews and occupational licence applications will be approved as substantive proposals.*

No applications have reached the substantive proposal (final binding proposals) stage in the tenure review process as yet. 485 designations were advocated as preliminary proposals (draft tenure review public proposals) during the year, 150% more than forecast.

Considerable progress was made in this first full year of implementation of the Crown Pastoral Land Act 1998. Staff are currently focusing on providing assistance with preliminary proposals (draft tenure review public proposals), including advocating designations (i.e. individual proposals to create a reserve, conservation area, public access easements, management easements or conservation covenants). Substantive proposals (final binding proposals) can be expected in 2000/01 and the exit of properties from the tenure review process as a consequence.

A standard operating procedure for this process was approved and implemented during the year, which establishes quality standards, accountabilities, objectives and process for the Department's involvement in tenure review. It also includes standard documentation such as easements and covenants to achieve departmental consistency, and save time and money.

### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000         |              | 30/6/99      |
|-------------------------|-------------------|--------------|--------------|
|                         | Main<br>Estimates | Actual       | Actual       |
|                         | \$000             | \$000        | \$000        |
| Revenue                 |                   |              |              |
| – Crown .....           | 2,938             | 2,938        | 3,080        |
| – Other .....           | 72                | 2            | 20           |
| Total Revenue .....     | <u>3,010</u>      | <u>2,940</u> | <u>3,100</u> |
| Total Expenditure ..... | <u>3,010</u>      | <u>2,796</u> | <u>3,106</u> |
| Net Surplus .....       | <u>-</u>          | <u>144</u>   | <u>(6)</u>   |

### **D3 – STATUTORY PLANNING AND COASTAL RESPONSIBILITIES UNDER THE RESOURCE MANAGEMENT ACT 1991**

#### **Description**

This class of outputs covers the Department of Conservation's involvement in regional, district and coastal planning and consent processes. This work includes liaising with local communities and local government in statutory and non-statutory decision-making processes, predominantly under the Resource Management Act 1991.

It also covers statutory responsibilities in relation to the New Zealand Coastal Policy Statement, regional coastal plans and restricted coastal activities, and Crown ownership responsibilities derived from the Resource Management Act 1991 and the Foreshore and Seabed Endowment Revesting Act 1991. It also includes work derived from other legislation including the Marine Farming Act 1971, the Forests Act 1949, the Local Government Act 1974, the Fisheries Act 1996, the Transport Act 1962, and the Harbours Act 1950.

#### **Relationship to Government Outcomes**

This output class contributes to the Government's Key Goals to "Protect and Enhance the Environment" and "Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi" by:

- promoting effective lasting solutions for protection of indigenous biodiversity through statutory and non-statutory planning and consent processes, primarily under the Resource Management Act 1991
- managing the coastal environment in partnership with local government in a sustainable way
- working with and providing advice to local communities and local government in statutory and non-statutory planning and consent processes in relation to protection of historic and cultural resources as well as indigenous biosecurity.

It also contributes to the Key Goal "Grow an Inclusive, Innovative Economy for the Benefit of All" by providing appropriate environmental and conservation input into statutory planning activities to ensure sustainable growth.

### **OUTPUT 3.01: TERRESTRIAL, FRESHWATER, MARINE AND HISTORIC ADVOCACY**

#### **Overview**

The Department's interest in Resource Management Act (RMA) issues arises because:

- The Department has a general function to advocate the conservation of natural and historic resources, and Resource Management Act 1991 processes provide an opportunity for advocacy to be undertaken.
- Activities adjacent to protected areas can affect natural resources within protected areas (e.g. fires or pests can spread from adjacent land or natural character can be destroyed by inappropriate developments).
- Wildlife and freshwater fisheries habitat and significant indigenous vegetation are frequently located outside protected areas, or can be more readily protected by RMA processes.
- Many Resource Management Act processes can directly affect departmental operations (e.g. by requiring consents for various activities).

Work under this output is largely reactive to proposals generated by third parties. Activities include:

- Providing information to local government, local communities and landowners about natural and historic resources, and their management and protection.
- Input into regional policies, regional and district plans; and assessment of notified and non-notified applications for resource consents.
- Input into sustainable forest management plans and permits under the Forests Amendment Act 1993.
- Involvement in policies, plans and consents in support of historic resources outside protected areas where this is led by the Historic Places Trust but the Department's support is required.
- Assessment of annual plans under the Local Government Act 1994 for their effect on protected areas and significant natural resources.
- Input into working groups and other fora led by external agencies interested in significant natural resources, e.g. indigenous biodiversity.
- Advice to the Maritime Safety Authority and regional councils on oil spills, oil spill contingency planning and responses under the Maritime Transport Act 1994.
- Advice on implementing the National Ballast Water Strategy.
- Marine fisheries advocacy and comments when requested on Fisheries Act matters.

Priority is given to significant natural resources (e.g. indigenous biodiversity) but work is also undertaken in support of natural and historic resources generally. The focus continues to be to seek negotiated and

durable solutions to conservation issues rather than resorting to regulation or appeal processes.

### Quantity and Quality

*The Department expects to be involved in<sup>1</sup>:*

- 88 regional policy statements, regional plans and district plans
- 1,957 resource consent applications.

During the year, 131 policy statements and plans were considered, 49% more than originally forecast and 90% more than the 69 assessed in 1998/99. 79 were assessed in 1997/98.

Overall, the Department was involved in assessing, being consulted on or providing advice on a total of 2,285 resource consent applications, almost 17% more than expected. This was 54 less than the 2,339 applications similarly assessed in 1998/99, but 44% more than the 1,591 considered in 1997/98.

Plans and plan changes assessed by the Department covered a range of matters of interest including land use, indigenous vegetation management, water allocations and discharges, and marine farming.

Non-notified and notified resource consent assessments at 1,298 represented 57% of the overall total of 2,285 applications and were 23% fewer than the 1,690 originally forecast. At 424, the number of notified consent applications assessed (involving proposals with potentially greater effect on the environment than non-notified applications) was 40% down on forecast. In part this reflected the state of the domestic economy.

The remaining 987 assessments (43% of the overall total) were mainly consultation and the provision of conservation-related advice at the pre-statutory phase of the process when applicants for resource consents must consult neighbours and affected parties. This consultative input generally reduces the need for subsequent participation by the Department in the statutory processes, and was clearly underestimated at 267 when the original targets were set.

149 submissions on policy statements, plans and resource consent applications were lodged, over 40% fewer than the 250 anticipated for the year, and almost 50% fewer than the 291 submissions lodged in 1998/99. In part, this indicates the success of the consultative effort put in by the Department at the pre-statutory stages of the planning and resource consent processes.

*28 appeals or references are expected to be lodged with the Environment Court on policies, plans and consents.*

<sup>1</sup> "Involved in" means all but cursory actions associated with the policy statement, plan or consent from pre-statutory up to and including the hearing or section 94 approval stage. Depending on the stage in the process, this may involve the making of submissions and further submissions, attending pre-hearing meetings, presenting evidence at council hearings, lodging Environment Court references, attending pre-hearing negotiations over references, and presenting evidence at Environment Court hearings.

28 appeals or references were lodged in line with the forecast. Of these, ten (35%) were resolved by consent order rather than by a full hearing before the Environment Court. The number of appeals and references was a slight decrease on the 1998/99 total of 31, but an increase on the 1997/98 total of 18. However, these numbers must be viewed relative to the increases in overall numbers of policy statements, plans and resource consent applications assessed by the Department. There is currently a backlog of appeals to be heard by the Environment Court.

### **OUTPUT 3.02: COASTAL RESPONSIBILITIES UNDER THE RESOURCE MANAGEMENT ACT 1991 AND OTHER LEGISLATION**

#### **Overview**

Under the Resource Management Act, the Minister of Conservation has a number of coastal policy and management functions. The Department supports these functions by:

- monitoring the effect and implementation of the New Zealand Coastal Policy Statement
- participating in the process for the preparation of regional coastal plans and parts of other plans that cover the coastal marine area and advising the Minister of Conservation who is the approval authority
- participating in the resource consent process for restricted coastal activity applications and preparing reports to the Minister of Conservation who is the approval authority
- monitoring restricted coastal activity permits
- approving survey plans of restricted coastal activity reclamations and processing applications to vest reclaimed land
- managing the coastal tendering process, providing interpretative advice as the lead Crown agency on the Resource Management Act coastal regime, and participating in reviews of legislation that affect the coastal marine area.

The Department also participates in the resource consent process for coastal permit applications that could have significant adverse effects, and provides advice on applications to extend lease and licence terms under the Marine Farming Act 1971.

Under the Foreshore and Seabed Endowment Revesting Act 1991, the Minister of Conservation has responsibility for administering Crown-owned foreshore and seabed. This can involve the Department in some management functions, for example, weed control and removing nuisances such as dead stock and abandoned vehicles.

### Quantity and Quality and Timeliness

*The Department expects to be involved in<sup>2</sup>:*

- *nine proposed regional coastal plans (including the coastal component of unitary authority combined plans)*
- *32 restricted coastal activity applications under section 117 and condition variations under section 119A.*

The Department was involved in 14 proposed regional coastal plans, five more than the above forecast but in line with the revised forecast of 14 included in the Purchase Agreement. This was the same number as in 1998/99, compared with 12 in 1997/98.

The Department also considered 59 restricted coastal activity applications and condition variations, 27 (84%) more than expected. Figures are not available for previous years.

*Advice is expected to be provided to the Minister on the approval of nine proposed regional coastal plans.*

Advice was provided on only one plan, the Wellington Regional Coastal Plan, approved by the Minister in May 2000. This result was eight less than the above forecast but this target was revised down to four plans in the Purchase Agreement. In the event, councils submitted no other proposed plans for approval. Advice was provided in 1998/99 on one proposed regional coastal plan and in 1997/98 on two plans.

*22 restricted coastal activity application recommendations and/or reports are expected to be received, with 100% processed and forwarded to the Minister within the statutory deadline.*

17 restricted coastal activity recommendations and reports were received, five (or 23%) fewer than anticipated. All were processed and forwarded to the Minister within the statutory deadlines. Activity was less than expected as a number of council recommendations were appealed. It was also less than in 1998/99 when 25 recommendations or reports were received, but similar to that in 1997/98 when 16 were received and processed.

#### **Additional Achievements**

In addition to the higher number of restricted coastal activity applications and condition variations assessed, 974 non-RCA coastal permit applications were considered, almost three times more than the 330 expected. Many of the coastal permit applications were for aquaculture and followed the removal of the moratorium in the Marlborough Sounds, with a total of 615 applications assessed by the Nelson/Marlborough Conservancy. Increased aquaculture activity also occurred in Banks Peninsula. A large amount of time was also put into the Environment Court hearing on the aquaculture provisions of the proposed Tasman plan.

<sup>2</sup> See the definition under output 3.01 above.

A guideline on valuing reclaimed land was completed and advice provided to conservancies on dealing with applications to vest reclaimed land in areas where there are customary claims to foreshore and seabed. Further work on standard operating procedures relating to vesting of reclaimed land will proceed following the release of the Māori Land Court decision on the Marlborough Sounds customary claim.

**OUTPUT CLASS OPERATING STATEMENT**

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 3,123                      | 3,123           | 3,201           |
| – Other .....           | 99                         | 35              | 7               |
| Total Revenue .....     | 3,222                      | 3,158           | 3,208           |
| Total Expenditure ..... | 3,222                      | 3,173           | 3,296           |
| Net Surplus .....       | -                          | (15)            | (88)            |

**D4 – MANAGEMENT SERVICES: CONSERVATION ESTATE****Description**

This class of outputs covers the management of land administered by the Department, and in particular activities associated with:

- Maintenance of an effective fire management capacity and extinguishing fires when they arise.
- Eradication or control of possums, goats, and other animal pests, and all statutory obligations associated with animal pest management.
- Eradication, containment and management of invasive weeds that are, or are capable of, significantly affecting important natural areas, threatened species, or ecological processes.
- Conservation of historic heritage on lands managed by the Department.
- Inventory of natural values, and the monitoring of trends in the condition of natural areas administered by the Department.

It also covers the management of marine reserves and other marine protected areas after their formal establishment in accordance with the Marine Reserves Act 1971 and other marine protected area statutes specific to a given location.

**Relationship to Government Outcomes**

This output class contributes to the Government's Key Goals to "Protect and Enhance the Environment" and "Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi" by:

- preventing and controlling fires, and eradicating and controlling animal and plant pests to restore degraded protected areas
- effectively managing marine protected areas, including monitoring condition and trends, and promoting compliance and intervening where necessary
- conserving historic heritage, and developing partnership and devolution arrangements relating to the conservation of historic heritage.

**OUTPUT 4.01: FIRE CONTROL****Overview**

The land administered by the Department covers a vast range of vegetation types that are subjected to extreme weather conditions and includes areas that are under threat from fire at all times of the year.

Under the Forest and Rural Fires Act 1977, the Department is the largest rural fire authority and has a statutory responsibility to control fires on lands it administers and any contiguous lands within a prescribed fire safety margin. These responsibilities include the prevention, detection, control, restriction, suppression and extinction of fires as soon as possible.

This output therefore covers activities directly associated with the maintenance of an effective fire management capacity and extinguishing fires when they arise. In addition to actual fire fighting and maintaining fire equipment in a state of readiness, responsibilities include:

- Fire pre-suppression zone planning, fire mapping, fire safety margin assessment, fire debriefs.
- Development and technology, research, publicity and advocacy, development of standard operating procedures, training of departmental and volunteer personnel, investigation and monitoring of compliance.
- Maintenance of fire breaks and water supplies, fire communications, weather forecasts, monitoring Fire Weather Index System and declaration of fire seasons, and issuing fire permits with the appropriate conditions.
- Active encouragement of the formation of volunteer fire forces in remote areas where this will enhance the Department's fire management capability and supporting existing volunteer fire forces with grants, training and equipment maintenance.
- Representation on and input into local Regional Rural Fire Committees.
- Support to co-operative local fire prevention programmes, and joint agreements with other fire authorities and the New Zealand Fire Service.

Costs are recovered as specified in such joint agreements and also from individuals when responsibility for starting a fire can be proved.

### **Quantity, Quality and Timeliness**

*In order to suppress fires on or threatening land administered by the Department, the Department will maintain a fire management capability that complies with the Forest and Rural Fires Act 1977, the National Rural Fire Authority's Code of Practice, and the Department's Fire Control Operations, Instructions and Guidelines Manual. Compliance will be measured by regular audits.*

Audits to confirm compliance with the Rural Fire Management Code of Practice were completed in all conservancies during the year. These were carried out either by auditors from the National Rural Fire Authority or by the Department.

The fire season was quiet over most of the country due to regular rain and fewer windy days than normal. 120 fires were experienced during the year, almost half the 222 fires in 1998/99 and 205 fires in 1997/98.

All conservancy annual fire plans were approved and distributed by 1 October 1999.

The National Rural Fire Authority has yet to complete the Wildfire Threat Analysis system and this has delayed the development of prioritised Fire Suppression Zones. However, by the end of the year, all conservancies but one had commenced work to assess "State areas" (as defined in section 2 of the Forest and Rural Fires Act 1977) to consider whether fire safety margins are to be retained or removed.

Seasonal irregular physical checks were made of high-risk areas for non-compliance with permits and/or lighting of fires without authority and warnings given.

*Fire equipment will be maintained to standards required in the Rural Fire Management Code of Practice.*

All fire equipment was maintained to the standards required by the Code of Practice.

*The Department will have available for fire fighting duties 250 fire support staff, 900 fire-fighters and 100 crew bosses, all trained to Rural Fire Management Code of Practice standards.*

|                                     | At<br>30/6/98 | At<br>30/6/99 | At<br>30/6/2000 |
|-------------------------------------|---------------|---------------|-----------------|
| <b>Trained staff and volunteers</b> |               |               |                 |
| Fire support staff .....            | 281           | 373           | <b>304</b>      |
| Fire-fighters .....                 | 1,093         | 1,115         | <b>981</b>      |
| Crew bosses .....                   | 441           | 409           | <b>368</b>      |
| Officers in Charge of Fire .....    | 124           | 162           | <b>151</b>      |

Overall, there has been a slight reduction in capacity over the last three years, but a reduction of over 12% between 30 June 1999 and 30 June 2000. The Department is finding it difficult to retain and recruit members of Volunteer Rural Fire Forces (VRFF), as a result of employers not allowing their staff to attend fires during normal working hours. These volunteers are essential for the Department to meet fire suppression commitments, particularly in Canterbury.

Fire training to the Fire and Rescue Services Industrial Training Organisation (FRSITO) competencies to allow the Department to comply with the Rural Fire Management Code of Practice is on target.

## **OUTPUTS 4.02, 4.03, AND 4.04: POSSUMS, GOATS, AND OTHER ANIMAL PEST CONTROL**

### **Overview**

Many of our native species cannot compete with introduced pests for food or habitat. Sustained control of animal pests is essential for the maintenance of New Zealand's biodiversity. This cluster of outputs encompasses activities associated with the control or eradication of animal pests and the prevention of populations establishing in new areas.

Also covered are all statutory administrative obligations associated with animal pest management.

Work under these outputs includes:

- Eradication and control activity in respect of possums, goats, deer, thar, chamois, pigs, rabbits, horses, hares, wallabies, pest fish and wasps on the North and South Islands, Waiheke, Great Barrier, D'Urville, Stewart and main Chatham Islands. (Control programmes within the management units known as "mainland islands" and programmes on New Zealand's offshore islands fall under output class 5.)
- Eradication and control activity in respect of rodents, cats and mustelids on the New Zealand mainland but not animal pest control where the predominant purpose is part of specific species recovery programmes (output class 5).
- Planning, co-ordination, administration and liaison relating to animal pest control operations.
- Research and review, monitoring (result and outcome) and reporting.
- Fencing (both animal exclusion and boundary fencing).
- Public relations, training, and development of standard operating procedures.
- Statutory functions under the Wild Animal Control Act 1977, including the regulation, permitting and inspection of deer farms and the management of recreational hunting.
- Processing and approval under the Conservation Act 1987 of applications for the transfer of live aquatic life and noxious fish, in liaison with the Ministry of Fisheries and the NZ Fish and Game Council which have interfacing statutory responsibilities.

The Department's Strategic Business Plan sets the direction for the Department's activities in animal pest management work, in particular to "Conserve and restore the ecosystems in protected natural areas on land, through integrated management actions". This goal is supported by the objective to "Prevent, manage and control threats to maintain or improve the health of all natural areas that are important for natural heritage conservation". Outcome targets relevant to some specific species (for example, "Prevent the full establishment and spread of new feral populations of deer") support this goal and objective.

A key element of animal pest control is monitoring to determine not only the effectiveness of control, but also the longer-term ecosystem response (outcome) to lowered animal pest densities. Outcome monitoring measures the conservation results achieved from the control programme and is used to co-ordinate ongoing control and integrated management of pests to achieve the strategic objectives. Monitoring the effectiveness

of control operations is conducted where standard scientifically robust techniques such as *Residual Trap Catch* for possums are available. The Department is putting greater effort into the development and use of outcome monitoring techniques e.g. *Foliar Browse Index* for forest vegetation, however ecosystem response to lowered pest densities may take more than a single annual cycle to measure and trends may take several years to emerge.

### Quantity, Quality and Timeliness

#### **Variance Explanations**

*For the 1999/00 year, the Department made improvements to pest and weed control performance measures to better reflect achievement in these areas. Previous measures focused only on the year in question (e.g. the area being treated in that year) and did not fairly represent the long-term achievement of ongoing programmes. For example, if a site was part of a cyclical control programme but not actually being worked on in a particular year it was not included. For the first year, measures covering the areas under sustained management and the total area benefiting from pest control were introduced in 1999/00 to reflect this bigger picture. The calculation of both the total area being treated and these other areas is complex as a result of the many different physical situations that exist when carrying out such operations. The methodology for calculating the area treated has been refined over recent years thereby distorting direct comparisons between areas treated in different years; these same complexities apply to the two new measures. As a result, a number of discrepancies in the forecasts originally made for the 1999/00 Departmental Forecast Report and the later forecasts in the Purchase Agreement arose due to these changes in methodology and the lack of previous data to provide a base for the new area measurements. These discrepancies are reflected in the comparison of actual results with these original forecasts in the above table and the comments below. During the year, many of these discrepancies and misinterpretations were identified and resolved, and revised forecasts were used internally within the Department for the purposes of measuring actual achievement rather than the DFR and Purchase Agreement forecasts.*

### Possums

| Possums  | Target – 1999/00                        |                            | Achieved       |                 |                 |
|--|---|----------------------------|----------------|-----------------|-----------------|
|  | Depart-<br>mental<br>Forecast<br>Report | Purchase<br>Agree-<br>ment | 1999/00        | 1998/99         | 1997/98         |
| No. of projects .....                                      | 97                                      | 97                         | <b>92</b>      | 130             | 215             |
| Area Treated (hectares) ....                               | 256,600                                 | 277,328                    | <b>227,937</b> | 293,334         | 411,318         |
| Area under Sustained<br>Management (ha) <sup>3</sup> ..... | 804,800                                 | 653,917                    | <b>668,887</b> | Not<br>measured | Not<br>measured |
| Total Benefit Area (ha) <sup>4</sup> .....                 | 886,000                                 | 603,280                    | <b>799,089</b> | Not<br>measured | Not<br>measured |

92 work plans were completed, five fewer than forecast. One operation in Doubtful Sound covering 1,000 hectares was cancelled, as success of the operation was considered unlikely. One work plan in East Coast/Hawke's Bay was deferred until next year, together with one operation in Waikato due to delays in gaining external consents and bad weather.

The total area treated during the year was 11% less than the original DFR target and 18% less than the revised Purchase Agreement target. These decreases resulted from discrepancies in the inputs into the targets and changes in operations. In addition to the above cancellations and deferrals, areas in Nelson and Southland were adjusted to tie in better with Animal Health Board operations. One operation in Southland was scaled down to fund an urgent investigation into stoat invasion of Stewart Island. Pre-operational monitoring results for two sites in Northland and Canterbury indicated less area required to be treated than originally forecast. A range of minor operational changes were also made to several operations to meet changed circumstances.

The total area under sustained management over the longer term was almost 17% lower than the original forecast, but 2% higher than the revised target. This resulted primarily from discrepancies in original area calculations.

Similarly, the total area deriving direct benefit to conservation values was 10% lower than the original target but 32% higher than the revised target. Again more work was undertaken to increase understanding of these measures and improve accuracy.

3 "Area under Sustained Management" means the total area within which control of the animal pest will be carried out and sustained over time.

4 "Total Benefit Area" means the total area deriving a conservation benefit from sustained control. If the animal pest would spread if not controlled, this includes the area that would be invaded within 10 years in the absence of control. In the case of control when the species would not otherwise spread, it is the area where conservation benefits can be measured as a result of the control.

Despite the problems with accuracy of forecasts, possum control operations generally went according to plan. Good progress on possum control was made at a number of sites classed as high priorities, e.g.:

- In Whanganui National Park, Matemateaonga stage 4 work was completed in November 1999 and recent vegetation monitoring notes significant improvement in canopy condition in this area.
- Recent monitoring of areas at Waitotara where control activities were undertaken in 1998 and 1999 indicates significant improvement in canopy condition.
- Areas were treated on Banks Peninsula and North Canterbury reserves in the first four months of the year and two further operations on Banks Peninsula were completed towards the end of the year.
- Control work at Moehau was completed on time and within budget.

Of the nine possum control research projects planned for the year, two were completed by their due dates, completion of two was delayed and a further one was extended by three months. The remaining four projects are not due for completion this year but are on track for completion by their target dates.

### Goats

| Goats                                       | Target – 1999/00             |                    | Achieved         |              |              |
|---|------------------------------|--------------------|------------------|--------------|--------------|
|   | Departmental Forecast Report | Purchase Agreement | 1999/00          | 1998/99      | 1997/98      |
| No. of projects .....                       | 71                           | 71                 | <b>69</b>        | 116          | 128          |
| Area Treated (hectares) ....                | 1,228,800                    | 1,072,019          | <b>1,119,742</b> | 1,185,670    | 1,012,181    |
| Area under Sustained Management (ha)* ..... | 1,602,000                    | 1,310,152          | <b>1,574,200</b> | Not measured | Not measured |
| Total Benefit Area (ha)* .....              | 2,951,600                    | 1,947,929          | <b>1,939,269</b> | Not measured | Not measured |

69 work plans were completed, two fewer than forecast. The hectares treated were 9% less than the original forecast but 4% more than the revised forecast, but discrepancies were noted in the latter forecast.

The hectares under sustained management at the end of June 2000 were very close to the original target but 20% more than the revised target as a result of discrepancies in the area calculations used for the latter.

The area deriving direct benefit was 34% lower than the original forecast but very close to the revised forecast.

Sustained effort continued on goat control at priority sites. Work was carried out as a high priority in the southern Ureweras where the programme was completed to plan, at Mount Aspiring National Park, and at Isolated Hill where control is on track with kill rates approaching the target levels. Control was on track on Great Barrier Island

\* See Possum footnotes

where border patrols continued to protect zero density areas and progress was also made with eradication planning. Some parts of the country experienced difficulty finding suitable hunters. There is also now a considerable overlap between possum control and goat control sites as the Department moves to more integrated approach to pest control.

The one research project relating to goat control planned for the year was completed early, allowing development of a further goat control study to commence.

### Thar

| Thar  | Target – 1999/00             |                    | Achieved |              |              |
|---|------------------------------|--------------------|----------|--------------|--------------|
|   | Departmental Forecast Report | Purchase Agreement | 1999/00  | 1998/99      | 1997/98      |
| No. of projects .....                       | 8                            | 8                  | 7        | 16           | 10           |
| Area Treated (hectares) ....                | 106,900                      | 62,825             | 339,225  | 206,800      | 198,350      |
| Area under Sustained Management (ha)* ..... | 314,800                      | 697,600            | 614,600  | Not measured | Not measured |
| Total Benefit Area (ha)* .....              | 697,600                      | 827,200            | 746,200  | Not measured | Not measured |

Seven work plans to control Himalayan thar were completed, one fewer than targeted. However, the hectares treated by the end of June represented an increase of 217% over the original target and over five times the revised forecast. Major discrepancies arose in the calculation of the latter. In the last few months of the year, considerable extra thar control was carried out in Otago and Canterbury in response to new survey information, thereby also exceeding the revised full year forecast of 271,725 hectares estimated in February 2000.

The area under sustained management at the end of the year was almost double the original forecast but 12% down on the revised Purchase Agreement forecasts, again due to discrepancies in original area calculations. The area deriving direct benefit was 5% up on the original forecast, but almost 10% less than the revised target. As most thar control is carried out from the air (helicopter), fluctuations in areas flown can arise according to local conditions and survey information.

\* See Possum footnotes

**Deer**

| Deer  | Target – 1999/00             |                    | Achieved |              |              |
|---|------------------------------|--------------------|----------|--------------|--------------|
|   | Departmental Forecast Report | Purchase Agreement | 1999/00  | 1998/99      | 1997/98      |
| No. of projects .....                       | 9                            | 9                  | 7        | 7            | 9            |
| Area Treated (hectares) ....                | 161,400                      | 205,500            | 161,678  | 134,800      | 84,100       |
| Area under Sustained Management (ha)* ..... | 162,700                      | 206,800            | 148,643  | Not measured | Not measured |
| Total Benefit Area(ha)* .....               | 666,200                      | 235,800            | 538,800  | Not measured | Not measured |

Seven deer work plans were completed, two fewer than forecast. The total of 161,678 hectares treated during the year was in line with the original forecast but 21% less than the revised forecast. Most of the variance came from the Northland deer programme. As deer numbers have been reduced to single figures, it was very difficult at the beginning of the year to define precisely what area wild deer occupied as their range was extensive. A conservative approach was taken which included the total hectares of some forests. This figure was refined and reduced early in the year as a consequence of better information on the whereabouts and range of these animals.

This also affected the area under sustained management and the area deriving direct benefit. The actual area under sustained management of 148,643 hectares was 8.6% and 28% less than the original and revised forecasts respectively; and the actual area deriving direct benefit of 538,800 hectares was 19% and 128% less than the forecasts for this area.

Very good results were achieved with the deer eradication programme in Northland. Implementation of the Taranaki feral deer management plan is under way. Removal of deer from forests in North Taranaki has apparently been effective, with work now being undertaken in the eastern and southern areas. Two deer control programmes in East Coast/Hawke's Bay were also completed to plan. The D'Urville Island (illegal fallow deer release) programme has been reassessed and is to be discontinued. A review is also being undertaken of the effectiveness of the Farewell Spit programme. Deer control in the Murchison Mountains in Southland continues to make excellent progress, which is improving the quality of takahe habitat.

**Other Animal Pests**

| Other Animal Pests    | Target – 1999/00             |                    | Achieved |         |         |
|-----------------------|------------------------------|--------------------|----------|---------|---------|
|                       | Departmental Forecast Report | Purchase Agreement | 1999/00  | 1998/99 | 1997/98 |
| No. of projects ..... | 17                           | 17                 | 25       | 31      | 33      |

\* See Possum footnotes

Eight more work plans relating to other animal pests were completed than originally forecast.

The priority project to control wallabies in Okataina Scenic Reserve in the Bay of Plenty was carried out successfully with a 96% reduction in the number of wallabies. Implementation of the Kaimanawa Wild Horses Management Plan was also on track with 96 horses mustered during the year.

As planned, 26 research projects were progressed covering pests such as wasps, deer, wallabies, rodents, cats and hedgehogs. Eight were completed by the due date. The remaining five planned for completion in 1999/00 were close to completion at 30 June 2000. A formal extension was granted for one further project and the remaining 12 are not yet due for completion but are on track.

*As a complementary method of control it is expected that approximately 65 kilometres of new fencing will be erected and 345 kilometres of existing fencing repaired.*

87 kilometres of new fencing and 170 kilometres of repairs were completed. New fencing exceeded the above target by 34% but repairs were less than half the kilometres targeted. However, both new fencing and repairs exceeded the totals for the previous two years when 69 and 56 kilometres of new fencing and 91 and 122 kilometres of repairs were completed

The target for this work has been to focus on fencing areas of high conservation value and in support of established animal pest work. However, these priorities are often over-ridden by legal and landowner issues. In many cases, fencing resources needed to be shifted between new fencing and maintenance of existing fencing to meet local needs such as damage to high priority fencing, delays in landowners meeting commitments, or unexpected progress on land purchase agreements.

*All work will be undertaken in accordance with the relevant national control plan for the species of pest, and the objectives and performance measures specified in the operational work plans.*

The National Possum Control Plan (1993-2002), National Feral Goat Control Plan (1996-2004) and National Thar Control Plan define the national priorities and the systems used to determine control operations for these pests so that sustained control is carried out on sites of highest natural value under the greatest threat.

In respect of possum control, 83 (90%) of the 92 work plans met the objectives set out under the National Possum Control Plan and the work plan. 68 (98%) of the 69 goat control work plans met the objectives of the national plan and the specific work plan. All of the thar work plans and deer work plans completed met the relevant objectives. Only 16 (64%) of the 25 work plans relating to other animal pests met their objectives. These are under review.

*Work not able to be finalised in 1998/99 because of climatic problems will be completed.*

Most possum control work carried over from the previous year was completed except for a couple of operations where contractor failure has led to re-tendering. Delays were also experienced in finding suitable contractors for work in the Marlborough Sounds blocks. All outstanding Other pest control work was completed. No goat control work was carried over from 1998/99.

*The Department will complete the scoping work and initial set-up of an integrated stoat control programme by 30 June 2000.*

An extra \$6.6 million over five years was given to the Department to fund an integrated stoat control research programme. Stoats are widely regarded as the most significant predator of a number of New Zealand's most threatened and endangered native bird species.

Ten new research projects were funded in the first year to enable the scoping and initial set-up of projects prior to the first year of full project operation, which commenced in July 2000. Six of these projects (including three major reviews) have been completed and the other four are on target for completion. These projects, several of which were literature reviews, have provided valuable information to assist the Stoat Technical Advisory Group in determining the direction of the programme and in their assessment of future research proposals. Two projects also took advantage of the stoat plague in beech forests by trialling two new methods of controlling stoats on a large scale.

The major contracts for future years' work are in the process of being finalised. Regular reports on progress with the whole programme are being provided to stakeholders.

#### **Additional Achievements**

The quality conservation management systems for animal pests (including standard operating procedures) targeted for development during 1999/00 related primarily to possums. Some delays occurred initially because of lack of staff, but a module on "The Safe Handling of Pesticides" module was completed and staff trained. Progress was made on the "Accepting new toxins for use by the Department" module and the review of the "Obtaining Consents" and "Assessment of Environmental Effects" modules was progressed and will be completed in the 2000/01 year. The "Commercial Possum Hunters" module was deferred.

A draft standard operating procedure for holding thar in captivity and for removal of thar being farmed outside their feral range was completed by December 1999 as targeted. However, the Noxious Animals in Captivity Regulations on which it is based are outdated and the procedure will not be further developed until these regulations have been updated. Thar farmed outside their feral range in the North Island were dealt with.

The standard operating procedure for dealing with applications to hold or transfer grass carp and silver carp was reviewed by the target date of December 1999. All applications for the transfer or release of grass and silver carp that met all statutory requirements and were completed by the applicant to the required standard, were processed in accordance with the standard operating procedure and signed off for

the Minister's consideration within three months of receipt. Where applications for the transfer and/or release of live aquatic life were approved by the Minister of Conservation, the sites were inspected and approved prior to the release of any aquatic life, and ongoing site inspections were maintained to ensure compliance with security measures. Negotiations are continuing in respect of one application where unresolved issues arose in respect of the ministerial conditions of approval.

Irregular checks of hunters were made for non-compliance with permits and legislation as opportunities arose in conjunction with other work. Liaison was maintained with the New Zealand Police and the Civil Aviation Authority of New Zealand on detected or reported illegal aerial recovery operations. The New Zealand Police took a small number of prosecutions.

## OUTPUT 4.05: INVASIVE WEED CONTROL

### Overview

There are at least 19,000 species of introduced vascular plant species in New Zealand, of which about 2,066 have so far become naturalised. To date, about 240 of these naturalised plants have been recognised as posing a serious threat to indigenous species and ecosystems, and this number is continually increasing as more information is gathered and new species naturalise. The impacts of these species threaten the long-term viability of native lowland forest, sand-dune communities, shrublands, tussock lands and wetlands. The Department estimates that of the high priority areas requiring ecological weed control only half are currently receiving any control; and that a third of those sites that are, have levels of control insufficient to properly manage weed pests.

This output covers activities associated with the eradication, containment and management of invasive weeds that are, or are capable of, significantly affecting important natural areas, threatened species, or ecological processes.

The Department's weed programme is based on the objectives, strategic approaches and decision-making systems in the Department's National Ecological Weed Control Plan published in late 1998. The weed programme has three main components:

1. **Weed-led control projects:** On average, eight new plant species become established in the wild every year. Two of these will be serious ecological weeds. The objective of weed-led projects is to minimise future risks by managing those new species that have the potential to be significant new environmental weeds, or established weeds that still have a very limited distribution.
2. **Site-led control projects:** These manage critical weed threats in specific land, wetland and freshwater sites that are important to New Zealand's natural heritage. The Department currently treats weeds on 2.1% of land it administers. This weed work prevents weeds

spreading further and gives benefit to 10.5% of the land administered by the Department that has values threatened by weed invasion.

3. **Surveillance:** Surveillance will detect new weed infestations early enough to allow them to be quickly managed in a weed-led or site-led project as appropriate. The Department has in place a National Surveillance Plan and standard operating procedures to carry out this work.

Work under this output therefore includes:

- Weed-led programmes to eradicate or contain a weed species in a large defined geographical area.
- Site-led programmes to protect land administered by the Department (mainland and islands) and to protect natural values on other land.
- Weed inventory and threat assessment, and weed surveillance programmes carried out in accordance with the Department's Weed Surveillance Plan.
- Research on weeds in accordance with the Department's Environmental Weeds Research Plan 1997-2006, weed data management and database.
- Regional Pest Management Strategy beneficiary issues and Unalienated Crown Land contract issues, where they are part of weed-led or site-led projects.
- Public awareness activities relating to weeds and weed "border" control (e.g. preventing importation of ecologically damaging species, new plant pests, etc).

### Quantity, Quality and Timeliness

*133 weed control work plans will be progressed.*

170 weed control work plans were under way during the year, 37 (28%) more than the above target, and 105 work plans were completed. Although a much higher target of 446 work plans was included in the Purchase Agreement, many work plans were subsequently amalgamated and combined into 'weed programmes' as part of changes to the business plan process. This resulted in a revised forecast of 105 programmes for the year – the number actually completed.

*The area targeted by this work is as follows:*

|   | Target – 1999/00             |                    | Achieved       |
|---|------------------------------|--------------------|----------------|
|   | Departmental Forecast Report | Purchase Agreement | 1999/00        |
| Area treated (hectares) .....                           | 134,060                      | 140,600            | <b>162,841</b> |
| Area under Sustained Management (ha) <sup>5</sup> ..... | 216,300                      | 286,320            | <b>306,356</b> |
| Total Benefit Area (ha) <sup>6</sup> .....              | 1,074,150                    | 1,432,380          | <b>813,900</b> |

Good progress was made. The area treated during the year exceeded both the original DFR target and the revised Purchase Agreement target by 21% and 16% respectively. The area under sustained management also exceeded the targets by 42% and 7%.

The total area deriving direct benefit was 24% and 43% lower than the targets. Some areas included in these targets were later assessed as having low value in conservation terms and were therefore excluded from the end of year actual figure.

*All work will be undertaken in accordance with the Department's Strategy Plan for Managing Invasive Weeds, and the objectives and performance measures specified in the weed control work plans.*

100 (95%) of the 105 work plans completed met the objectives specified in the strategic plan and the specific work plans. Ongoing work was reported as complying with these requirements.

As a priority for the year, a weed control programme to contain *Celastrus* in Taupo was undertaken successfully, but additional funds are required if eradication is to be accomplished. A follow-up operation to eradicate spartina in Tauranga Harbour was completed with the infestation area now down to three hectares only, which is a good result.

Some delays with willow control in the Waipapa/Pikariki Ecological Area resulted from early leaf-fall, but good progress was made with control of contorta.

Site-led weed control work planned for the year on Poor Knights Island was completed. The spartina strategy moved ahead in concert with Northland Regional Council following Regional Councillors' approval for the joint programme.

As a result of community funding, site-led work on Little Barrier Island and on Tiri exceeded original targets. On Little Barrier, 200 hectares were treated compared to the original target of 70 hectares. On Tiri, 75 hectares were treated, well above the original planned area of 35 hectares. Planned site-led weed control on Raoul Island, Rangitoto/Motutapu and Browns Island was completed.

5 "Area under Sustained Management" means, in respect of weed control, the total area within which site-led programmes will be carried out and sustained over time.

6 "Total Benefit Area" means the total area deriving a conservation benefit from sustained control. If the weed would spread if not controlled, this includes the area that would be invaded within 10 years in the absence of control. In the case of control when the species would not otherwise spread, it is the area where conservation benefits can be measured as a result of the control.

Work on Waihapo willow planned for the year as part of the Okarito Lagoon ongoing site-led weed control programme was completed.

Control operations planned for the year at Kirkliston were completed to work plan specifications, together with a planned control operation as part of the ongoing programme in the Ben Ohau Ranges. Objectives for 1999/00 for the ongoing site-led weed control programme in the Eyre and Blue Mountains were met.

#### **Additional Achievements**

The final National Weed Surveillance Plan was signed-off in September 1999, well before the December 1999 deadline. All appropriate staff were trained in weed surveillance by the end of 1999 and are now implementing this work, allowing weed issues to be dealt with before they become large and intractable problems.

Introduction of the Department's national weeds database was completed, with testing and minor modifications being made prior to full release which is now scheduled for September 2000.

Work was on track for completion and implementation of a quality conservation management system for weeds by June 2001. Standard operating procedures (including protocol and guidelines) for both result monitoring and outcome monitoring of weed control were completed in January 2000 and staff trained.

## **OUTPUT 4.06: HISTORIC HERITAGE**

### **Overview**

A colourful diversity of historic heritage is situated on the land administered by the Department, which covers one-third of New Zealand's land area.

Dating from the pre-Treaty millennium is heritage of special significance to Māori, such as pa sites habitation and garden sites, at-risk rock art, and wahi tapu, including sacred urupa. As an indication of scale, there are over 10,000 Māori archaeological sites recorded on land managed by the Department. They are of special heritage significance because the Department is able to provide a much greater level of protection than can be assured on privately-owned land.

Heritage sites from the post-Treaty era represent a diverse range of activities, many with a distinctive colonial flavour (e.g. mining for gold and coal, sawmilling, whaling, the New Zealand wars, and coastal defences). A wide range of heritage buildings and structures are included in this portfolio, ranging from humble musterers' huts and Chinese miners' rock shelters, to the opulent Governor Grey's Mansion and Turnbull House, and the expansive Government Buildings. Also included are historic huts, historic bridges, heavy industrial machinery such as gold mine stamper batteries, steam plant, and huge coastal defence guns, gold mine tunnels, water races, tramways and tailings, and ruins of kilns, ghost towns, and industrial sites.

This output covers the conservation of the above historic heritage on lands managed by the Department. It includes:

- Understanding historic values, e.g. history of large land areas, thematic studies, and archaeological and historic research.
- Protection measures, including archaeological resource statements, protection plans, area surveys, staff awareness training, and inputs into conservation management strategies and conservation management plans.
- Historic places investigations, including iwi consultation, active management appraisals; assessment of significance, archaeological excavations, measured drawings, and historic places history.
- Conservation planning (both remedial work and maintenance), including conservation plans and costed work specifications, and actual remedial work and regular maintenance, both planned and unplanned.
- Visitor facilities advice (e.g. directional signs, advice on access tracks, car parks, toilets) and interpretation advice, e.g. site panels, brochures, visitor programmes, indoor displays, and audiovisuals.

The Department's 1995 National Historic Resources Strategy provides overall guidance on historic resource management and is supported by 13 conservancy strategies with an operational focus. These strategies identified over 500 actively-managed historic places requiring maintenance and conservation. Up to half of these important places require some remedial work to return them to a sustainable management standard. Only half are currently maintained, while the rest continue to deteriorate.

In accordance with the Department's Strategic Business Plan, Māori cultural perspectives are taken into account in the management of this heritage to ensure intrinsic values are maintained. Significant progress has been achieved in increasing the involvement of Māori in management, including full management devolution in some cases.

### **Quantity, Quality and Timeliness**

*Remedial work specifications will be completed for 24 high priority actively-managed historic places.*

Remedial work specifications were completed for 38 places, 14 more than the above target but four less than the revised target of 42 in the Purchase Agreement.

*Remedial work will be completed to specifications at five actively-managed historic places.*

Remedial work was completed at 22 historic places, 17 more than the original target, but 14 fewer than the revised Purchase Agreement target of 36 sites.

These historic places included the North Head Historic Reserve (1884), Piako (Waiorongomai) Tramway in the Kaimai Ranges,(1883), Aniwhaniwa taonga on the East Coast, Mahinapua Bridge Historic Reserve (1906), and St Bathans Post Office (1909).

Work planned for 1999/00 at three other priority sites was deferred, i.e. at:

- Manganuku Bridge (1927) East Coast, on the recommendation of technical advice which suggested a more cost effective approach
- Waiuta gold mine (1905) as a result of the withdrawal of funding
- Invincible mine (1876) where the tenders exceeded the budget.

*Maintenance will be completed to specifications at 193 actively managed historic places.*

This work was behind schedule and maintenance to specifications was completed at 117 places – 76 (or 39%) fewer than the original target and 61 (or 34%) fewer than the revised target of 178 in the Purchase Agreement. However, work on completion of maintenance specifications far exceeded that targeted, with specifications completed for 92 historic places, 52 (130%) more than the target of 40 sites in the Purchase Agreement.

#### **Additional Achievements**

In addition to the above, three conservancy archaeological resource statements were near completion at the end of the year. The archaeological resource statement for Wanganui/Taranaki is in the process of being published following review by iwi. The statement for Otago is in the final stages of review by iwi. A decision on whether to publish the statement for Tongariro/Taupo is awaited.

Work on phase 1 of the development of a Historic Heritage Asset Management System (HAMS) was ahead of target, with considerable improvements made to the system initially proposed as a result of field trials. This system was established to identify places that have historic values, classify those values, and prioritise the assets for conservation management. It also identifies the standard to which the asset should be managed, and the work that needs to be done to achieve that standard. About 70% of data entry was complete by 30 June 2000. However, work was behind schedule on the establishment and implementation of conservancy baseline maintenance programmes as part of the above system with less than 50% completed.

As phase one of a project to develop national plans for the identification of key historic places managed by the Department to integrate with the Visitor Asset Management Programme, identification of all historic huts and historic bridges was completed.

The asset management approach was instituted at seven of the 12 historic places targeted for 1999/00 – i.e. Mansion House and North Head in Auckland; Government Buildings and Turnbull House in Wellington, and Fort Jervis and Godley Head Fortress in Canterbury. This approach was also introduced at Motutapu Outdoor Education Centre (Auckland) prior to transfer of its management to the Motutapu Outdoor Education Centre Trust. Introduction of this approach was deferred in respect of Napier Courthouse, Donovans Store (West Coast), Alexandra Courthouse (Otago), Kawarau Suspension Bridge (Otago) and Puysegur Point Lighthouse Store (Southland).

Good progress was made with the identification by conservancies of projects that will improve the quality of management of historic places of value to Māori with 21 specific projects identified.

Routine compliance and law enforcement monitoring of historic sites was undertaken, and action taken on reports of damage or trespass. A successful prosecution was taken against a company that damaged Uruti Pa near Russell, Northland. The resultant \$15,000 fine sent a clear message to the public that archaeological sites are to be protected.

## OUTPUT 4.08: MARINE PROTECTED AREAS

### Overview

This output covers management of marine reserves and other marine protected areas after their formal establishment under output 2.02. As at 30 June 1999, the Department administered 15 marine reserves and one marine protected area ranging from the Kermadec Islands to Stewart Island. Marine reserves need to be adequately managed to ensure that the reasons for their establishment (protection of marine life in its natural habitat and enjoyment and education of the public) are followed through after gazettal of the marine reserve. In accordance with the Marine Reserves Act 1971, research relevant to the scientific study of marine life is encouraged within reserves.

Work under this output includes provision/replacement of boundary markers and buoys where required, moorings, pamphlets and signs; compliance and law enforcement as it relates to marine protection; monitoring biota; research; processing scientific research permits; and setting up, advice to, and servicing of, marine reserve advisory committees, as appropriate.

It excludes any work on adjoining land reserves, statutory planning work related to the marine reserve, any surveys undertaken in support of marine protected area applications and marine mammal sanctuaries.

### Quantity, Quality and Timeliness

*Monitoring programmes will be approved and implemented for nine key marine protected areas.*

Biological monitoring programmes were implemented at the Sugar Loaf Islands Marine Protected Area and at 12 marine reserves – Poor Knights Islands, Whanganui a Hei, Cape Rodney-Okakari Point, Long Bay-Okura, Tuhua, Te Angiangi, Te Tapuwae o Rongokako, Kapiti, Long Island, Tonga Island, and Fiordland (two marine reserves). This was four more than originally targeted.

Biological monitoring is carried out to assess trend and condition in marine reserves. Comment on trends and recommendations on appropriate actions can usually be made after 4–5 years of monitoring of specific marine populations e.g. the recovery of crayfish or fish in a marine reserve over time after the impacts of harvesting during the pre-marine reserve state. Most monitoring programmes have not been running for this length of time yet, as the new initiative funding enabled key programmes to start only in 1998.

*Final compliance and law enforcement (CLE) plans will be completed for all existing marine reserves, with final plans for new marine reserves completed within one year of the gazettal of that reserve.*

Five compliance and law enforcement final plans were completed during the year. Plans for the two new marine reserves (Pohatu and Te Tapuwae o Rongokako) established during the year are currently in preparation. The plan for the Poor Knights Islands was near completion by year-end.

These are internal action plans for each marine reserve to enable staff to respond appropriately to compliance and law enforcement situations. The plans contain important information such as who to contact under certain situations, who is authorised to carry out enforcement of the reserve, including non-departmental honorary enforcement officers, and appropriate enforcement actions. Plans are updated annually to ensure the information and contact details are current.

*All CLE plans will be reviewed annually.*

All existing plans are being reviewed. Three reviews were completed and the plans updated.

*Six scientific permit applications are expected to be received.*

Seven applications were received and processed, one more than expected and the total of six processed in 1998/99.

*All scientific permit applications will be processed within 60 working days of receipt.*

All of the above applications were processed within the timeframe.

#### **Additional Achievements**

Boundary markers and signage were installed to the appropriate standards in marine reserves where required. Best practice on signs and boundary markers was identified and is being applied.

Compliance and law enforcement training was provided as required for the new Pohatu and Te Tapuwae O Rongokako marine reserves, and to all staff involved in enforcement at existing marine reserves. Regular compliance law enforcement was undertaken in reserves subject to high visitor use and/or where illegal activities are a problem, and during periods of high visitor use. Action was taken on reports and complaints of breaches such as unlawful take, damage or pollution of marine reserves.

The Marine Survey and Monitoring Advisory Group held three meetings during the year, completed draft protocols, standards and procedures for monitoring and

reporting on the condition and trends in marine reserves and provided peer review on proposed monitoring programmes for seven marine reserves/marine protected areas. Advisory committees for the two new marine reserves were established.

Research was carried out on marine reserve design. Two programmes (movement of fish and rock lobsters in relation to marine reserve size and boundaries) were completed and the reports received. Field work on a programme on the community structure and function of rocky reefs was completed and the report is expected in 2000/01.

### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 41,492                     | 41,492          | 42,991          |
| – Other .....           | 5,057                      | 3,640           | 2,750           |
| Total Revenue .....     | 46,549                     | 45,132          | 45,741          |
| Total Expenditure ..... | 46,549                     | 44,895          | 47,408          |
| Net Surplus .....       | -                          | 237             | (1,667)         |

## **D5 – MANAGEMENT SERVICES: PROTECTED SPECIES AND ISLAND HABITATS**

### **Description**

This class of outputs covers all species conservation programmes including: distribution and habitat surveys, species recovery programmes, captive breeding programmes, transfers and introduction of species, control of predators and competitors, manipulation of habitats, habitat enhancement programmes, population monitoring, and associated permitting and all related research. This output class includes the evaluation and protection of marine mammals, including rescue operations and associated permitting. It also includes all work associated with undertaking and enforcing obligations under the Convention on International Trade in Endangered Species (CITES) and the Trade in Endangered Species (TIES) Act 1989.

### **Relationship to Government Outcomes**

This output class contributes to the Government's Key Goal to "Protect and Enhance the Environment" by:

- maintaining and enhancing population numbers and distribution of threatened indigenous species and subspecies where recovery action will be effective
- establishing offshore and "mainland" islands where invasive threats are minimised
- protecting marine mammals and their habitats, including the protection of migratory cetacean species
- reducing trade in endangered species through the undertaking and enforcement of international and statutory obligations.

Under this output class, the Department also contributes to the Key Goal to "Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi" by:

- consulting with and working in partnership with iwi and other interested parties on the recovery of threatened indigenous species and on the restoration of mainland island sites and offshore islands
- working with tangata whenua to protect marine mammals and their habitats, and to allocate dead marine mammal specimens and distribute whale bone in accordance with agreed protocols and procedures.

**OUTPUT 5.01: SPECIES CONSERVATION PROGRAMME****Overview**

The maintenance of indigenous genetic diversity is an important focus of conservation work. Recovery of most threatened species requires a long-term effort and management of species in-situ is preferred, but for many threatened species intensive management and captive breeding are essential.

This output covers all activities associated with species conservation programmes including:

- Distribution and habitat surveys.
- Monitoring.
- Species recovery programmes and recovery planning.
- Captive management including cultivation, transfers and introductions of species.
- Threat management and management of habitats related to specific species programmes.
- Bird de-oiling and injured birds etc.
- Permitting and associated law enforcement.
- All related research and data management.

It does not include marine mammal conservation programmes (output 5.04), or permitting and other work relating to the Convention on the International Trade in Endangered Species of Wild Fauna and Flora (output 5.05).

The Department's Strategic Business Plan 1998-2002 sets out the overall direction for the Department's activities in indigenous species conservation. Relevant goals and objectives seek to:

- Conserve and restore the ecosystems in protected natural areas on land through integrated management actions.
- Prevent, manage and control threats to maintain or improve the health of all natural areas that are important for natural heritage conservation.
- Enhance population numbers and distributional ranges of species and subspecies threatened with extinction, where recovery action will be effective.
- Protect and restore high value freshwater ecosystems.
- Restore degraded protected natural areas and establish offshore island and "mainland" islands where invasive threats have been minimised.

The Molloy and Davis 1994 ranking system lays the framework for prioritising work on New Zealand's threatened species. This 1994 review of priority records:

- 98 Category A species – highest priority for conservation action
- 217 Category B species – second priority for conservation action
- 91 Category C species – third priority for conservation action.

The Department carries out active recovery work in respect of high priority threatened species of indigenous flora and fauna, with priority given to Category A and B species.

The species recovery plans published by the Department provide more detailed guidance on what the priority conservation actions are for each particular threatened species. These priority conservation actions are updated and reviewed at recovery group meetings. All species recovery plans are subject to peer review when they are first written and each time the plan is revised.

Other documents such as the draft 'Conservation Requirements of New Zealand's Nationally Threatened Vascular Plants' also provide more detailed guidance on priority conservation actions for threatened species particularly for species that do not have recovery plans. Less than 10% of threatened species currently have a recovery plan.

### Quantity, Quality and Timeliness

*The Department will carry out active recovery work in respect of:*

| Category of threatened species of indigenous flora and fauna | Target – 1999/00             |                    | Achieved 1999/00 |
|--|------------------------------|--------------------|------------------|
|  | Departmental Forecast Report | Purchase Agreement |                  |
| Category A .....   | 77                           | 78                 | <b>58</b>        |
| Category B .....   | 129                          | 130                | <b>88</b>        |
| Category C .....   | 34                           | 34                 | <b>24</b>        |

Approximately 71% of the recovery work planned for 1999/00 for threatened species was completed, i.e.:

- 75% of the top priority Category A programmes
- 68% of the next priority Category B programmes
- 71% of the third priority Category C programmes.

The remaining 29% of the recovery work planned for 1999/00 (23 Category A, 48 Category B and 13 Category C programmes) included components that were behind schedule as a result of one or more of the following

- Unsuitable weather, including monitoring sites being flooded.

- Staff vacancies, absences and diversion onto other high priority work.
- Delays in other associated programmes.
- Hold-ups in receiving materials.
- Difficulties in arranging consultation with all affected iwi.
- Access being denied by landowners.
- The need to find other toxins for predator control.

In July 1999, the Bank of New Zealand renewed its long-term sponsorship of the Kiwi Recovery Programme for a further three years, thereby ensuring that research, "Operation Nest Egg" and advocacy will continue. Kiwi recovery will get a further boost with the allocation of Biodiversity Strategy Package funding from 2000/01 to 2004/05.

The threat status of brown teal was reviewed with the species changing from a Category C species (third priority species for conservation action) to a Category B species (second priority species for conservation action). Some resources were diverted from blue duck and Fiordland crested penguin activity into brown teal work in Fiordland. It appeared earlier in the year that this work had come too late because birds were not found at previously known sites. However, six brown teal have since been captured in Fiordland. DNA testing is underway to determine the genetic make up of the birds prior to further management decisions being made such as the possibility of establishing a captive management programme with eventual release into a safe site.

Fifteen blue duck were released in Egmont National Park – four wild birds in December 1999 and 11 captive-raised birds in January 2000. This was the only release of this species during the year. As at 30 June 2000, one wild bird and five captive-raised birds had survived. Losses were due to predators and captive-raised birds lacking foraging skills required in the wild. While survival was lower than desired, lessons learnt will allow improvements for future releases.

Habitat enhancement work for striped skink (a threatened lizard species) was undertaken at one site in Eastern Taranaki to test the effectiveness of using an artificial cover technique.

Takahe in the Murchison Mountains (the only mainland population of takahe) are doing well. Adult numbers increased by 7.2% over the 12 month period, with the number of pairs increasing by 4% as the result of a mild winter combined with successful management practices.

New populations of *Olearia hectori* (a threatened plant) were discovered in Southland, providing greater scope for solving regeneration problems with this species.

Census of the threatened spider *Pianoa isolata* (a species only found in Southland) revealed that the population appears not to be under threat from mouse predation.

*Six new species recovery plans will be published.*

This was amended in the Purchase Agreement to 11 new species recovery plans and one action plan. As at 30 June 2000, two recovery plans (the *Hebes cupressoides* and the *Lepidium* plans) and the New Zealand seabird action plan were either in the last phase of completion

or were in the process of being published. The other nine recovery plans are in various stages of development and some delays have occurred as a result of one or more factors (see below).

However, as a carry-over of 1998/99 work, five other species recovery plans (weka, *Pittosporum patulum*, *Muehlenbeckia astonii*, *Cyclodina skinks* and the revised 20-year North Island Kokako recovery plan) and one action plan (Conservation requirements of NZ's threatened vascular plants) were published.

Progression of the *Tecomanthe speciosa* recovery plan was delayed by the need to address iwi representation on the recovery group. A Ngati Kuri representative was co-opted onto the group in June 2000 and this plan can now proceed. This also affected work on the *Pennantia baylisiana* recovery plan. The two plans are being progressed together as the same iwi is involved in their recovery.

Consultation was completed on the draft divaricating tree daisies plan but completion of the plan was delayed by staff being diverted to more urgent priority work.

The mistletoes recovery group held its first meeting in October 1999 to discuss and agree on amendments to the draft plan. As at 30 June 2000, the plan was being amended after the final round of consultation and is now expected to be published by the end of 2000.

A draft regional plan for all A, B, C, I and O plant species in the Chatham Islands Ecological District was prepared and released for consultation. Other work commitments have resulted in the timetable for completion of the plan being extended until early in 2000/01.

Similarly, budget constraints and other work commitments have led to the timeframe for completion of the regional plan for all A, B and C bird species in the Chatham Islands Ecological District being extended into the middle of the 2000/01 year. The consultation period was also extended because of the size of the document.

The dwarf inanga recovery plan was also drafted and is currently out for consultation, as is the draft Hutton's shearwater recovery plan.

Consultation on the draft snipe species recovery plan was completed and comments were received, but the June 2000 target for publishing was not met.

*Three existing approved recovery plans will be reviewed and new plans published.*

This target was revised to five existing plans in the Purchase Agreement. As at 30 June 2000, one plan was in the last phase of completion and the other four in various stages of development.

A report on progress on recovery of *Kowhai ngutukaka* (kakabeak) species was completed and this will be used to initiate preparation of the new plan. A recovery group is to be appointed in July 2000 and a draft revised plan completed by June 2001.

The first draft of the revised Otago and grand skink recovery plan was released for comment, but completion has been delayed as key staff were required to implement the Emerald Stream land protection arrangement as a more urgent priority.

The revised tuatara recovery plan is awaiting approval. The revised yellow-eyed penguins recovery plan is still undergoing revision. The revised mohua (yellowhead) plan has been drafted and, following peer review, is expected to be published by the end of 2000.

#### **Additional Achievements**

In addition to the above, draft *Powelliphanta* species recovery plans were completed for the 50 taxa that remain without a draft plan. Consultation with snail experts and relevant conservancies will be undertaken during 2000/01.

11 research investigations on threatened plants were progressed. Investigations on an endangered swamp orchid, and on the genus *Pennantia* were completed and the final reports are being prepared for publication. Completion of an investigation on re-establishing viable populations of threatened plants was delayed as the final report has not yet been received, but the remaining investigations are proceeding as planned.

Eight ongoing research investigations on threatened invertebrates progressed to plan. Investigations on threatened Taranaki moth *Notoreas* species and ground weta were completed and the final reports are being prepared for publication.

12 other research investigations were completed involving work on kokako, brown teal, shore plover, parakeets, albatross, Chatham Islands petrel, mudfish and inanga. A total of 33 other ongoing research investigations on threatened birds, fish, amphibians, reptiles and bats progressed to plan.

Development of a database for threatened Invertebrate species was completed and construction of a database for threatened plant species commenced and is on schedule.

A draft ranking system for threatened indigenous species was developed and pilot tested.

Implementation of dog legislation, including the identification of open and closed dog areas in consultation with interested parties, is underway to varying extents in most conservancies although progress is slow.

Routine and irregular compliance and law enforcement monitoring and surveillance of ecological areas and areas inhabited by protected species was undertaken and enforcement action taken where offences are discovered.

## **OUTPUT 5.02: MAINLAND ISLAND SITES**

### **Overview**

The development and application of techniques for eradicating mammalian pests from New Zealand's offshore islands, and the effective control of a range of pests at mainland sites, coupled with experience successfully translocating threatened plants and animals for species recovery purposes, has led to the emergence of a new conservation management approach – "mainland islands".

The goals and objectives in the Department's Strategic Business Plan 1998-2002 referred to under output 5.01 above in respect of species

recovery also set the overall direction for the Department's activities in the management of mainland island sites.

The Department has selected six sites in the North and South Islands where ecosystem restoration goals are being pursued using an experimental adaptive management approach. These sites are discrete, intensively-managed natural areas that are used as test sites to refine species protection and integrate ecosystem conservation work such as pest eradication, and translocation of threatened plants and animals for species recovery purposes. It is anticipated that by using this approach, important lessons will be learned and improvements made that will allow restoration programmes to be initiated at further important mainland sites in the future.

This output covers the restoration and maintenance of these six approved mainland island sites, i.e.:

- Trounson Kauri Park (Northland)
- Northern Te Urewera Ecosystem Restoration (East Coast/Hawke's Bay)
- Boundary Stream Reserve (East Coast/Hawke's Bay)
- Paengaroa Mainland Island (Wanganui)
- Rotoiti Nature Recovery (Nelson/Marlborough).
- Hurunui Beech Forest Habitat (Canterbury)

In addition, this output also covers development of techniques associated with their management.

For the immediate future, this experimental mainland island approach will be confined to these six sites. No new mainland sites will be investigated or approved until selection criteria currently being developed have been approved and programmed for subsequent financial years.

### **Quantity, Quality and Timeliness**

*Strategic plans and operational plans will be completed and in operation at five of the six mainland island sites.*

Strategic plans, which the long-term goals and objectives for ecosystem restoration, are in place and operational at all mainland island sites except Hurunui. A review of the Trounson strategic plan was completed and amendments made to the plan. Reviews of the strategic plans for the Rotoiti, Boundary Stream and Te Urewera mainland island sites are also under way.

Operational plans, which then translate the strategic plan goals and objectives into tasks to be completed in any given year, have also been completed and are being implemented at all mainland island sites except Paengaroa.

A review of mainland islands, including defining "mainland islands" and recommendations on the future of the programme was published in May 2000. A major recommendation of the review was identification of the need for an Ecological Restoration Policy as context for future development of the mainland island programme. This will provide some of the criteria for selecting further mainland islands. Further criteria are contained in the completed review itself, in the developing programme "Measuring Conservation Achievement" and in the "environmental domains depiction" work being completed by the Department. This project, commissioned by the Ministry for the Environment, involves classifying the environment according to its physical characteristics (mean annual temperature, rainfall, humidity, land form, and native animals and vegetation). These are referred to as environmental domains.

*All mainland island sites will work to an annual work plan.*

Work plan targets at all sites are being met or monitored and actions put in place to control any variance observed.

#### **Additional Achievements**

Good progress on pest control was made at the six mainland islands, with an improving ecosystem noticeable at most of the sites.

At Trounson, the targets of 2% or less for rat and possum control were achieved and predator control resulted in zero predation of kiwi.

At Northern Te Urewera, the possum control target of <5% residual trap catch was met with an actual catch of 2.9% achieved. *Peraxilla tetrapetala* continues to recover in response to possum control. A rat plague meant that the rat target of <5% tracking over 3 month period was not achieved. As a result of predator control, a statistically significant increase in survival of juvenile kiwi was recorded and kokako nesting success continues to result in increased numbers in core areas and in adjoining areas. The number of pairs increased from 29 in 1996 to 92 in 1999/00 in central Waimana.

Boundary Stream achieved their possum control target of <3% residual trap catch and their rat control target of <5% from April to August 1999 and the <1% targets for both species from September 1999 to March 2000. The mustelids control target of <5 % tracking was also achieved. Using operation nest egg methods (10-12 eggs per year), four kiwi were released and monitored this season and all birds are healthy. Ten birds continue to be monitored in the Kaweka Range. For robins, the target of >20% fledglings per breeding pair was met with a 55% breeding rate achieved. The target of <25% browse for mistletoe was also achieved.

At Paengaroa, the possum trap catch reduced to a level of 1 in 300 trap nights. Success with the North Island Robin nesting programme continued with two chicks fledged. The Department acquired new land containing *Olearia gardneri*.

Rotoiti maintained a possum trap catch of <2% and the target rat tracking rate of <5% was achieved throughout summer season. Stoats were also maintained at the target control level. A robin nesting success rate of 96% was achieved and the kaka breeding was the most successful to date with 11 chicks fledged and only one lost to predation.

At Hurunui, possum monitoring data shows an increase in population due to a significant beech seeding (mast) event. Mistletoes in treatment areas continued to improve in condition while plants in non-treatment areas are deteriorating. Mohua productivity was maintained at 2.5 fledglings per nest.

### **OUTPUT 5.03: ISLAND MANAGEMENT AND RESTORATION**

#### Overview

Island habitats can potentially provide an environment suitable for the conservation of many endangered species and ecosystems. This potential can be realised through activities such as the removal of introduced animal and plant pests, habitat restoration, management of island habitats and reintroduction of species.

The Department manages about 250 islands of which 42% are classed as nature reserves because of their outstanding flora and fauna. This output covers activities associated with the management and restoration of all of these islands except for the North, South, Waiheke, D'Urville, Stewart, main Chatham and Great Barrier Islands. Work under this output includes:

- All animal pest eradication and control, including pest quarantine and contingency plans.
- All revegetation and ecosystem restoration.
- Expedition-based or integrated ecological system management.
- Monitoring and surveys, research undertaken specifically for the purpose of the output, and development and maintenance of databases and information systems.
- Permits for entry onto islands and associated enforcement.

It does not cover fire suppression (output 4.01); invasive weed control undertaken under output 4.05; major species recovery or monitoring programmes or habitat manipulation undertaken as part of a specific species recovery programmes under output 5.01; or recreational or interpretative facilities (output classes 7 and 8).

The overall direction set in the Department's Strategic Business Plan 1998-2002 specified above in respect of species recovery and mainland islands also applies to the Department's activities in island restoration work. In line with this plan, emphasis is placed on involving tangata whenua through early consultation on pest eradication and ecosystem restoration programmes on islands and providing opportunities for their involvement in programmes as these arise.

#### **Quantity, Quality and Timeliness**

*41 island management and restoration programmes will be progressed.*

This target was increased to 48 programmes in the Purchase Agreement. As at 30 June 2000, 47 island management and restoration programmes had been progressed as planned, six more than the original target and one less than the revised target. Some island programmes were not completed as a result of more urgent priority tasks and issues associated with the use of brodifacoum (a toxin) for rodent control.

*Rat eradication operations on Little Barrier Island will be completed by July 2000.*

This target was amended in the Purchase Agreement to the completion by July 2000 of all necessary consents to allow the aerial bait drop to be completed by September 2000. The Purchase Agreement also recognised that achievement of this timescale was dependent upon the resolution of issues with Ngati Wai and their concurrence, which is needed to obtain a resource consent for the operation. This concurrence needed to be obtained no later than April 2000 if the September 2000 deadline was to be met.

During the year, work plans and consent documentation were completed except for section 6 of the assessment of environmental effects, which is dependent upon the Ngati Wai concurrence. The issues with Ngati Wai have not yet been resolved and public consultation is unable to commence until agreement is reached. As this was not forthcoming by April 2000, the September 2000 deadline could not be met and has been amended to September 2001 but remains dependent upon iwi concurrence being obtained no later than April 2001.

*Planning for the eradication of rats and cats on Raoul Island (including rat eradication on Macauley Island) will be completed by July 2000.*

This target was also amended in the Purchase Agreement. The revised target provided for planning and consultation to commence with a view to all necessary consents being gained by June 2002 and the aerial bait drop being completed by September 2002. The Purchase Agreement recognised that achievement of this timescale was dependent upon the Tuhua (Mayor) Island eradication programme proceeding to the timescale for and outcomes of that programme, including the availability of suitable cat eradication techniques and the testing of these techniques. It was also recognised that the availability and testing of these techniques might affect planning for Raoul and Macauley Islands.

The timescale for Tuhua (Mayor) Island provided for planning for the eradication of animal pests including cats to be progressed, with all necessary consents gained by 30 June 2000 with a view to the aerial bait drop being completed by September 2000. In the event, some minor delays were encountered in obtaining the necessary consents and further work is still required on operational planning. However, the September 2000 deadline for the Tuhua aerial bait drop is still expected to be achieved.

Research work on cat eradication techniques and planning for pest eradication on Raoul Island proceeded as planned during the year.

*Species conservation and island management and restoration programmes will be carried out in accordance with species recovery plans and island restoration strategies, and to meet the specific work plan objectives.*

All programmes were reported as progressing in accordance with the specific work plan objectives for the programmes and the relevant:

- Conservation management strategies, under Part IIIA of the Conservation Act 1987, which establish general policies and objectives for the integrated management of natural (including land and species) and historic resources managed by the Department and for recreation, tourism and other conservation purposes within a regional area.
- Island restoration strategies, which apply to individual islands or groups and provide more detailed guidance than the above strategies.
- Translocation guidelines, which specify the matters that need to be considered before native animals are transferred either into or from the wild or from one wild location to another, including who must approve the transfer proposal.

#### **Additional Achievements**

In addition to the above, work progressed well with the preparation and implementation of five island pest quarantine/contingency plans to minimise the risk of invasion by disease, plant and animal risks. A rodent contingency plan for Northland offshore islands was completed in November 1999 and implemented from 1 December 1999. The Mokoia Island plan has been drafted and is awaiting comments from the Mokoia Trust Board. A quarantine guide has been included in the Karewa Island operational plan currently being prepared. Tuhua Island is covered by the Bay of Plenty Conservancy rodent contingency plan and additional provisions have been included in the operational plan for the Tuhua rat and cat eradication. The Chatham Islands plan has been completed and is operational.

Planning for the eradication of rats from Campbell Island is progressing following excellent results from a "proof of concept" bait acceptance trial in August/September 1999 based on the results of the 1998/99 field work. A draft operational plan was completed by March 2000 and the process for obtaining consents has been defined with the objective of gaining all necessary consents by 30 June 2001 and the aerial bait drop being completed by October 2001. The consent application has been prepared and is awaiting assessment. Contract negotiations for helicopters and boats are under way.

To date, pest eradication monitoring on both Whenua Hou (Codfish) and the back-up site, Putahunu, as part of the immediate follow-up on those eradication operations shows no sign of rodents; excellent short-tailed bat survival (eradication of rats had no negative effects on bats), and excellent survival of fernbirds.

Putahunu, Whangakeno (East Island) and Raratoka (Centre Island) have all been declared rat-free, two years after rat eradication operations took place on these islands. On Putahunu, increases in saddlebacks, invertebrates, and lizards have been observed. Robins were introduced to the island in April 1999 after the 1997 rat eradication operation. A visit in October 1999 confirmed that robin breeding had taken place and was taking place again. The introduction has been a real success.

The possum and wallaby eradication on Rangitoto/Motutapu Islands is now complete. Excellent progress was reported with the Te Kakahu (Chalky Island) stoat eradication programme, with no sign of any stoats left at this stage of the operation.

Consultation with tangata whenua on pest eradication on islands and restoration of island ecosystems continued as standard practice. This included:

- Continuing consultation with Ngati Wai over Little Barrier kiore eradication and their involvement in the island volunteer programme.
- Consultation with Ngati Hei and the joint development of a plan to eradicate rats from the Ohinau group of islands owned by Ngati Hei.
- Completion of a co-management agreement with Te Whanau o Tawhao for Tuhua Island.
- The preparation of an agreement for the management of Mokoia Island.

## OUTPUT 5.04: MARINE MAMMALS

### Overview

This output covers work associated with the protection, conservation and management of marine mammals (whales, dolphins and seals) in New Zealand waters. The majority of the work relates to the Department's statutory responsibilities under the Marine Mammals Protection Act 1978 and the related Marine Mammals Protection Regulations 1992. These responsibilities include:

- Management of stranded or injured marine mammals (including contingency planning).
- Management and monitoring of captive marine mammals and marine mammal sanctuaries.
- Issuing permits for tourist operations such as whale watching, marine farms (including salmon farms), and the monitoring of such operations.
- Issuing permits for scientific research involving marine mammals, and import/export permits (in addition to Convention on the International Trade in Endangered Species of Wild Fauna and Flora permits issued under output 5.05).
- Monitoring of marine mammal populations, and support for such work by bona fide research institutions.
- Collection of scientific data and samples from stranded marine mammals, and the allocation of dead specimens including whalebone distribution.
- Investigation of alleged breaches of the Act and the Regulations.

### Quantity, Quality and Timeliness

*Approximately 180 cetacean, seal or other marine mammal operations, involving 300–600 animals, are expected to be undertaken.*

The number of operations forecast was amended to 330 in the Purchase Agreement. During the year, a total of 478 operations and call-outs were undertaken, 165% above the original forecast and 45% above this revised forecast. These operations involved 653 animals, also above the range forecast, and included one mass stranding of whales at the Chatham Islands. The La Nina weather patterns appear to have contributed to a large number of call-outs to sick and starving seals.

In previous years, operations relating to whales and dolphins only were reported. It is therefore not possible to directly compare the 1999/00 numbers which include seals with those in 1998/99 when 135 operations involving 531 animals were reported or 1997/98 when there were 97 operations involving 268 animals.

*60% of animals involved in live mass strandings are expected to be rehabilitated.*

Eight (23%) of the 35 live stranded whales and dolphins rescued were refloated. This was lower than the forecast as these were strandings involving individual or small numbers of animals and refloating success is significantly higher at mass events than single strandings. There was little that could be done for the whales in the mass stranding at the remote Chatham Islands.

*All rescue operations will be undertaken in accordance with the standards set in the Department's stranding contingency plans.*

75% of operations were reported as complying with these standards. The new standards to be included in stranding contingency plans were distributed in August/September 1999 and many operations were therefore undertaken to existing local standards. There is now a high level of awareness of the new standards and the need to comply with these. These contingency plans and the related standards establish the best ways to manage rescue operations and similar incidents. This work attracts a great deal of media and public attention, and this can often be highly emotional and contentious.

*50 scientific research, import or export, bone allocation or marine mammal tourism permits are expected to be issued.*

A total of 57 permits were issued, seven more than expected and 20 more than the 37 reported in 1998/99. 54 permits were issued in 1997/98.

*All permit applications will be processed in accordance with the statutory processes in the Marine Mammals Protection Act 1978 or Marine Mammals Protection Regulations 1992 as appropriate.*

49 (86%) of the 57 permits were reported as having been processed in accordance with statutory requirements as set out in the new standard operating procedure for processing the majority of permits promulgated in August 1999, which has had a good reception. Several permit applications in Southland were processed under a slightly different

system, but were still processed in accordance with the Marine Mammal Protection Regulations.

*A final stranding contingency plan for each conservancy will be completed and introduced by 30 June 2000 to the Department's national standards.*

This was amended in the Purchase Agreement to require area offices rather than conservancies to complete these plans. At 30 June 2000, only 13 area office stranding contingency plans had been completed, out of a total of 37 area offices responsible for coastline areas. This work will continue as a priority in 2000/01.

*Tangata whenua protocols and procedures will be contained in all stranding contingency plans.*

These protocols and procedures were included in the new national stranding contingency plan standards and are being incorporated into the contingency stranding plans.

#### **Additional Achievements**

A priority for the year was the scoping of a draft national marine mammal action plan that will identify priority species, their population status, trends and natural ranges and causal factors for population decline and limiting recovery. The plan will also include a research and monitoring strategy for marine mammals to reflect national priorities and to allow annual updates, and will prioritise methods and actions, including public awareness and education. Excellent progress was made with work progressing beyond the scoping phase to the completion of draft sections of the plan.

The Department's relationships with tangata whenua, the Museum of New Zealand, and Massey University continued to be strengthened, with protocols and processes developed in respect of managing marine mammals, recovery of samples and data from stranded marine mammals, allocation of bone, and management of notable strandings and distressed marine mammals. All recoveries of samples and data from stranded marine mammals during the year were in accordance with these protocols.

Where possible, seasonal compliance and law enforcement inspections were undertaken at key sites, especially where there are marine mammal tour operators, or seal colonies accessible to the public. Ongoing monitoring and surveillance of areas frequented by marine mammals was also undertaken to detect illegal killing or unnecessary disturbance of these animals, with reports and other action taken where necessary.

As a result of resource constraints, it was not possible to provide protection for the seasonal nursery/breeding congregation of southern right whales in the subantarctic islands this year.

## **OUTPUT 5.05: CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES (CITES)**

### **Overview**

The Convention on the International Trade in Endangered Species of Wild Fauna and Flora (CITES) applies to the import, export and re-export of living or dead specimens of animal and plant species and their parts and derivatives that are listed in the three appendices to the Convention. The objectives of CITES are given legal effect within New Zealand under the Trade in Endangered Species (TIES) Act 1989, and the species of animals and plants that are regulated in trade are listed in the Schedules of the Act.

This output covers all work carried out by the Department associated with undertaking and enforcing obligations under the above Convention and TIES Act. It includes policy development (except where this is included under output 1.01), the issue of permits under the TIES Act and associated law enforcement; and CITES border control.

### **Quantity, Quality and Timeliness**

*25,000 specimens or items are expected to be surrendered or seized at the border.*

23,321 specimens or items were surrendered or seized, 7% less than expected and almost 5,000 (or 17%) fewer than the 28,104 specimens or items recorded in 1998/99. This total was also 3% down on the 1997/98 total of 24,156.

*A target response time of two weeks to collect specimens or items and process the associated documents will be met on 95% of occasions.*

78% of the specimens/items collected were processed within the deadline. This was less than the above target and also shows a further decline on the 85% and 91% reported in the previous two years.

*600 trade applications for CITES permits or certificates and 1,000 other related trade applications are expected to be received.*

381 CITES applications and 1,276 other applications were received. CITES applications were down on forecast by 36.5% while other applications exceeded expectations by 28%. Previous years' figures are not available.

*Trade-related CITES applications will be processed within 20 working days and non-commercial applications will be processed within 10 working days.*

All of the above applications were processed within the applicable timescale, with the exception of one of the 1,276 other applications. Previous years' figures are not available.

*Illegal commercial activities will be investigated through the activities of an interdepartmental Ministry of Agriculture and Forestry (MAF), Department of Conservation (DOC) and Customs taskforce.*

While administration of the TIES Act is the responsibility of the Department of Conservation, actual monitoring and enforcement of the Act's trade documentation provisions is carried out at the New Zealand border (international maritime ports and airports) by the border protection services of the Ministry of Agriculture and Forestry and the New Zealand Customs Service. Enforcement of the TIES Act to combat illegal trade continued to be co-ordinated through this interdepartmental Wildlife Enforcement Group comprising representatives from the Department and these two other government agencies.

### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 29,658                     | 29,658          | 31,109          |
| – Other .....           | 1,741                      | 1,275           | 1,669           |
| Total Revenue .....     | <u>31,399</u>              | <u>30,933</u>   | <u>32,778</u>   |
| Total Expenditure ..... | <u>31,399</u>              | <u>30,224</u>   | <u>32,012</u>   |
| Net Surplus .....       | <u>-</u>                   | <u>709</u>      | <u>766</u>      |

## **D6 – MANAGEMENT OF STATUTORY ACTIONS, LEASES, LICENCES AND OTHER CONCESSIONS**

### **Description**

This class of outputs covers the following:

- Management of approved concessions for commercial and other activities on land that is administered by the Department, including the processing of applications for concessions, monitoring and enforcement. Such activities include recreation and tourism, grazing, mining and telecommunications facilities.
- The processing of leases, licences, and easements where administering bodies hold an appointment to control and manage reserves.
- The Department's responsibilities under the Crown Pastoral Land Act 1998 for advising on the protection of inherent conservation values in relation to pastoral leases and licences in the South Island high country.
- Statutory management, classification and disposal of interests in land, including certain consents to land transactions under Acts not administered by the Department.
- The Department's responsibilities in relation to the implementation of Treaty of Waitangi settlements such as the Ngai Tahu Claims Settlement Act 1998.

### **Relationship to Government Outcomes**

This output class contributes to the Government's Key Goals to "Protect and Enhance the Environment" and "Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi" by:

- managing the commercial and other use of conservation land in a manner that enables enterprise, tourism and recreational activities while protecting natural, historic and recreational resources and cultural values
- implementing the conservation-related aspects of Treaty of Waitangi settlements.

Through the latter activities, the Department also contributes to the Government's Key Goal to "Close the Gaps for Māori and Pacific People".

Under this output class, the Department also contributes to the Key Goal "Grow an Inclusive, Innovative Economy for the Benefit of All" by managing the commercial and other use of conservation land in a consistent and business-like manner that is cost-effective, maximises revenue and enables enterprise, tourism and recreational activities while protecting conservation values.

**OUTPUT 6.01: CONCESSION MANAGEMENT****Overview**

The Conservation Act 1987 and other legislation make provision for the granting of concessions and other consents for commercial and other activities on land that is administered by the Department, subject to a range of conditions. These include:

- Concessions for recreation/tourism activities, telecommunications sites, grazing, beehives, sphagnum moss and site occupations (baches, maimais, houses, lodges, telecommunications and transmission sites).
- Easements over land administered by the Department and leases, licences and easements issued by reserve administering bodies for non-vested reserves.
- Crown Minerals Act 1991 access arrangements, including petroleum drilling; permits for research and collection; and cultural resources authorisations under the Conservation Act 1987, the National Parks Act 1980, the Reserves Act 1977, the Marine Mammals Protection Act 1978 and the Wildlife Act 1953.

This output covers the management, monitoring and enforcement of these concessions and other consents including the processing of applications.

The growth in international tourism has resulted in incremental increases in the number of applications for recreation and tourism concessions. However, It has also increased concern among conservation and recreation groups about the effects of tourism on natural values and on the traditional recreation experiences of New Zealanders. Monitoring the effects of concessions is becoming increasingly important.

In line with the Department's Strategic Business Plan, the Department's concessions management seeks to provide:

- a consistent approach to all concessions
- management and contracts that provide protection of the natural, historic and recreational values of the land involved
- maximum revenue to the Crown and the Department
- minimum administrative cost to the private sector and the Department
- most efficient handling of concessions business.

When considering concession applications the Department consults and works closely with iwi in line with the Department's responsibilities under section 4 of the Conservation Act, conservation boards and other groups such as local and regional councils, recreation and conservation groups.

**Quantity, Quality and Timeliness**

*The Department expects to manage 850 recreation or tourism concessions and 2,700 other concessions or consents during the year.*

At year end, 886 recreation/tourism concessions and 2,539 other concessions or consents were being managed by the Department. This represents an increase of 4% in recreation/tourism concessions compared to the above forecast, and of almost 30% compared to the totals of 689 and 684 in 1998/99 and 1997/98 respectively. On the other hand, other concessions and consents were 6% less than forecast, and closer to the totals of 2,637 and 2,555 reported at the end of the previous two financial years.

The variance in numbers reflects actual activity, which is hard to predict. For example, the America's Cup was expected to result in a large number of short-term one-off recreation concessions but these did not eventuate. Regional economic factors also affect the situation, e.g. Canterbury's regional economic and tourism health has been stronger in the last year compared to Auckland's resulting in increased applications for concessions in that region.

*50 rent reviews and 780 formal compliance checks of approved concessions and consents will be undertaken.*

These targets were revised to 490 rent reviews and 980 formal compliance checks in the Department's Purchase Agreement. In the event, 280 rent reviews and 801 compliance checks were undertaken during the year – increases of 460% and 3% compared to the original targets but reductions of almost 43% and 18% respectively compared to these revised targets. This is a priority area of activity to protect conservation values by ensuring that conditions of concessions are met and to maximise revenue in accordance with the objectives set out above. However, the large increases in the number of applications received (see below) resulted in resources having to be diverted from rent reviews and compliance checks to processing applications.

*250 applications for recreation or tourism concessions are expected to be received and processed.*

This target was revised to 670 applications in the Purchase Agreement. Actual performance totalled 975 applications, 290% more than the original target and 46% more than this revised forecast, reflecting increased demand from the tourism industry. This was almost three times the total of 247 applications received in 1998/99 and 268 applications in 1997/98.

*33 applications for other concessions or consents are expected to be received and processed.*

This target was revised to 510 applications in the Purchase Agreement to reflect the total range of other concession or consent applications received by the Department. The original forecast related primarily to

mining and telecommunications sites applications only, and not the full range of “other concessions or consents”.

During the year a total of 781 applications were received and processed, 53% more than this revised forecast. For the reason given above, this total cannot be compared to the previous two years' totals of 31 and 40 mining and telecommunications sites applications.

*Decisions on 80% of these applications will be taken within the cost estimates advised to applicants.*

81% of these applications were completed within the cost estimates. This represented a small drop from the 92% achieved for recreational and tourism concessions and 82% achieved for other concessions and consents in 1998/99. The results in 1997/98 were 79% for recreation and tourism concessions and 68% for other concessions.

*Decisions on 70% of these applications will be taken within the date estimates advised to applicants.*

72% of these applications were completed with the time estimates, the same percentage as was achieved in 1998/99 for recreational and tourism concessions but 2% less than the 74% achieved last year for other concessions and consents. Nevertheless the 72% achieved was an improvement of 7%–9% compared to the 65% and 63% achieved in 1997/98 despite the large increase in application numbers.

#### **Additional Achievements**

Processing and management of concessions applications was conducted in accordance with statutory requirements. During the year, only six application decisions were subject to review and six application decisions subject to reconsideration under the statutory provisions. These numbers are very low compared to the total of 1,756 applications received and processed during the year.

Applications were processed and all other concession work was undertaken in accordance with the new standard operating procedures approved in 1998/99 and implemented during 1999/00 following staff training. All longer-term concessions and consents now contain the condition that that rent, fees and royalties will be reviewed at intervals not exceeding three years. In the future, where appropriate, all new concessions and consents will also include a condition that environmental monitoring must be undertaken.

Work was on target on a review of the national concessions database to be completed by December 2000 in conjunction with a review of other databases for resource use of land managed by the Department. Research was completed on the benchmarking of systems for allocation of recreation concessions.

The main part of a project to consider concession applications for aerial hunting on land managed by the Department was completed. A variation to the project resulted in a new public consultation process to confirm new areas available for aerial hunting. This new part of the process will be completed by October 2000.

**OUTPUT 6.02: PASTORAL LEASES****Overview**

Crown Pastoral leases and licences cover approximately 2.45 million hectares of the South Island high country under either pastoral lease or pastoral occupation licence tenure permitted under the Land Act 1948, which preceded the Crown Pastoral Land Act 1998. The lessees are entitled to graze the pasture in terms of their leases and require discretionary consents from the Commissioner of Crown Lands for activities such as burning to encourage tussock growth for pasturage, soil disturbance and cultivation, changed farming practice and commercial recreational activities.

This output covers the exercise of the Department's statutory responsibilities under the Crown Pastoral Land Act 1998 for advising the Commissioner of Crown Lands on the protection of the inherent conservation values of these pastoral leases and licences, including advice on the issue of recreation permits and discretionary consents under the Act. It also includes the Department's involvement with Molesworth Station.

**Quantity, Quality and Timeliness**

*The Department expects to provide 250 Crown Pastoral Land Act 1998 discretionary consent reports and 20 other reports on surrenders or recreational permits to Knight Frank Limited (on behalf of the Commissioner of Crown Lands).*

During the year, 354 reports on consent applications, together with 37 other reports on surrenders and recreation permits, were provided to Knight Frank Limited.

Consent application reports were 42% higher than the above forecast, but 21% below the revised forecast of 450 applications included in the Purchase Agreement. The total of 354 reports was 36% higher than the 260 reports prepared in 1998/99 and 378% higher than the 74 reports provided in 1997/98 when the new Act came into force.

Other reports at 37 were up by 85% on the above forecast of 20 reports, which was also used in the Purchase Agreement. This was four more than the 33 reports in 1998/99 and 16 more than in 1997/98 when 21 reports were actioned.

The number of reports is hard to predict as these are dependent upon lessee demand, but it is believed that the peak for consent applications following the introduction of the new Act may have now passed.

**Additional Achievements**

82% of requests for reports from the Commissioner of Crown Lands were actioned within 20 working days compared to the target of 90%, but the percentage showed a steady improvement through the year. Some delays occurred initially as staff became familiar with new standard operating procedures approved in November 1999 to create a quality framework to address Parts I, II, and III of the Crown Pastoral Land Act.

Little progress was possible on the outstanding lease/licence surrender cases as a result of delays by Land Information New Zealand.

For the first time, customer surveys were sent to the Commissioner of Crown Lands and the Molesworth Steering Committee and feedback indicates a high degree of satisfaction with the Department's work and advice.

**OUTPUT 6.03: STATUTORY LAND MANAGEMENT****Overview**

The Department has responsibility for the management and administration of approximately 30% of the land area of New Zealand. This land is held as various categories of protected area, national parks, reserves (including for national, historic, scenic, nature, scientific, marine and wildlife purposes), conservation areas (including conservation parks, ecological areas, sanctuaries, and stewardship areas), wildlife areas and marine mammal sanctuaries.

This output covers the statutory management of this land in accordance with the appropriate legislation, (e.g. the Conservation Act 1987, the Reserves Act 1977 and the National Parks Act 1980) with the ultimate aim of providing the best possible outcome for conservation. It includes:

- The granting of statutory consents and approvals (except concessions) required for the management of reserves by administering bodies under the Reserves Act 1977.
- Investigations, revocation of protective status, and disposal of land administered by the Department and others where this land is no longer needed for conservation purposes.
- Esplanade reserve waivers and reductions under the Resource Management Act 1991.
- Appointment of administering bodies to control, manage or vest land.

This output also covers advice on statutory land management issues to administering bodies and other agencies, and certain statutory consents to land transactions under other Acts not administered by the Department. It also includes the establishment and maintenance of the Department's National Land Register, and the linking of this information to the digital cadastral database to provide the base layer for the national Geographic Information System.

### Quantity, Quality and Timeliness

*The Department expects to complete 200 statutory consents and approvals relating to reserves under the control of administering bodies.*

258 applications were completed, which was 29% higher than the above forecast but 14% lower than the revised forecast of 300 in the Purchase Agreement. This total was similar to the 1998/99 total of 261 applications, but 26% less than the total of 350 applications completed in 1997/98. Lower numbers of applications are expected in the future following the delegation of Reserves Act powers to local authorities in December 1999.

*27 conservation areas covering 470 hectares will be investigated for disposal.*

26 cases covering 708 hectares were under investigation during the year. The number of cases investigated was close to target but the area covered exceeded the forecast by over 50%. The number of cases was marginally higher than the 23 and 22 conservation areas investigated in 1998/99 and 1997/98 respectively, but the area also exceeded the 451 and 397 hectares covered by these earlier investigations by 57% and 78%.

*65 Crown-owned reserves (DOC reserves and local authority managed reserves where the title reverts to the Crown) covering 140 hectares will be investigated for revocation and disposal.*

The above targets were revised in the Purchase Agreement to 47 reserves covering 187 hectares. At 30 June 2000, 59 reserves covering 298 hectares were under investigation. The actual number of reserves was therefore between the two forecasts, but the area covered exceeded both forecasts by 112% and 59% respectively. The number of reserves was marginally higher than the 54 under investigation in 1998/99, but 24% less than the 78 investigated in 1997/98. The area covered at 298 hectares was several times greater than the 97 hectares and 76 hectares covered in the previous two years.

#### **Additional Achievements**

Good progress was made overall. In addition to the above, 61 esplanade cases were investigated and completed, all within three months. This total was less than the 89 and 77 esplanade cases investigated in the previous two years.

The delegation of Reserves Act 1977 powers to local authorities allowed higher priority work to be actioned. This included considerable progress on the developments of proactive guidelines and standard operating procedures. A "Manual of Reserves Act Guidelines" for local government was prepared and published in conjunction with Local Government New Zealand and has been well received. Standard operating procedures were completed and approved in December 1999 on the use of monies from disposals of surplus reserves, gazettal of land transactions, and recommending statutory decisions on land transactions.

The revision of the Land Register and a standard operating procedure on how to link the Land Register to the digital cadastral database were completed, staff trained

and the linkage to the database completed. This represents a significant milestone that will be vital in the progress of the Department's Geographic Information System programme. It will also assist Land Information New Zealand in adding textural information on the digital cadastral database that was previously unavailable.

## **OUTPUT 6.04: TREATY OF WAITANGI SETTLEMENT IMPLEMENTATION**

### **Overview**

As stated under output 1.02, the Department has a significant contribution to make to government goals relating to the Treaty of Waitangi, including the implementation of some settlements under the Treaty, in view of the large landmass it administers and its responsibilities for protecting conservation assets of cultural and historic heritage value as well as conservation of flora and fauna.

In line with Government goals, the Department's Strategic Business Plan gives priority to building effective working relationships with iwi Māori for the achievement of conservation goals in ways that recognise the principles of the Treaty of Waitangi. This includes working with iwi to develop policies and procedures that provide Treaty partners with:

- input into the management of specified parts of the public conservation estate in their rohe
- access to cultural materials managed by the Department
- assurances that iwi values are respected and protected
- ability to exercise kaitiakitanga over their land.

Output 1.02 covers the Department's involvement in the negotiation of settlements under the Treaty of Waitangi, whereas this output covers the implementation of the Department's obligations under these settlements.

The Ngai Tahu Settlement was the first Treaty of Waitangi settlement with major implications for the Department. At present, work under this output focuses on management of the Department's relationship with Ngai Tahu, including consultation on and implementation of the Deed of Settlement and the related protocols in accordance with the Ngai Tahu Claims Settlement Act 1998.

Further claims are in the process of settlement that will also involve the Department in their implementation, for example the Ngati Turangitukua claim.

### **Quantity, Quality and Timeliness**

*The Department will meet all deadlines set by Ministers, the Ngai Tahu Deed of Settlement, and the Ngai Tahu Settlement Claims Act 1998 relating to implementation of the settlement.*

The Department met all deadlines. Some revisions to deadlines were agreed as a result of unforeseen circumstances.

#### Additional Achievements

Implementation of the Ngai Tahu Claims Settlement Act and Deed of Settlement is progressing well with many of the actions specified in the Act and Deed now implemented.

The relationship between the Department and Ngai Tahu continues to develop and strengthen at both regional and operational levels. This has been facilitated through regular meetings and the establishment of a group called Kaitiaki Roopu in each conservancy, comprising representatives from each runanga within the conservancy boundary. Formal meetings are held every six weeks and complement the ongoing consultation with runanga and tangata whenua on specific issues.

A process for Ngai Tahu input into the Department's business planning at both the strategic and operational levels has been established. Specific projects promoted by Ngai Tahu may be those required as part of the Settlement, special projects in the Protocols, or matters falling under section 4 of the Conservation Act. Work was also initiated on providing some strategic direction for the implementation of the special projects outlined in the Protocols.

One of the matters specified in the settlement was the promulgation of customary freshwater fishing regulations within two years of the settlement, i.e. by 22 October 2000. A joint working group was established in 1997 comprising representatives from Ngai Tahu, Te Tau Ihu and the Department. During 1999/00, work progressed well and, following meetings of the joint working group, in mid-June 2000 Parliamentary Counsel was instructed to commence formal drafting of the regulations. Consultation with iwi on the draft regulations will take place in August, together with a briefing to interest groups, other government agencies and the general public.

The Ngati Turangitukua Claims Settlement Act 1999 received assent on 14 October 1999 and the Minister of Conservation issued the requisite protocol on 15 November 1999. Following the establishment of an Environmental Committee, Ngati Turangitukua and the Department signed the protocol and work on implementation of the Deed of Settlement has commenced. Several meetings were held with the owners of the Crescent Reserve on the implementation of the Heads of Agreement for this reserve.

#### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000    |              | 30/6/99      |
|-------------------------|--------------|--------------|--------------|
|                         | Main         | Actual       | Actual       |
|                         | Estimates    | \$000        | \$000        |
|                         | \$000        | \$000        | \$000        |
| Revenue                 |              |              |              |
| – Crown .....           | 6,685        | 6,685        | 7,111        |
| – Other .....           | 1,385        | 1,178        | 834          |
| Total Revenue .....     | <u>8,070</u> | <u>7,863</u> | <u>7,945</u> |
| Total Expenditure ..... | <u>8,070</u> | <u>7,139</u> | <u>7,592</u> |
| Net Surplus .....       | <u>-</u>     | <u>724</u>   | <u>353</u>   |

## **D7 – PROVISION OF RECREATION OPPORTUNITIES: ACCESS, FACILITIES, AND SERVICES**

### **Description**

This class of outputs covers the management of visitor services and facilities within a national asset management programme applicable to 3,800 identified visitor sites. This programme includes the following:

- Baseline inspections undertaken on each asset type (huts, tracks, structures etc) to determine the work required to bring each asset to the standard required for the visitors using the site. This is a once only exercise for each asset carried out over several years.
- A regular (annual, biannual, biennial etc) programme of inspections (pre and post baseline) to determine asset condition and need for maintenance.
- A construction/maintenance programme of remedial, upgrade or replacement work as identified by the baseline and condition inspections.
- The development and maintenance of a national visitor asset database to record the condition and work completed on approximately:
  - 1,010 huts available for visitor use
  - 240 campsites (excluding backcountry campsites)
  - 11,600km of tracks and walkways
  - 14,000 structures
  - 1,200km of road
  - Amenity areas, sewage systems and toilets.

This output also covers the management of the Lake Taupo sports fishery.

### **Relationship to Government Outcomes**

This output class contributes to the Government's Key Goals to "Protect and Enhance the Environment" and "Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi" by managing assets, visitor services and facilities on the public conservation estate in a manner that enables visitors to appreciate and enjoy the natural and historic values in ways that are safe and sustainable.

It also contributes to the Key Goal "Grow an Inclusive, Innovative Economy for the Benefit of All" by contributing to tourism through the provision of access for domestic and international visitors to the conservation estate and facilities, services and information.

**OUTPUT 7.01: VISITOR ACCOMMODATION****Overview**

In 1987 the Department of Conservation inherited over 1,000 huts and many campsites. As part of its Strategic Business Plan, the Department is implementing a national visitor asset management programme. The overall direction is for visitor accommodation to be managed within an asset life-cycle process that includes regular inspections against service and legal standards, and ongoing maintenance, upgrade and replacement where required. The standards that apply to huts are a draft "Means of Compliance with the Building Code" which apply to building new huts, and "Hut Service Standards" which apply to all huts. Detailed standards have yet to be developed for campsites.

Full implementation of the visitor asset life-cycle management system will take several years to achieve as the various components are completed. In the interim, existing inspection and maintenance systems for facilities will be continued until replaced with the relevant component of the asset management programme.

**Quantity, Quality and Timeliness**

*Huts will be maintained and serviced to the Department's service standards for backcountry accommodation.*

75% of huts received basic maintenance and servicing. This exceeded the revised target of 60% of huts included in the Purchase Agreement.

Three huts – Waihaha in the Waikato, Leslie Clearing in Nelson/Marlborough and Whangaparapara in Auckland – were destroyed by fire in January/February 2000.

*Baseline inspections of 20% of huts will be completed.*

During the year, 304 huts (approximately 30% of total huts) were given a baseline inspection, well ahead of the above target. The work was completed on time and to budget. In 1998/99, 253 huts were inspected.

*Approximately 50% of huts will receive an ongoing condition inspection.*

During the year, 66% of huts received an ongoing condition inspection, well ahead of the 50% target. This was almost double the 36% of huts that were inspected in 1998/99.

*All huts identified in the 1998/99 baseline inspections as potentially serious risks to visitors will be upgraded.*

Seven huts were identified in the 1998/99 baseline inspections as potentially serious risks to visitors. Of these, four were closed, two were removed and one was upgraded.

*All new huts and hut replacements, upgrading and maintenance work will be completed to the Department's hut service standards and to the*

*standards established by the Backcountry Accommodation Means of Compliance with the New Zealand Building Code.*

All work was to the required standards.

In addition to the work carried out as a result of the baseline inspections, three other huts were closed because of either geological hazard, rock fall or flooding, and remain closed pending decisions on their future.

Two new huts were built – one in Wellington Conservancy to replace Powell hut destroyed by fire in 1999 and one on the West Coast to replace Little Wanganui hut.

Three existing huts were also upgraded, including the installation of a new roof on Awaroa hut. In 1998/99, eight huts were removed, five huts were upgraded and four huts were built or rebuilt.

*Campsites will be maintained and serviced to the Department's standards for the relevant campsite type.*

All campsites received regular maintenance inspections during the year and were maintained to the required standards. Similarly, all booked accommodation facilities operated by the Department received inspections, were maintained to the appropriate standards and remained open to visitors. Management of Rotoiti lodge in Nelson/Marlborough was passed to a community trust.

#### **Additional Achievements**

Work on huts, campsites and booked accommodation met or exceeded targets. Maintenance and inspection of these facilities was carried out to the required standards.

As part of the public process for the Visitor Asset Management Programme, ongoing discussions continued with interest groups on proposed hut removals. As a result of ongoing public demand for the retention of all huts, possible hut removals have been an issue in Wanganui and Canterbury, and in respect of the possible removal of two huts in the proposed Adams Wilderness Area in Westland. In Northland, discussions with interest groups over the possible removal of one hut continue.

Routine and irregular visits to locations were undertaken to ensure compliance with the terms and conditions of use, including those specified in the National Parks Act 1980, the Reserves Act 1977, the New Zealand Walkways Act 1990 and the Litter Act 1979. These visits are generally undertaken in conjunction with other work. Improved compliance with the conditions of use and payment of hut and camp fees resulted from the use of hut wardens in all high use areas over the summer and Easter periods. Several conservancies noted an increase in hut fees revenue, possibly attributable to a higher public awareness of the need to pay fees because of public meetings.

## **OUTPUT 7.02: TRACKS AND WALKWAYS**

### **Overview**

As with visitor accommodation, the Department's national visitor asset management programme is in the process of implementation in respect

of tracks (including walkways), associated structures and facilities. These will also be managed within an asset life-cycle process that includes regular inspection against service and legal standards, and ongoing maintenance, upgrade and replacement where required. The standards used for tracks are the "Track Service Standards". The standards used for structures are the "Draft Means of Compliance with the Building Code for outdoor visitor structures" for building new structures and the existing "Structures Standards" for pre-Building Act 1991 structures.

Until full implementation of the visitor asset life-cycle management system is completed, existing inspection and maintenance systems will be continued until replaced with the relevant component of the asset management programme.

### **Quantity, Quality and Timeliness**

*Tracks and walkways will be maintained to the appropriate service standard for the type of visitors using the track or walkway.*

Of the total 11,600 kilometres of tracks and walkways managed by the Department, during the year 8,634 kilometres (approximately 75%) either received maintenance to departmental standards or were inspected. This represented a 32% increase over the 6,533 kilometres inspected or maintained in 1998/99.

*Baseline inspections of tracks and walkways commenced in 1998/99 will continue with inspections of an estimated 70% of all tracks completed by 30 June 2000.*

Baseline inspections of track and walkway assets were on target with 1,956 (70%) of the total of 2,777 assets completed by year end.

*Ongoing condition inspections of tracks and walkways will commence with an estimated 50% of tracks receiving a condition inspection each year.*

Inconsistencies in the manner of reporting progress against this measure arose with some reports based on the number of kilometres inspected and others on the number of track assets inspected. It is therefore not possible to provide a verifiable report on progress against this measure, although this is considered to have been of the order of 44%. A nationally consistent monitoring process will be implemented in 2000/01.

*Approximately 50% of visitor structures associated with tracks and walkways not already inspected will receive a baseline inspection. [Baseline inspections of approximately 50% of structures were completed in the period 1996-98.]*

During the year, baseline inspections were carried out on 5,347 visitor structures associated with tracks and walkways and with amenity areas under output 7.03. This represented approximately 84% of the total structures not already inspected in previous years, thereby exceeding the target by almost 35%.

In 1996, the first year of inventory, the total number of structures was assessed at approximately 16,000. Since then, assets have been removed and are no longer counted, or their status has changed – e.g. many assets were incorrectly identified as belonging to the Department, their status has subsequently been changed and they are no longer included in the total. The revised current total is 13,593 structures.

During 1996/97 and 1997/98, approximately 7,200 structures received a baseline inspection. No inspections were carried out in 1998/99 as a result of postponement of the programme while staff training on the standards for implementation of the inspections was carried out.

Based on the current total of 13,593 structures, approximately 6,393 structures remained to be baseline inspected at the beginning of 1999/00. At the end of the year, there were only about 1,046 structures still to be inspected.

*Ongoing condition inspections will be undertaken on approximately 50% of structures on tracks and walkways that have received a baseline inspection to date.*

During the year, ongoing condition inspections were completed of 5,887 structures associated with tracks and walkways, or with amenity areas under output 7.03. This represented 46% of the approximately 12,547 structures that had received baseline inspections by 30 June 2000. This was below the 50% target because staff inspection training originally planned for 1998/99 was not completed until the first four months of the 1999/00 year. Those structures not inspected in 1999/00 will be inspected in 2000/01.

*Where the baseline inspection of structures identifies potentially serious risks to visitors, these structures will be upgraded or removed.*

During the 5,347 baseline inspections carried out during the year, a total of 356 condition reports identified potential serious risks covering 446 work tasks. Of these work tasks, 195 (44%) were completed and 231 (52%) were either in progress at the end of the 1999/00 year or programmed for 2000/01. The remaining 20 work tasks were declined or deferred as, post-inspection, they were reassessed to be low risk and non-urgent.

*Where the ongoing condition inspection identifies the need for maintenance, this work will be programmed for completion within the current or next business plan year. Where there is a high risk to visitor safety this work will be undertaken immediately.*

During the 5,887 ongoing inspections of structures carried out, a total of 3,813 maintenance tasks were identified. Of these, 1,077 (28%) were completed, with 2,596 (68%) programmed for completion in 2000/01. A further 95 tasks have been deferred pending further information and 45 tasks declined as maintenance was subsequently determined to not be required.

## **OUTPUT 7.03: AMENITY AREAS, ROADS, CAR PARKS, WHARVES AND OTHER STRUCTURES**

### **Overview**

The Department's national visitor asset management programme is also being implemented in respect of amenity areas, roads, car parks, structures and associated facilities. An "amenity area" is a picnic area, viewpoint, road end, car park or other area maintained by the Department where the primary use is recreation.

The standards used for structures are the "Draft Means of Compliance with the Building Code for outdoor visitor structures" for building new structures and the existing "Structures Standards" for pre-Building Act 1991 structures. No detailed standards have yet been completed for other facilities covered by this output.

Until full implementation of the visitor asset life-cycle management system is completed, existing inspection and maintenance systems will be continued until replaced with the relevant component of the asset management programme.

### **Quantity, Quality and Timeliness**

*All amenity areas will be maintained.*

During the year, a total of 879 amenity areas were maintained, i.e. 366 car parks, 76 road-ends, 303 picnic areas, 28 view-points, 35 combination areas and 71 amenity areas classified as "other".

As there are currently no official standards for maintenance of these areas, maintenance is targeted at ensuring that these amenity areas are accessible and usable for the primary visitor group using them. For example, car parks are open and usable, grass is mowed, rubbish tins are cleared, toilets are cleaned, signs are maintained, weeds are sprayed, and water supplies are maintained.

*Approximately 50% of roads will be maintained.*

Of the estimated 1,200 kilometres of road managed by the Department, 780 kilometres (65%) were inspected or maintained during the year, consistent with the 787 kilometres inspected or maintained in 1998/99.

As above, there are currently no official standards for road maintenance, and work is targeted at the needs of the primary user group or expected vehicle type using the road. In most situations, this means keeping roads passable and grading, filling holes and resurfacing when needed.

*Baseline inspections will be completed of all visitor structures associated with amenity areas that have not already been inspected. [Baseline inspections of approximately 50% of structures were completed in the period 1996-98.]*

As stated under output 7.02 above, baseline inspections were carried out on 5,347 visitor structures associated with tracks and walkways and with amenity areas. This represented approximately 84% of the total structures not already inspected in previous years, thereby exceeding the target by almost 35%.

*Ongoing condition inspections will be undertaken on approximately 50% of structures associated with amenity areas that have received a baseline inspection to date.*

As also stated under output 7.02 above, ongoing condition inspections were completed of 5,887 structures associated with tracks and walkways, or with amenity areas. This represented 46% of the approximately 12,547 structures that had received baseline inspections by 30 June 2000. This was below the 50% target because staff inspection training originally planned for 1998/99 was not completed until the first four months of the 1999/00 year. Those structures not inspected in 1999/00 will be inspected in 2000/01.

*All wharves will be maintained.*

All wharves requiring maintenance were maintained to departmental standards.

*Where the baseline inspections of structures identify potentially serious risks to visitors, these structures will be upgraded.*

As stated under output 7.02 above, during the 5,347 baseline inspections carried out during the year, a total of 356 condition reports identified potential serious risks covering 446 work tasks. Of these work tasks, 195 (44%) were completed and 231 (52%) were either in progress at the end of the 1999/00 year or programmed for 2000/01. The remaining 20 work tasks were declined or deferred as, post-inspection, they were reassessed to be low risk and non-urgent.

*Where the ongoing condition inspection identifies the need for maintenance, this work will be programmed for completion within the current or next business plan year. Where there is a high risk to visitor safety, this work will be undertaken immediately.*

As stated under output 7.02 above, during the 5,887 ongoing inspections of structures carried out, a total of 3,813 maintenance tasks were identified. Of these, 1,077 (28%) were completed, with 2,596 (68%) programmed for completion in 2000/01. A further 95 tasks have been deferred pending further information and 45 tasks were declined as maintenance was subsequently determined to not be required.

## OUTPUT 7.04: VISITOR SERVICES

### Overview

The Department manages a range of recreational opportunities and services at 3,800 visitor sites. Work in this output is focused on the development of systems to support the implementation of the Visitor Asset Management Programme at these sites.

These systems include:

- Further development of the visitor asset management database (to record asset condition and work completed).
- Visitor asset life-cycle modelling.
- Visitor access planning.
- Visitor monitoring.
- Visitor recreation information review.
- Identification of areas where “natural quiet” should be maintained or enhanced.

### Quantity, Quality and Timeliness

*The national visitor-monitoring programme will be phased in during 1999/00 with an estimated 10% of visitor sites monitored by year end.*

This programme has not yet commenced as a result of delays in the completion of research to support the programme. During the first four months of the year, prototype visitor counting technology was developed and underwent very successful initial trials in various settings. However, further trials scheduled for the summer period were limited by the lack of staff resources.

As an interim measure, each conservancy monitored visitor use at a number of sites during the 1999/00 year. New visitor counters are now being constructed and will be deployed in the next financial year.

The national visitor monitoring programme is being implemented to provide baseline data on visitor use at key (indicator) sites, and a measure on the users' satisfaction with the recreation opportunities provided by the Department. Once the programme is established, monitoring will continue at these sites to provide information on use trends, and measure the “outcome” – the degree of visitor satisfaction with provision of recreation facilities and services.

*The identification of sites with a high priority for monitoring under the Natural Quiet programme will be completed.*

This project has been postponed until the 2000/01 financial year due to lack of staff resources.

One of the key values associated with conservation areas is quietness, or the opportunity to get away from the intrusion of everyday noises like motorised vehicles. This project will identify sites where "Natural Quiet" is/is not impacted on by vehicle (or other) noise, and will establish a "Natural Quiet" monitoring programme at key indicator sites. This information will form the basis of any controls put on vehicle use within or close to areas managed by the Department, for example, aircraft over flights.

*The national visitor asset management database (VAMS) will be maintained and, where required, further development undertaken to include other asset types such as roads, carparks, and campsites.*

The database was maintained and one major upgrade of the database to version 3.4 was released in October 1999. "In the field data collection" on the condition of visitor assets using hand held computers was implemented for the first time.

*A national programme for the implementation of the management of visitor-related hazards will be implemented across all outputs within this output class. It is anticipated that visitor hazards will have been reviewed on an estimated 25% of sites.*

A final draft of the programme is in preparation. The national staff briefings planned for June 2000 have been postponed until early in the 2000/01 financial year. As the draft programme was not completed, no sites were reviewed. The programme is now planned for implementation in 2000/01 with approximately 25% of sites reviewed each year over the next four years.

#### **Additional Achievements**

Development of the asset lifecycle modelling procedures for each asset type continued and will be completed for huts, tracks and signs in 2000/01.

A final draft of the "Means of Compliance with the fire requirements of the Building Act/Code" standards was completed following consultation with the New Zealand Fire Service. Consultation with the Building Industry Authority is ongoing on other standards relating to compliance with the Building Act and Code and is programmed for completion in 2000/01.

Development of service standards for campsites and campgrounds, and for amenity areas was due to commence but has been postponed until 2000/01. Similarly, completion of the procedures for ongoing condition inspections of huts, booked accommodation, tracks and signs has been postponed until next year.

#### **General – Applicable to Outputs 7.01 to 7.04**

*All inspections, remedial work, repairs and upgrading will be to the Department's quality conservation management standards and will comply with legal requirements of the relevant Acts, for example, the Building Act 1991 and Building Code.*

All inspections and work were to the required standards, as specified in the Overview to each of the outputs above.

*Where service or legal standards have not yet been established, work will be undertaken to a level that meets the requirements of the specific type(s) of visitors using the facility or service.*

This was done. See for examples, the measures relating to amenity areas and roads under output 7.03 above.

## **OUTPUT 7.05: TAUPO SPORTS FISHERY**

### **Overview**

The Taupo sports fishery is managed by the Department, which has a statutory obligation to manage it in the interests of anglers, the majority of whom come from outside the district, and to meet the Crown's obligations to Ngati Tuwharetoa. Strategic direction comes from the operative Taupo Sports Fishery Management Plan. The fishery is required to be completely self-funded from fishing licence revenue so that no Crown money contributes to its management or capital costs. The fishery generates approximately \$96 million annually to the national economy.

Work under this output includes:

- Management of the distribution and sale of fishing licences.
- Provision and maintenance of anglers' access roads, tracks, visitor structures and information, signs and other facilities, and National Trout Centre fish production.
- Field operations, including compliance and law enforcement and field surveys.
- Protection of sports fish habitat and passage, and management of introduced fish species of importance to the Taupo sports fishery.
- Providing policy, ministerial and legislative advice and management planning for the Taupo sports fishery.
- Exercising, under delegation, the Director-General's powers under section 53(3) of the Conservation Act 1987 and the Freshwater Fisheries and Taupo Fishing Regulations.
- Fishery advocacy, publications and user liaison.
- Research, monitoring and surveys.
- Liaison with iwi, the New Zealand Fish and Game Council, and other stakeholders, and servicing the Taupo Fishery Advisory Committee.

### **Quantity, Quality and Timeliness**

*Approximately 67,000 fishing licences are expected to be sold.*

Although actual sales in the first and last four months of 1999/00 were below expectations, full year sales totalled 67,747 – 1% above the target.

There were increases in the sale of adult season and day licences especially over the busy summer period.

#### Additional Achievements

Particular advances were made with monthly reporting of fishery monitoring programmes, Tongariro National Trout Centre education and visitor facilities development, and review of the format of the Target Taupo magazine.

Angler satisfaction monitoring undertaken three times a year indicated that the fishery continued to fulfil anglers' expectations with respect to success and enjoyment. The scores from the total sample of 3,049 anglers surveyed during the year were 3.54 out of 5 for success and 4.70 out of 5 for enjoyment.

Expenditure for management activities was met through the revenue generated from licence sales.

Routine and irregular compliance and law enforcement monitoring of the sports fishery was undertaken to detect breaches of the Taupo Fishing Regulations or the Conservation Act 1987. 19 targeted enforcement operations and 3,066 routine compliance checks were undertaken, with a total of 55 offences detected.

Of the 3,066 anglers checked, only 14 (0.5%) were found to be unlicensed, well below the target that non-compliance will not exceed 2% of anglers sampled.

Six new standard operating procedures for key activities were developed covering National Trout Centre operations, Fishery Area duty officer, Lake Taupo harvest survey, Lake Taupo koura monitoring, Compliance and Law Enforcement, and Habitat Monitoring. The Catfish Monitoring standard operating procedures were also revised.

#### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000         |               | 30/6/99 |
|-------------------------|-------------------|---------------|---------|
|                         | Main<br>Estimates | Actual        | Actual  |
|                         | \$000             | \$000         | \$000   |
| Revenue                 |                   |               |         |
| – Crown .....           | 29,651            | 29,651        | 33,475  |
| – Other .....           | 8,949             | 8,294         | 8,014   |
| Total Revenue .....     | <u>38,600</u>     | <u>37,945</u> | 41,489  |
| Total Expenditure ..... | <u>38,600</u>     | <u>38,544</u> | 42,310  |
| Net Surplus .....       | <u>-</u>          | <u>(599)</u>  | (821)   |

## **D8 – MANAGEMENT OF VISITOR AND PUBLIC INFORMATION SERVICES**

### **Description**

This class of outputs covers:

- the maintenance and management of visitor and information centres
- the provision of information and interpretation to the public about the natural, cultural and historic heritage of New Zealand including publications, displays and interpretative media
- community relations work, including public awareness, relationship management at all levels including international, and community participation or involvement programmes.

### **Relationship to Government Outcomes**

This output class contributes to the Government's Key Goals to “Protect and Enhance the Environment” and “Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi” by:

- providing visitor and information centres, information and interpretation to the public about New Zealand’s cultural and historic heritage
- promoting public awareness, community participation and involvement programmes, and managing relationships including international relationships

It contributes to the Key Goal “Grow an Inclusive, Innovative Economy for the Benefit of All” by contributing to tourism through encouraging domestic and international visitors to the conservation estate and providing visitor and information centres, information and interpretation, and promoting participation in conservation programmes.

It also contributes to the Key Goal to “Improve New Zealanders’ Skills” through the Department’s volunteer scheme that helps participants to develop their conservation skills and make a valuable and practical contribution to conservation. Similarly, the Department, together with the Ministry for Youth Affairs, also sponsors and supports projects for Conservation Corps workers that equip them with adaptable and useful skills.

### **Overview**

Work within this output class relates directly to the achievement of the Department’s Strategic Business Plan goal to “inform and educate visitors and to involve communities in conservation”. These outputs enable the Department to share knowledge about the natural and historic heritage that it manages with visitors, to satisfy their requirements for

information, increase their enjoyment and understanding of this heritage and develop an awareness of the need for conservation. Support for conservation in the community is encouraged by actively involving communities in conservation programmes and maintaining effective relationships with key stakeholders.

Results of “informing and educating visitors” ensure that accurate visitor information and conservation messages are communicated to the different groups of people that visit conservation areas. The effectiveness of the information services that the Department provides at its visitor centres and other information and interpretative media such as displays, publications, visitor programmes and the Internet have been a particular focus of evaluation this year. Improvements to these services have been identified that will be implemented in the next financial year.

Programmes ‘involving the community’ recognise that conservation successes depend on community support and involvement. The aim is to develop a greater understanding and ownership of conservation issues within stakeholder groups and communities through the provision of programmes they can be part of.

### Quantity, Quality and Timeliness

#### OUTPUT 8.01: VISITOR CENTRES

*Information services will be provided to 2.0 million to 2.2 million visitors at 32 visitor centres managed and staffed by the Department.*

Information services were provided to 2,067,144 visitors at 32 visitor centres managed and staffed by the Department. Visitor numbers recorded were within the range expected and only marginally less (0.66%) than the 2,080,909 and 2.1 million visitors recorded in 1998/99 and 1997/98 respectively.

##### **Additional Achievements**

In February 2000, a major review into the provision of the Department's visitor and information centres was completed to ensure that these centres are effective in providing visitors with information and communicating conservation messages. Various projects arising from this review are being progressed and many are expected to be completed in the 2000/01 financial year.

A major upgrade of the North Egmont Visitor Centre, supported by contributions from the Taranaki Regional Council and a tourism facilities grant from the Minister of Tourism, was close to completion at 30 June 2000. The centre will be officially opened during the National Park centenary celebrations in October 2000. Construction work on the upgrading of the Whakapapa Visitor Centre in Tongariro National Park was also largely completed. The upgraded audio-visual system was reinstalled, interpretative displays are in production and the official opening is planned for December 2000.

Draft standard operating procedures setting the quality standards for the management of the Department's visitor and information centres and provision of information

services were completed and released for peer review. The final version will be printed and distributed by September 2000 for implementation. Revised "Sale of Merchandise" guidelines were also completed and will also be promulgated in September for implementation at all visitor centres.

In previous years, reports were provided on the results of surveys on the levels of satisfaction of visitors to visitor centres. These surveys were undertaken on an ad hoc basis using locally produced surveys and the percentage of visitors surveyed was low. During 1999/00, priority was given to the development of a standard national visitor satisfaction survey for introduction at all visitor and information centres. Work progressed well and a pilot of the proposed methodology was completed over the busy summer visitor period. The December 2000 target date for introduction of the new survey methodology is expected to be met.

### OUTPUT 8.02: PUBLIC INFORMATION

*The Department will provide:*

- 95 new interpretation displays at visitor centres or on site
- 120 visitor programmes to 11,600 participants.

During the year, a total of 88 new or revised interpretation displays were introduced at visitor centres or on site, seven fewer than the above target. This was also 11 (or 11%) fewer than the total of 99 displays installed in 1998/99, but close to the total of 91 in 1997/98.

38 visitor programmes were provided to 12,422 participants. Such programmes include escorted interpretative walks, talks and presentations and similar events. The original target of 120 programmes was incorrect and revised early in the year to 36 programmes. Actual performance exceeded this target by two, with participant numbers exceeding the target of 11,600 by 7%. Participant numbers remained consistent with the 1998/99 total of 12,813, but both years were close to double the 1997/98 total of 6,432.

As well as at the major visitor centre upgrades at Whakapapa and Egmont, a number of interpretation displays were developed at St Arnaud Visitor Centre for their Mainland Island project, and displays upgraded at the Rangitaiki Visitor Centre and the Auckland Information Centre.

New "on site" displays included port of entry displays on Great Barrier Island, Mainland Island displays at Trouson (Northland) and St Arnaud (Nelson/ Marlborough), forest corridor panels at Haast (West Coast) and panels at Clinton Wetland (Southland).

*70% of participants in visitor programmes who are surveyed will be satisfied or very satisfied.*

Customer surveys are currently undertaken randomly as a standard satisfaction survey will not be in place until December 2000. No meaningful figures can therefore be provided for the 1999/00 year.

*The Department's Internet website will contain up-to-date information on the Department's recreation and conservation services, and will be monitored for frequency of access and the nature of inquiries.*

Information on the Department's website is updated at least weekly. Use of the website is monitored monthly for user sessions and most frequently visited pages. In May 1999, the website was receiving 8,000 user sessions per month. In May 2000, this had almost trebled to 23,000 user sessions per month.

A special section was included on the web site relating to the impact on conservation of, and opportunities arising from, the various Year 2000 "Mega Events" such as the APEC meeting, the millennium, and the America's Cup for the duration of these events.

#### **Additional Achievements**

In conjunction with the review into the provision of the Department's visitor and information centres, a review of visitor information provided by the Department, including information relating to Māori conservation values, was completed and signed off in the first half of 2000 following market research to test the recommended approach. Implementation will be phased in over the next 18 months, and includes broadening the media (telephone, fax, internet etc) through which information will be available to visitors, online booking and ticketing services for walks, huts and other accommodation, and the progressive introduction of a new information technology framework.

As recommended in the visitor information review, key conservation messages about conservation values and management were provided at and about high priority sites and showcase sites. Examples during the year included America's Cup information brochures and fact sheets in Auckland, showcase promotion in the Bay of Plenty, on-site interpretative panels at the Trounson and Rotoiti Mainland Island sites, an information kiosk at Nga Motu Marine Protected Area and an updated albatross long-lining display at Tairoa Head, Otago.

In line with standard departmental practice, all new and reviewed publications acknowledged Māori values of sites or cultural aspects where appropriate and agreed with iwi. Specific examples included material included in the America's Cup information, acknowledgement of Māori values in an update of information on Whirinaki Forest Park and a brochure developed for Te Koru and Pukerangiora by Wanganui Conservancy.

Where possible, opportunities for on-site education and experiences, and specific education packages about the Department's work were provided at a number of sites of high educational value. Examples included school visits to Tiritiri Matangi (Auckland), summer nature programmes (Wanganui), on-site and visitor centre interpretative panels at the Trounson and Rotoiti Mainland Island sites, completion of the publication "Conservation for Young People" (Wellington), educational programmes at Borland Lodge and Deep Cove (Southland), and Native Forest Activity Pack (Otago).

A highlight for the year was the national acclaim for the Ministry of Education-funded LEARNZ 2000 programme that provided students with virtual field trips into the Tongariro World Heritage Area. The joint initiative between the Ministry of Education, Department of Conservation and the Christchurch-based education IT company, Heurisko, won this year's Computer World "Excellence in Education" award. LEARNZ takes students into remote locations. From their classrooms they can talk live to departmental staff and scientists about conservation. In August this year the programme also received the top TUANZ (Technology Users Association of New

Zealand) award in the category "Most innovative example of a telecommunications education product or application in a primary or secondary school". The Department is planning to expand the programme to further departmental sites next year.

During the year, research was undertaken to assess the conservation expectations of Aucklanders to assist in the development of a conservancy public awareness strategy. Despite initial problems, this research was completed to an excellent standard and a report is to be published for distribution. A number of Auckland projects resulting from the outcomes of this research will be funded from the additional Public Awareness funding provided in the 2000/01 Budget.

### **OUTPUT 8.03: COMMUNITY RELATIONS**

*Volunteers are expected to provide 25,000 volunteer workdays.*

7,488 volunteers provided 20,051 volunteer workdays during the year. While the number of workdays was 20% lower than forecast, a strong interest was shown in the Department's volunteer programmes. This also represented a decrease in activity of about 20% compared to 1998/99 when 9,593 volunteers provided 24,714 workdays, and of about 30% compared to 1997/98 when 11,120 volunteers provided 28,499 workdays. However, the average time contributed by each volunteer increased to 2.68 workdays, compared to 2.58 and 2.56 workdays in the previous two years.

Research is currently being conducted into the advocacy benefits of the Department's volunteer programme.

*65 New Zealand Conservation Corps schemes will be sponsored or supported.*

97 New Zealand Conservation Corps schemes were sponsored or supported, exceeding expectations by almost 50%. This total was also up by 10 and 30 schemes compared to the previous two years, indicating continued recognition of the benefits of using Conservation Corps skills and labour.

*200 activities will be run as part of the annual conservation events programme.*

Major events run during the year involved 201 activities, in line with the above target but almost 23% less than the revised target of 260 activities included in the Purchase Agreement.

Although fewer in number than anticipated, the results of the programmes were considered to be very favourable. This reduction in the number of activities reflects a move towards quality rather than quantity and an emphasis on working with associates to encourage their involvement rather than the focus falling on the Department. The Department has been keen to ensure a high educative value in its own event activities and to see organisations reflect their own environmental responsibilities by running their own activities.

Successful programmes were held for Conservation Week, Arbor Day, and Sea Week. The Department was also involved in New Zealand Clean-up Day. Other successful programmes included a kiwi creche release on Motuora, the launch of the ferret discussion document, the opening of the Tamaki reserves in Auckland, and the Ulva Island saddleback transfer in Southland.

*The Department will provide 100 public awareness programmes.*

144 public awareness programmes were delivered, exceeding the expected target by 44%.

Public awareness programmes are usually directly associated with a particular conservation issue. The subjects covered in 1999/00 included the Department's visitor asset management programme, deer control and mountain safety.

*At least one special promotion will be undertaken relating to each conservancy showcase project.*

29 special promotions were undertaken during the year, an average of more than two per conservancy. These included programmes in Northland, an open day held at Rotoiti Recovery Programme, and the return of albatross to Tairua Head, Otago.

*The Department will meet its reporting and other obligations under international conservation conventions, and contribute to key international fora including the Australian New Zealand Environment and Conservation Council (ANZECC), the South Pacific Regional Environment Programme (SPREP), the Convention on the Conservation of Antarctic Marine Living Resources (CCMLR), the International Whaling Commission (IWC) and the Convention on Biological Diversity (CBD).*

The Department met its reporting and other obligations and contributed to key international fora.

Departmental officials attended four meetings of the Australian New Zealand Environment and Conservation Council (ANZECC) and participated in meetings to set the forthcoming South Pacific Regional Environment Programme (SPREP) work programme. A Departmental scientist was a part of the New Zealand delegation to the Scientific Committee of the Convention on the Conservation of Antarctic Marine Living Resources (CCMLR) in Hobart in October 1999.

The Department supported the Commissioner of the International Whaling Commission (IWC) at a hui on indigenous people's whaling at Orakei Marae in July 1999, co-ordinated the humpback whale research programme across the Pacific in August/September 1999, and held meetings with Tongan Government officials. The Department continued to assist Environment Australia in the proposal to establish a South Pacific Whale Sanctuary. Preparations were completed for the 52nd meeting of the IWC held in the first week of July 2000.

Departmental officials attended two meetings of the Convention on Biological Diversity (CBD) – the Subsidiary Technical Body meeting in January/February 2000 and the Conference of the Parties in May 2000. New Zealand has been instrumental over the last few years in making alien species a key issue for the Convention. This work resulted in interim principles and guidelines being agreed at the Conference of the

Parties in May 2000. That meeting also agreed to a future work programme which will develop further guidance and actions on the issue. New Zealand has also been active in efforts to improve the efficiency and effectiveness of convention processes and work. The outcomes for New Zealand were highly positive.

The Manager of the Department's Biodiversity Recovery Unit attended the meeting of the Standing Committee of the Convention on Trade in Endangered Species (CITES) in September/October 1999 as the Oceania regional representative. The Department was also actively involved with the Ministry of Foreign Affairs and Trade in preparations for the CITES meeting held in April 2000 and provided the delegation to the meeting.

A departmental official represented New Zealand at the 7th Conference of Contracting Parties to the Convention on Wetlands of International Importance (Ramsar) in 1999. The Department presented a National Case Study on the New Zealand approach to aquatic alien species management to the Workshop on Mitigating Impacts of Alien Invasive Species on Aquatic Ecosystems. New Zealand sponsored a resolution on "Incentive Measures to Encourage the Application of the Wise Use Principle" in wetland management. This mainly sought collaboration with the Convention on Biological Diversity and requested Contracting Parties to review their policies, institutions and laws relating to incentives and disincentives which could impact upon wetland management decisions. The New Zealand Head of Delegation made a presentation to the Conference Plenary, using New Zealand examples, and the resolution was fully endorsed. Contributions to implementing both sets of resolutions have continued following the Conference. On 2 February 2000 the Department actively participated in the World Wetlands Day and the inaugural Wetlands Awards were made.

In July 1999, the Government agreed that New Zealand should accede to the Convention on the Conservation of Migratory Species of Wild Animals (CMS), and this was supported by the Foreign Affairs, Defence and Trade Committee in September of that year. In June 2000 New Zealand lodged its instrument of accession to the Convention and its status as a full party, comes into force on 1 October 2000. Full party membership of the Convention will enable New Zealand to actively promote international conservation initiatives for New Zealand's migratory species which include 92 seabird species, 30 whale and dolphin species, five marine turtle species and up to 40 species of wading birds. A number of these are threatened and adversely affected by threats outside of New Zealand's Exclusive Economic Zone. Without a forum such as the CMS to promote international conservation for many of these species, domestic conservation work would only be partially successful.

The Department was not part of the delegation to the meeting of parties to the Convention on the Conservation of Southern Blue-finned Tuna this year but did participate in the meeting on migratory species.

#### **Additional Achievements**

Good progress was made in strengthening key strategic partnerships at national, conservancy and area office levels consistent with the Department's Target Twenty programme. This programme aims to improve relationships with organisations strategically important to the Department. At national and conservancy level, 20 organisations were selected on this basis and relationship management plans have been developed and implemented.

Conservancies reported good progress in the implementation of the key activities for 1999/00 in their relationship management plans and communications plans. Up-

to-date associates databases were maintained by each conservancy. In line with the Public Awareness Action Plan, news media and key stakeholder groups were proactively informed about conservation issues and enquiries were responded to fully and promptly. All relationships were proactively managed, with media relationships in particular cultivated.

For the full year, the average rating of favourable opinion about the Department and its role was 72.8% in the independent surveys of the general public and the rating was 74% or more for seven months of the year. A survey of stakeholders (associates) was sent out in July 2000 and full results are not yet at hand. Draft results to date show a generally positive relationship with target organisations.

Sustained individual contributions to the protection and enhancement of biodiversity were recognised at the launch of the New Zealand Biodiversity Strategy in March 2000. "Biodiversity Accolades" were presented to 12 New Zealanders by the Minister of Conservation and the Minister for the Environment. These were in addition to the Conservation Awards awarded by the Department each year to recognise contributions to conservation.

Implementation of the national Environmental Education Strategy commenced, with a draft departmental Environmental Education Strategy completed. The Department, through existing projects, is already undertaking most of what is required under the national strategy. In light of the new package of Conservation Awareness funding for 2000/01, the Department's draft document will be redeveloped as a national overview report, drawing together conservancies' projects and proposals for conservation education into a national framework. It should be noted that education is interpreted to include advocacy in its widest sense and is therefore a key component of all of the Department's work.

### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 13,486                     | 13,486          | 11,512          |
| – Other .....           | 4,177                      | 3,862           | 3,861           |
| Total Revenue .....     | <u>17,663</u>              | <u>17,348</u>   | 15,373          |
| Total Expenditure ..... | <u>17,633</u>              | <u>17,557</u>   | 15,891          |
| Net Surplus .....       | <u>0</u>                   | <u>-209</u>     | -518            |

## **D9 – CONSERVATION MANAGEMENT STRATEGIES AND SERVICING OF STATUTORY BODIES**

### **Description**

This output class covers all work involved with management planning for natural and historic resources, by means of:

- Conservation Management Strategies (CMSs) under Part IIIA of the Conservation Act 1987, which establish general policies and objectives for the integrated management of natural and historic resources managed by the Department and for recreation, tourism and other conservation purposes within a regional area
- National Park Management Plans (NPMPs) under Part V of the National Parks Act 1980
- Conservation Management Plans (CMPs) under Part III A of the Conservation Act 1987, which implement the conservation management strategy and establish detailed objectives for the management of resources within a specified area.

This work includes extensive public consultation with individuals, tangata whenua, conservation, recreation and farming groups, community groups, and local government, prior to the submission of these strategies and plans to the New Zealand Conservation Authority (NZCA) for approval (CMSs and NPMPs) or the appropriate conservation board (CMPs).

It also covers the provision of administrative support and advice to conservation-related statutory bodies, including the New Zealand Conservation Authority, the 14 conservation boards, the Waitangi National Trust, the Nga Whenua Rahui and Nature Heritage Fund committees.

### **Relationship to Government Outcomes**

This output class contributes to the Government's Key Goals to "Protect and Enhance the Environment" and "Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi" by:

- developing conservation management strategies and plans, and national park plans in consultation with the public and interest groups including tangata whenua
- providing administrative support and advice to conservation-related statutory bodies.

## **OUTPUT 9.01: CONSERVATION MANAGEMENT STRATEGIES, NATIONAL PARK MANAGEMENT PLANS, AND CONSERVATION MANAGEMENT PLANS**

### **Overview**

As stated above, the purpose of Conservation Management Strategies (CMSs) is to implement general policies and establish objectives within a regional area. Approved, and even draft, strategies are proving to be extremely useful documents at all levels within the Department for ongoing operational work, business planning and community consultation activities. CMSs are developed over a considerable period of time and after extensive public consultation in accordance with the process set out in the Conservation Act 1987. The NZCA is the approval body. A total of 17 CMSs are in various stages of preparation or approval, i.e. one CMS for each conservancy plus Hawke's Bay, Chatham Islands, Stewart Island and the subantarctic islands.

As at 30 June 1999, all CMSs had been submitted to the NZCA except the Tongariro/Taupo CMS and the Authority had approved all but three (Canterbury, West Coast and the Chatham Islands). At that time, completion of the Tongariro/Taupo CMS continued to be complicated by Treaty of Waitangi claims.

The review and approval of National Park Management Plans (NPMPs) by the NZCA is also a major statutory process. These plans give effect to the principles of section 4 of the National Parks Act 1980 of "preserving in perpetuity as national parks, for their intrinsic worth and for the benefit, use and enjoyment of the public, areas of New Zealand that contain scenery of such distinct quality, ecological systems, or natural features so beautiful, unique or scientifically important that their preservation is in the national interest." All plans must be reviewed within ten years of approval, and a number of plans are now at or nearing the end of their ten-year cycle and are due for review.

As was intended, the completion of the comprehensive planning strategies in CMSs has significantly reduced the need for Conservation Management Plans (CMPs) that establish detailed objectives for the management of natural and historic resources within a specified area and are approved by the appropriate conservation board. The approval of CMSs has created the need for many of the older CMPs to be reviewed to remove those that are now obsolete, or to amend those that need to remain.

### **Quantity and Timeliness**

*By 30 June 2000, all conservation management strategies will have been referred to and approved by the NZCA, with the possible exception of the Tongariro/Taupo CMS, which is subject to the outcome of a Treaty of Waitangi claim.*

As at 30 June 2000, all Conservation Management Strategies had been referred to the Authority except the Tongariro/Taupo CMS, and all strategies had been approved by the Authority except the Tongariro/Taupo and West Coast CMSs.

Treaty of Waitangi claim issues that had delayed referral of the Tongariro/Taupo CMS for the last five years were finally resolved and the proposed CMS is now being updated to allow its submission to the Authority.

During the 1999/00 year, the Authority approved the Chatham Islands CMS in August 1999 and the Canterbury CMS in June 2000. The Government's decision to end the logging of indigenous forest on the West Coast has implications for the finalisation of the West Coast CMS, delaying its approval.

*Eight National Park Management Plans will be reviewed, including Te Urewera, Egmont, Whanganui, Nelson Lakes, Westland and Mt Cook.*

Reviews of nine plans are under way – Te Urewera, Egmont, Tongariro, Whanganui, Nelson Lakes, Abel Tasman, Westland, Mount Cook/Aoraki, and Fiordland.

- The Te Urewera National Park plan review is due to be released for public submissions in 2000/01.
- The draft revised Egmont National Park Plan has been released and submissions received. Referral to the NZCA is expected in August 2000.
- The review of the Tongariro/Taupo Plan can now be processed with the resolution of Treaty of Waitangi claim issues that have delayed completion of the CMS and commencement of this review.
- Notification of the intention to review the Whanganui plan was planned for early to mid 2000 but has been deferred until late 2000 after the Egmont Plan has been approved.
- Progress was made on the Nelson Lakes Plan, which was received by the Nelson/Marlborough Conservation Board in May 2000.
- Capacity issues have again delayed review of the Aoraki/Mount Cook National Park plan, which is now two years overdue.
- The Westland plan was released for comment on 31 March 2000 and is due with the NZCA in October. The Fiordland National Plan review commenced on 19 June 1999.

*The Kahurangi National Park management plan will be approved by the NZCA.*

The draft Kahurangi National Park Management Plan was submitted to the NZCA in August 1999 and was referred to the Minister for comments in March 2000. No comments had been received back by 30 June 2000.

*The revised Egmont National Park Management Plan will be referred to the NZCA.*

The draft revised Egmont National Park Plan was released for public comment and submissions received. The revised plan is now expected to be submitted to the Authority in August 2000. Approval is expected by October 2000 to coincide with the park centennial.

*The review of all existing conservation management plans and revocation of those that have become obsolete with the introduction of conservation management strategies will be completed by 30 June 2000.*

Formal work on revocation could not commence until a standard operating procedure providing guidance on the process for revocation of CMPs was completed and approved. This was achieved in November 1999. While it was hoped to complete the revocation of 49 CMPs, only seven were completed by 30 June 2000. Completion of the remainder is expected in 2000/01.

*Four new conservation management plans will be completed.*

Three new plans were approved during the year, covering:

- North Head Historic Reserve (Auckland)
- Kaimanawa Forest Park (Tongariro/Taupo)
- J M Baker (Hapupu) National Historic Reserve (Wellington).

## **OUTPUT 9.02: SERVICING OF STATUTORY BODIES**

### **Overview**

As stated above, this output covers the provision of administrative support and advice to conservation-related statutory bodies to enable them to fulfil their statutory roles. The main statutory bodies are the New Zealand Conservation Authority (NZCA) and the 14 conservation boards. Other agencies serviced by the Department include:

- Nga Whenua Rahui and Nature Heritage Fund Committees
- the Guardians of Lakes Manapouri, Monowai and Te Anau
- the Guardians of Lake Wanaka
- the Lake Okataina Scenic Reserve Board
- the Lake Rotoiti Scenic Reserve Board
- the Lake Wairarapa Co-ordinating Committee
- the National Wildlife Centre Trust Board
- the Tararua Huts Committee
- the Rakiura Titi Committee.
- Ministerially appointed bodies (e.g. Taupo Nui A Tia Management Board)

It does not cover advice and support to the Queen Elizabeth II National Trust, Lake Taupo Fishery Advisory Committee, local authority reserves boards, or the New Zealand Fish and Game Council.

The statutory bodies and agencies listed above have a range of responsibilities, provide valuable linkages to various communities of interest, provide a range of views to the Department and the Minister on conservation issues, and can be effective conduits for public debate of contentious issues. In line with the policies in and developed from the Department's Strategic Business Plan, community involvement in conservation decision-making and consultation is reflected in the support and advice provided to the NZCA and conservation boards.

The two nature funds (Nga Whenua Rahui and Nature Heritage Fund) perform quite separate functions relating to the acquisition and/or protection of significant areas of indigenous vegetation. They have proved to be an effective mechanism, separate from the Department, to achieve considerable gains for national conservation objectives.

This output also includes the management of the processes leading to the appointment by the Minister of members of conservation boards and of other conservation bodies, and as Guardians of Lakes Wanaka, Manapouri, Monowai and Te Anau.

### **Quantity, Quality and Timeliness**

*Administrative support services will be provided to seven NZCA meetings, an average of six meetings per conservation board, four Nature Heritage Fund meetings and four Nga Whenua Rahui meetings.*

Administrative support was provided to six NZCA meetings, an average of six meetings per conservation board, five Nature Heritage Fund meetings, and four Nga Whenua Rahui meetings.

*The annual report for the NZCA for the 1998/99 financial year will be produced by 31 December 1999.*

The annual report was tabled in the House in December 1999.

*Surveys of the NZCA and conservation boards to assess their satisfaction with the level of administrative support will achieve an average rating of satisfied or very satisfied.*

Surveys of the NZCA and conservation boards achieved an average rating of very satisfied with the level of administrative support provided.

Nature Heritage Fund committee members also rated the administrative support provided to them as very satisfactory.

*Annual appointments to conservation boards will be processed in accordance with the Conservation Act 1987 and within the timeframe agreed with the Minister.*

The 1999 appointments were gazetted on 22 July 1999 consistent with the process and timing agreed with the Minister.

A report to the Minister seeking approval of the process for 2000 was submitted in January 2000. As at 30 June 2000, the process for the appointment of members in the year 2000 was one week behind the agreed timetable resulting from delays in responses from ministers with whom the Minister of Conservation is required to consult.

### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 2,691                      | 2,691           | 2,725           |
| – Other .....           | 39                         | 5               | 91              |
| Total Revenue .....     | <u>2,730</u>               | <u>2,696</u>    | <u>2,816</u>    |
| Total Expenditure ..... | <u>2,730</u>               | <u>2,682</u>    | <u>2,758</u>    |
| Net Surplus .....       | <u>-</u>                   | <u>14</u>       | <u>58</u>       |

**VOTE: BIOSECURITY****D9 – POLICY ADVICE****Description**

This output class includes the purchase of a range of policy advice and decision support for the Minister and the Government. The scope of the class covers advice on biosecurity legislation and organisation of the Biosecurity portfolio; advice to Ministers and others in relation to the introduction of unwanted organisms and the effects on native fauna and flora; the development of departmental policy and pest management strategies; risk analysis and risk management in relation to protected/threatened native species and ecosystems; the need for establishment of systems for monitoring, surveillance and the early detection of new pests in indigenous forests and other natural ecosystems.

**Relationship to Government Outcomes**

This output class contributes to the Government's Key Goal to "Protect and Enhance the Environment" through the provision of high quality and appropriate advice on legislation and biosecurity policy initiatives affecting conservation.

**Quantity, Quality and Timeliness**

- *The quantity, nature and timing of advice are agreed with the Minister. Policy advice will be delivered in accordance with the following criteria:*
  - *Reports will clearly state their purpose and address any questions raised by the Minister.*
  - *Assumptions behind the advice are explicit, the argument logical and supported by facts.*
  - *All material facts will be included.*
  - *An adequate range of options will be presented and assessed for benefits, costs and consequences to biosecurity management.*
  - *Evidence will exist of adequate consultation with interested parties where applicable and possible objections to the proposals will be identified.*
  - *Problems with implementation, technical feasibility, compliance costs, enforcement implications, timing and consistency with other policies will be considered.*
- *Material presented will meet Cabinet Office requirements.*
- *The Minister's views on quality of advice will be sought through appropriate means on a six-monthly basis.*

All policy advice was provided in accordance with the above criteria. Material presented met Cabinet Office requirements.

The Department provided ongoing policy advice to the Minister for Biosecurity, the Biosecurity Council, the Biosecurity Technical Forum and the Pest Management Strategy Advisory Committee (PMSAC). Officials also attended meetings of the Biosecurity Technical Forum and the Biosecurity Council and various working groups established by these two committees.

Work commenced on the preparation of a list of unwanted organisms that meet the criteria set out in the Department of Conservation policy on determination of unwanted organisms under the Biosecurity Act 1993. A primary list of unwanted organisms was under development at 30 June 2000. Work to determine the most effective way for the Department of Conservation to use the unwanted organisms classification is continuing.

During the year, the Department advised the Ministry of Agriculture and Forestry that the rainbow lorikeet has been determined to be an unwanted organism, to enable control actions to be undertaken under the Biosecurity Act.

Work continued on the development of appropriate risk management systems for exclusion and early detection of organisms identified as posing a significant threat to indigenous flora and fauna. The Department developed and implemented a new procedure for "Internal Biosecurity Responses". This procedure complements the existing protocols for response to new incursions of exotic organisms and also the Department's unwanted organisms policy. The level of risk from species on the primary list of unwanted organisms was under development at 30 June 2000.

Input was provided into policy initiatives of other agencies. This included advice and technical input into Phase III of the Green Package Project: Bio-risk decision-making framework project, which was completed by June 2000. The Biosecurity Technical Forum is managing ongoing work. Comments were also provided on report on "Managing the Asian Kelp *Undaria*" prepared for the Ministry of Fisheries in relation to the development of a National Pest Management Strategy for *Undaria*. (See output class D12 below).

The Department made approximately 50 submissions on risk analyses and draft import health standards. All were made within the timeframes agreed with the agency initiating the risk analysis or draft import health standards.

A target for the year was to review, by October 1999, the Memorandum of Understanding (MOU) on forest biosecurity between the Department of Conservation and the Ministry of Agriculture and Forestry in light of the MAF/MOF merger and the sale of the Forest Health Group to Forest

Research. However, this was overtaken by the Biosecurity Council's decision to develop separate Memoranda of Understanding between the MAF Biosecurity Authority and operational biosecurity departments, specifying the generic services the Ministry of Agriculture and Forestry would provide in relation to risk assessment, import health standards, surveillance, and incursion response.

A draft Memorandum of Understanding was considered by the Biosecurity Council on 20 June 2000. Operational agreements to underpin the Memorandum of Understanding will be finalised by September 2000.

Similarly, a review was undertaken of the Memorandum of Understanding (MOU) between the Department and the Ministry of Fisheries on marine biosecurity in relation to responsibility for co-ordination of surveillance and initial response to new incursions in the marine environment. This review was completed and the MOU was updated, but has not yet been finalised. Completion is awaiting the finalisation of the MOU between the Ministry of Fisheries and the Ministry of Agriculture and Forestry on biosecurity, which, amongst other things, will clarify which agency will take a leadership role for freshwater biosecurity.

During the year ended 30 June 2000, three draft replies to Ministerial letters and answers to two parliamentary questions were provided, one third of the 15 forecast for the year. All three draft replies to Ministerial letters were prepared within the target timeframe of 20 working days, well above the 75% target. All were accepted by the Minister on first draft, compared to the target of 90%.

#### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 80                         | 80              | 175             |
| – Other .....           | -                          | -               | -               |
| Total Revenue .....     | 80                         | 80              | 175             |
| Total Expenditure ..... | 80                         | 80              | 171             |
| Net Surplus .....       | -                          | -               | 4               |

**D10 – CROWN PEST/WEED EXACERBATOR COSTS****Description**

This class of outputs includes “Crown as exacerbator” contributions to the administration of Regional Pest Management Strategies (RPMS) developed and implemented by regional councils under the Biosecurity Act 1993. These strategies can impose costs and obligations on land occupiers, including the Crown (for example, the Department of Conservation in respect of lands that it administers). It also covers funding for weed and pest work to be undertaken by the Department of Conservation to meet agreed Crown as exacerbator obligations under these Regional Pest Management Strategies.

**Relationship to Government Outcomes**

This output class contributes to the Government’s Key Goal to “Protect and Enhance the Environment” by contributing to the costs of administration and exacerbator control requirements of Regional Pest Management Strategies developed and implemented by regional councils under the Biosecurity Act 1993.

**Quantity, Quality and Timeliness**

*DOC will ensure the funding meets the requirements of regional pest management strategies to the extent agreed by Cabinet.*

The Orders in Council relating to regional councils that came into force on 10 July 1998 are due to expire on 30 June 2001. Negotiations were therefore commenced and are ongoing to approve further funding for 2001/02 and subsequent years.

*The contributions to RPMS administration negotiated with individual regional councils will be made in accordance with, and subject to the maximum amount specified in, the relevant Orders in Council.*

Negotiations were carried out with all regional councils. Agreement was reached on the amounts to be paid towards regional pest management strategy administration by all councils except the West Coast Regional Council and Chatham Islands District Council, which have not yet produced a notified strategy.

*Crown contributions to RPMS strategy administration will be made as soon as the regional council has demonstrated that the work has been carried out in accordance with the RPMS.*

Crown contributions to administration costs were made to all regional councils that demonstrated that the agreed tasks had been carried out in accordance with the relevant regional pest management strategy and Orders in Council.

*Where the Department of Conservation carries out pest control on Crown land in accordance with RPMS, pests will be controlled to the levels specified in the RPMS, as provided for in the relevant Order in Council.*

All operational work carried out by the Department was undertaken in accordance with the relevant regional pest management strategies, including to the specified levels. This work was also carried in consultation with regional councils.

*By 28 July 2000, the Department of Conservation will provide annual reports to regional councils on work carried out in meeting its obligations under RPMS.*

The Department of Conservation provided annual reports to most regional councils before the target date of 28 July 2000. One regional council did not want a report.

### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 2,200                      | 2,200           | 1,270           |
| – Other .....           | -                          | -               | -               |
| Total Revenue .....     | <u>2,200</u>               | <u>2,200</u>    | <u>1,270</u>    |
| Total Expenditure ..... | <u>2,200</u>               | <u>2,063</u>    | <u>1,202</u>    |
| Net Surplus .....       | <u>-</u>                   | <u>137</u>      | <u>68</u>       |

**D11 – INDIGENOUS FOREST BIOSECURITY PROTECTION****Description**

This class of outputs involves monitoring the health of indigenous forests in order to detect unwanted organisms that may affect indigenous forests.

**Relationship to Government Outcomes**

Through the above activity, this output class contributes to the Government's Key Goal to "Protect and Enhance the Environment".

**Quantity, Quality and Timeliness**

*The indigenous forest biosecurity surveillance programme subcontracted to the Ministry of Agriculture and Forestry will be delivered in accordance with the specifications and standards agreed between the Department and the Ministry.*

Biosecurity services for this programme are purchased from the New Zealand Forest Research Institute and the Ministry of Agriculture and Forestry and are aimed at the early detection of new introduced insects or diseases that would be harmful to New Zealand's indigenous forests.

These biosecurity services are set out in the Memorandum of Agreement (MOA) between the Department, the Institute and the Ministry carried over from 1994 and include:

- aerial survey of specified "at risk" indigenous forests
- ground examination of a representative range of indigenous tree species at specified hazard sites
- examination of indigenous tree species within five kilometres of 22 specified ports for new introduced insects and diseases
- access to forest health diagnostic and advisory services and the carrying out of two field evaluations.

The programme was carried out in 1999/00 to the agreed specifications, with some minor exceptions.

During the year, no discoveries of new organisms detected either as part of surveys sponsored by the Department or through other means were reported to the Department in accordance with the requirement for immediate reporting of such incursions.

In accordance with the agreement between the Department and the Ministry, completed health inspection forms for each site inspection were entered onto the Forest Health Database and location specific reports on completed surveys were provided to Department of Conservation Conservators each quarter.

An annual report on the forest health surveys carried out was due with the Department by 30 June 2000. This report was delayed because of difficulty of access to the Waitakere sites, but was received by 31 July 2000.

Annual consultation was completed with the Department's New Organisms Officer and other relevant staff to decide what training is necessary and for whom.

One-day training programmes for Department staff on tree health awareness was planned for four times during the year, but this training was not carried out. Increased training will be provided in 2000/01 after re-evaluation of the forest health survey has been completed. An annual report on training programmes and utilisation of advisory services due to be provided to the Department by 30 June 2000, was delayed and is expected to be received by 31 July 2000.

#### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000                  |                 | 30/6/99         |
|-------------------------|----------------------------|-----------------|-----------------|
|                         | Main<br>Estimates<br>\$000 | Actual<br>\$000 | Actual<br>\$000 |
| Revenue                 |                            |                 |                 |
| – Crown .....           | 33                         | 33              | 33              |
| – Other .....           | -                          | -               | -               |
| Total Revenue .....     | <u>33</u>                  | <u>33</u>       | <u>33</u>       |
| Total Expenditure ..... | <u>33</u>                  | <u>33</u>       | <u>33</u>       |
| Net Surplus .....       | <u>-</u>                   | <u>-</u>        | <u>-</u>        |

## D12 – SPECIFIC PEST AND DISEASE RESPONSES

### Description

This output class involves the delivery of services associated with responses to exotic disease or pest incursions, including the costs of a programme of eradication and control of *Undaria* seaweed in southern New Zealand.

### Relationship to Government Outcomes

This output class contributes to the Government's Key Goal to "Protect and Enhance the Environment" by delivering the above services.

### Overview

The programme to contain and eradicate the invasive seaweed *Undaria pinnatifida* from Big Glory Bay, Stewart Island, commenced in 1997 and continued until January 1999 when a further review against agreed technical standards was undertaken as planned. Following this review, Cabinet approved increased funding of \$2.17 million from Vote Biosecurity to be allocated over the next five years, 1999/00 – 2004/05, to allow the eradication programme to continue.

### Quantity, Quality and Timeliness

*Performance criteria are dependent upon the type and nature of the incursion.*

*Eradication and control of Undaria seaweed in Bluff Harbour and Big Glory Bay, Stewart Island, will be carried out to meet agreed technical standards set out in the operational plan.*

A contract for on site eradication operations was finalised on 1 July 1999 as targeted.

In June 1999, a vessel monitoring programme was implemented in Southland, Otago and South Canterbury to determine the extent of hull infestation by *Undaria*. This work was ongoing throughout the 1999/00 year. The extent of hull fouling was 24%-34% of all vessels monitored.

Systems were implemented to monitor and reduce the risk of re-invasion through vessel hull infestation, including a public awareness programme. A brochure was published and distributed to most owners of infested vessels and as an insert to the "Dive NZ" magazine. Brochures were also sent to offices of the Department of Conservation and Ministry of Fisheries, yacht clubs and dive shops.

The Department provided technical support to the Ministry of Fisheries with the development of a proposed National Pest Management Strategy for *Undaria* under the Biosecurity Act 1993.

An independent scientific review of the success of the eradication programme against performance standards agreed by a panel of Department and external scientific experts will be conducted by 31 August 2000.

An annual report was presented to the Treasurer, Minister of Finance, Minister for Biosecurity, and Minister of Conservation on the progress and results of the programme against set performance standards by the target date of 31 December 1999. An updated report and scientific review will be presented to the Treasurer and Ministers by 31 December 2000.

#### Additional Achievements

As at 1 July 2000, three full years of field data had been collected from Big Glory Bay and one full year from Bluff Harbour. Removal of sporophytes has contained the *Undaria* population to Big Glory Bay and has resulted in a further reduction to sporophyte abundance, with an 84% decrease in the 1999/00 season. Sporophyte fertility in Big Glory Bay was 16%. *Undaria* has been contained to Bluff Harbour, with 12% fertility in the 1999/00 season.

#### *Banjo frog incursion response*

Subsequent to the completion of the 1999/00 Departmental Forecast Report and purchase agreement, it was agreed that the Department would collaborate with the Ministry of Agriculture and Forestry and the Auckland Regional Council in a site investigation of the Waitakere catchment by 31 December 1999, to establish the scale of incursion of the eastern banjo frog.

This survey was completed and the report received on 12 December 1999. No frogs or evidence of frogs was found. Sound playback and recording devices have now been installed at the site where live tadpoles were originally discovered. Monitoring work will continue over the spring-summer breeding season.

### OUTPUT CLASS OPERATING STATEMENT

|                         | 30/6/2000         |            | 30/6/99    |
|-------------------------|-------------------|------------|------------|
|                         | Main<br>Estimates | Actual     | Actual     |
|                         | \$000             | \$000      | \$000      |
| Revenue                 |                   |            |            |
| – Crown .....           | 721               | 721        | 460        |
| – Other .....           | -                 | -          | -          |
| Total Revenue .....     | <u>721</u>        | <u>721</u> | <u>460</u> |
| Total Expenditure ..... | <u>721</u>        | <u>679</u> | <u>459</u> |
| Net Surplus .....       | <u>-</u>          | <u>42</u>  | <u>1</u>   |

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**FINANCIAL**

**STATEMENTS**

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**STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR  
ENDED 30 JUNE 2000****REPORTING ENTITY**

The Department of Conservation is a Government department as defined by section 2 of the Public Finance Act 1989. These financial statements are presented pursuant to section 35 of the Public Finance Act 1989.

In addition, the Department has reported the Trust monies which it administers.

**MEASUREMENT SYSTEM**

The general accounting systems recognised as appropriate for the measurement and reporting of results and financial position on a historical cost basis, modified by the revaluation of certain fixed assets, have been followed.

**ACCOUNTING POLICIES**

The following particular accounting policies which materially affect the measurement of financial results and financial position have been applied.

**Budget figures**

The Budget figures are those presented in the Budget Night Estimates (Main Estimates) as amended by the Supplementary Estimates and any transfer made by Order in Council under section 5 of the Public Finance Act 1989 (Supplementary Estimates).

**Revenue**

The Department derives revenue through the provision of outputs to the Crown, for services to third parties, donations and interest on its deposits with the New Zealand Debt Management Office (NZDMO). Such revenue is recognised when earned and is reported in the financial period to which it relates.

**Cost allocation**

The Department has determined the cost of outputs using a cost allocation system which is outlined below.

**Cost allocation policy**

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

**Criteria for direct and indirect costs**

"Direct Costs" are those costs directly attributed to the output. "Indirect Costs" are those costs that cannot be identified, in an economically feasible manner, with a specific output.

**Direct costs assigned to outputs**

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. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output.

For the year ended 30 June 2000, direct costs accounted for 52% of the Department's costs (1999: 55%).

**Basis of assigning indirect and corporate costs to outputs**

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

For the year ended 30 June 2000, indirect costs accounted for 48% of the Department's costs (1999: 45%).

**Receivables and advances**

Receivables and advances are recorded at estimated realisable value, after providing for doubtful debts.

**Inventories**

Inventories are valued at the lower of cost or net realisable value on a first in first out basis. Standard costs that include production overheads are used for valuing nursery stocks.

**Leases**

The Department leases vehicles, office premises and office equipment. As all the risks and benefits of ownership are retained by the lessor, these leases are classified as operating leases and are expensed in the period in which the costs are incurred.

**Fixed Assets**

- (i) Administrative land and buildings are valued by Valuersnet (registered valuers) for accounting purposes on a cyclical basis every three years.
- (ii) Huts are valued at standard values based on depreciated replacement cost. They are revalued every three years based on replacement cost.
- (iii) Other Assets are valued at modified historical cost, modified only to the extent that a permanent impairment or improvement has occurred.

Any increase on revaluation of land or buildings is transferred directly to revaluation reserves unless it offsets a previous decrease in value recognised in the Statement of Financial Performance. The amount that offsets previously recognised decreases is reflected in the Statement of Financial Performance. A decrease in value is recognised in the Statement of Financial Performance where it exceeds the amount of the revaluation reserve for that particular class of assets.

Where an asset is disposed of, the profit or loss recognised in the Statement of Financial Performance is calculated as the difference between the sale price and the carrying value of the fixed asset, adjusted for any revaluation reserve attached to that asset.

Any item costing less than \$5,000 is expensed in the year of acquisition.

**Depreciation**

Depreciation of fixed assets, other than freehold land and work in progress is provided on a straight line basis so as to allocate the cost (or valuation) of assets to their estimated residual value over their useful lives.

The useful lives of assets have been estimated as follows:

| <b>Asset</b>                                    | <b>Estimated Life</b>         |
|---|-------------------------------|
| Buildings                                       | 20-40 years                   |
| Furniture, computers and other office equipment | 5 years                       |
| Plant and field equipment                       | 10 years                      |
| Vessels   | 6 years and 8 months-20 years |
| Motor vehicles                                  | 6 years and 8 months          |

### **Community assets**

The nation's land and buildings managed by the Department are the nation's natural and historic heritage. As these community assets belong to the Crown, their valuation is not reflected in these financial statements. Typically this land includes the National and Forest Parks as well as Crown Reserve land, and is recorded in the Consolidated Crown Accounts.

### **Statement of cash flows**

Cash means cash balances on hand, held in bank accounts and short term deposits.

Operating activities include cash received from all income sources of the Department and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise capital injections by, or repayment of capital to, the Crown.

### **Goods and Services Tax (GST)**

The Statement of Unappropriated Expenditure and the Statements of Departmental and Non-Departmental Expenditure and Appropriations are inclusive of GST. The Statement of Financial Position is GST exclusive except for creditors and payables and receivables.

All other statements are GST exclusive.

The net amount of GST payable to the Inland Revenue Department at balance date, being the difference between Output GST and Input GST is shown as a current asset or current liability as appropriate in the Statement of Financial Position.

### **Taxation**

Government departments are exempt from the payment of income tax in terms of the Income Tax Act 1994. Accordingly, no charge for income tax has been provided for.

### **Donation receipts**

The Department receives unsolicited donations, gifts and grants from individuals, groups and companies. The treatment of these receipts is dependent on their nature:

- (i) donations which are received without a specific purpose are recognised as revenue in the period of receipt.
- (ii) donations received for specific purposes where a written agreement specifies the purpose for which the funds can be used are matched against related expenditure when it has been incurred. Where the expenditure has not been incurred the receipt is treated as revenue in advance.
- (iii) donations received for specified purposes under section 33 of the Conservation Act 1987, section 18 of the Walkways Act 1990 or section 78(3) of the Reserves Act 1977

are held in trust accounts established by section 67 of the Public Finance Act 1989. If the Department incurs expenditure in relation to achieving these specific purposes, the funds are transferred to the Department as revenue and matched against the expenditure at the time the purpose for which the donation was received has been fulfilled.

**Taxpayers' Funds**

This is the Crown's net investment in the Department.

**Employee entitlements**

Provision is made in respect of the Department's liability for annual, long service and retirement leave and time in lieu. Annual leave and time off in lieu are recognised as they accrue to employees while the retirement and long service leave have been calculated on an actuarial basis based on the present value of expected future entitlements.

**Financial instruments**

The Department is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, accounts payable and receivable, and short-term deposits.

All revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are recognised in the Statement of Financial Position.

**Commitments**

Future expense and liabilities are disclosed as commitments at the point a contractual obligation exists, to the extent that they are equally unperformed obligations.

**Contingent liabilities**

Contingent liabilities are disclosed at the point at which the contingency is evident.

**Comparatives**

Certain comparative information has been reclassified in order to conform with the current year's presentation.

**Changes in accounting policies**

There have been no changes in accounting policies including cost allocation policies, since the date of the last audited financial statements.

All policies have been applied on a basis consistent with previous years.

**STATEMENT OF FINANCIAL PERFORMANCE**  
**for the year ended 30 June 2000**

|   |      | 30/06/00       | 30/06/00       | 30/06/00       | 30/06/99 |
|---|------|----------------|----------------|----------------|----------|
|   |      | Actual         | Main           | Supp.          | Actual   |
|   |      |                | Estimates      | Estimates      |          |
|   | Note | \$000          | \$000          | \$000          | \$000    |
| <b>Revenue</b>  |      |                |                |                |          |
| Crown .....   | 2    | 134,777        | 135,696        | 134,777        | 139,406  |
| Departments .....                                       | 3    | 402            | 1,913          | 1,913          | 397      |
| Other .....   | 4    | 17,889         | 19,607         | 19,607         | 16,849   |
| Interest .....  | 5    | 22             | -              | -              | 184      |
| <b>Total Revenue</b> .....                              |      | <b>153,090</b> | <b>157,216</b> | <b>156,297</b> | 156,836  |
| <b>Expenses</b>   |      |                |                |                |          |
| Personnel .....   | 6    | 76,591         | 74,536         | 74,127         | 76,107   |
| Operating .....   | 7    | 64,289         | 71,126         | 71,529         | 70,133   |
| Depreciation .....                                      |      | 4,987          | 5,370          | 4,790          | 4,719    |
| Capital charge .....                                    | 8    | 5,857          | 6,184          | 5,851          | 7,154    |
| Loss on sale of fixed assets                            |      | 33             | -              | -              | 385      |
| Other Expenses .....                                    | 9    | -              | -              | -              | 3,364    |
| <b>Total Expenses</b> .....                             |      | <b>151,757</b> | <b>157,216</b> | <b>156,297</b> | 161,862  |
| Net operating surplus / (deficit)<br>for the year ..... |      | <b>1,333</b>   | -              | -              | (5,026)  |

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

**STATEMENT OF MOVEMENTS IN TAXPAYERS' FUNDS**  
**for the year ended 30 June 2000**

|  |    | 30/06/00<br>Actual<br>\$000 | 30/06/00<br>Main<br>Estimates<br>\$000 | 30/06/00<br>Supp.<br>Estimates<br>\$000 | 30/06/99<br>Actual<br>\$000 |
|--|----|-----------------------------|--|---|-----------------------------|
| <b>Total taxpayers' funds at beginning of year .....</b>       |    | <b>58,564</b>               | <b>61,385</b>                          | <b>58,564</b>                           | 65,199                      |
| Net operating (deficit) / surplus                              |    | <b>1,333</b>                | -                                      | -                                       | (5,026)                     |
| Increase in revaluation reserve                                | 10 | <b>286</b>                  | -                                      | -                                       | 129                         |
| <b>Total recognised revenues and expenses for the year ...</b> |    | <b>1,619</b>                | -                                      | -                                       | (4,897)                     |
| Provision for repayment of surplus to the Crown .....          |    | <b>(1,333)</b>              | -                                      | -                                       | -                           |
| Revaluation reserve realised on disposal .....                 |    | <b>405</b>                  | -                                      | -                                       | -                           |
| Asset transfers .....  | 11 | <b>(3,222)</b>              | -                                      | -                                       | (1,738)                     |
| <b>Total taxpayers' funds at end of year .....</b>             |    | <b>56,033</b>               | <b>61,385</b>                          | <b>58,564</b>                           | 58,564                      |

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

**STATEMENT OF FINANCIAL POSITION**  
as at 30 June 2000

|  |      | 30/06/00<br>Actual | 30/06/00<br>Main<br>Estimates | 30/06/00<br>Supp.<br>Estimates | 30/06/99<br>Actual |
|--|------|--------------------|-------------------------------|--------------------------------|--------------------|
|  | Note | \$000              | \$000                         | \$000                          | \$000              |
| <b>Current assets</b>                                    |      |                    |                               |                                |                    |
| Cash and bank balances ...                               | 12   | 19,574             | 9,466                         | 20,295                         | 21,708             |
| Short-term deposit .....                                 |      | -                  | -                             | -                              | 5,000              |
| Prepayments .....  |      | 151                | 699                           | 1,219                          | 1,185              |
| Inventories .....  | 13   | 1,037              | 1,727                         | 1,232                          | 1,232              |
| GST receivable .....                                     |      | -                  | -                             | -                              | 374                |
| Receivables .....  | 14   | 2,818              | 5,003                         | 5,493                          | 5,153              |
| <b>Total current assets .....</b>                        |      | <b>23,580</b>      | <b>16,895</b>                 | <b>28,239</b>                  | 34,652             |
| <b>Non-current assets</b>                                |      |                    |                               |                                |                    |
| Fixed assets .....                                       | 15   | 63,152             | 73,890                        | 63,635                         | 63,635             |
| <b>Total non current assets ..</b>                       |      | <b>63,152</b>      | <b>73,890</b>                 | <b>63,635</b>                  | 63,635             |
| <b>Total assets .....</b>                                |      | <b>86,732</b>      | <b>90,785</b>                 | <b>91,874</b>                  | 98,287             |
| <b>Current liabilities</b>                               |      |                    |                               |                                |                    |
| Payables and provisions ...                              | 16   | 14,144             | 8,696                         | 18,879                         | 18,879             |
| Creditor – Crown .....                                   |      | -                  | -                             | -                              | 6,413              |
| Provision for repayment of<br>surplus to the Crown ..... |      | 1,333              | -                             | -                              | -                  |
| Provision for employee<br>entitlements .....             | 17   | 7,160              | 5,716                         | 6,536                          | 6,536              |
| GST payable .....  |      | 148                | -                             | -                              | -                  |
| Other liabilities .....                                  | 18   | 818                | 7,105                         | 994                            | 994                |
| <b>Total current liabilities .....</b>                   |      | <b>23,603</b>      | <b>21,517</b>                 | <b>26,409</b>                  | 32,822             |
| <b>Non current liabilities</b>                           |      |                    |                               |                                |                    |
| Provision for employee<br>entitlements .....             | 19   | 7,096              | 7,433                         | 6,901                          | 6,901              |
| <b>Total non current liabilities</b>                     |      | <b>7,096</b>       | <b>7,433</b>                  | <b>6,901</b>                   | 6,901              |
| <b>Total liabilities .....</b>                           |      | <b>30,699</b>      | <b>28,950</b>                 | <b>33,310</b>                  | 39,723             |
| <b>Taxpayers' funds</b>                                  |      |                    |                               |                                |                    |
| General funds .....                                      |      | 37,973             | 42,143                        | 39,798                         | 39,305             |
| Revaluation reserve .....                                | 10   | 18,060             | 19,692                        | 18,766                         | 19,259             |
| <b>Total taxpayers' funds .....</b>                      |      | <b>56,033</b>      | <b>61,835</b>                 | <b>58,564</b>                  | 58,564             |
| <b>Total liabilities and<br/>taxpayers' funds .....</b>  |      | <b>86,732</b>      | <b>90,785</b>                 | <b>91,874</b>                  | 98,287             |

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

**STATEMENT OF CASHFLOWS**  
for the year ended 30 June 2000

|  | 30/06/00<br>Actual<br>\$000 | 30/06/00<br>Main<br>Estimates<br>\$000 | 30/06/00<br>Supp.<br>Estimates<br>\$000 | 30/06/99<br>Actual<br>\$000 |
|--|-----------------------------|--|---|-----------------------------|
| <b>Cash flows – Operating activities</b>                               |                             |  |   |                             |
| <b>Cash provided from:</b>   |                             |  |   |                             |
| Supply of outputs to Crown .....                                       | 134,777                     | 135,697                                | 134,778                                 | 138,328                     |
| Supply of outputs to Customers .....                                   | 20,416                      | 21,520                                 | 21,520                                  | 22,036                      |
| Interest .....   | 56                          | -                                      | -                                       | 150                         |
|  | <u>155,249</u>              | <u>157,217</u>                         | <u>156,298</u>                          | <u>160,514</u>              |
| <b>Cash disbursed to:</b>  |                             |  |   |                             |
| Produce outputs  |                             |  |   |                             |
| – personnel .....  | 77,031                      | 70,871                                 | 73,878                                  | 75,299                      |
| – operating .....  | 72,980                      | 74,492                                 | 78,192                                  | 62,429                      |
| – net GST (received)/paid .....  | (522)                       | -                                      | -                                       | 1,894                       |
| – capital charge .....   | 5,857                       | 6,184                                  | 5,851                                   | 7,154                       |
|  | <u>155,346</u>              | <u>151,547</u>                         | <u>157,921</u>                          | <u>146,776</u>              |
| <b>Net cash inflow / (outflow)<br/>from operating activities .....</b> | <b>(97)</b>                 | <b>5,670</b>                           | <b>(1,623)</b>                          | <b>13,738</b>               |
| <b>Cash flows – Investing activities</b>                               |                             |  |   |                             |
| <b>Cash provided from:</b>   |                             |  |   |                             |
| Sale of fixed assets .....   | 2,013                       | 1,507                                  | 2,087                                   | 1,650                       |
| <b>Cash disbursed to:</b>  |                             |  |   |                             |
| Purchase of fixed assets .....   | 8,866                       | 6,090                                  | 6,877                                   | 8,514                       |
| <b>Net cash outflow from investing<br/>activities .....</b>            | <b>(6,853)</b>              | <b>(4,583)</b>                         | <b>(4,790)</b>                          | <b>(6,864)</b>              |
| <b>Cash flows – Financing activities</b>                               |                             |  |   |                             |
| <b>Cash disbursed to:</b>  |                             |  |   |                             |
| Repayment of surplus to Crown ....                                     | 184                         | -                                      | -                                       | 4,349                       |
| <b>Net cash inflow / (outflow)<br/>from financing activities .....</b> | <b>(184)</b>                | <b>-</b>                               | <b>-</b>                                | <b>(4,349)</b>              |
| <b>Net increase/(decrease) in cash held</b>                            | <b>(7,134)</b>              | <b>1,087</b>                           | <b>(6,413)</b>                          | <b>2,525</b>                |
| Add opening cash balance .....   | <b>26,708</b>               | <b>8,379</b>                           | <b>26,708</b>                           | <b>24,183</b>               |
| <b>Closing cash and deposits .....</b>                                 | <b>19,574</b>               | <b>9,466</b>                           | <b>20,295</b>                           | <b>26,708</b>               |

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

**RECONCILIATION OF OPERATING SURPLUS AND NET  
CASHFLOWS FROM OPERATING ACTIVITIES  
for the year ended 30 June 2000**

|  | 30/06/00<br>Actual<br>\$000 | 30/06/00<br>Main<br>Estimates<br>\$000 | 30/06/00<br>Supp.<br>Estimates<br>\$000 | 30/06/99<br>Actual<br>\$000 |
|--|-----------------------------|--|---|-----------------------------|
| Net surplus (deficit) .....  | 1,333                       | -                                      | -                                       | (5,026)                     |
| <b>Add (Less) non-cash items:</b>                                      |                             |  |   |                             |
| Depreciation .....   | 4,987                       | 5,370                                  | 4,790                                   | 4,719                       |
| Provision for doubtful debts .....                                     | 39                          | -                                      | -                                       | (178)                       |
| Provision for employee entitlements .....                              | 195                         | 300                                    | -                                       | 3,164                       |
| <b>Total non-cash items .....</b>                                      | <b>5,221</b>                | <b>5,670</b>                           | <b>4,790</b>                            | <b>7,705</b>                |
| <b>Movements in working Capital</b>                                    |                             |  |   |                             |
| Inventories (increase)/decrease ....                                   | 195                         | -                                      | -                                       | 495                         |
| Receivables and advances<br>(increase)/decrease .....                  | 1,089                       | -                                      | -                                       | (369)                       |
| Prepayment (increase)/decrease ..                                      | 1,034                       | -                                      | -                                       | (486)                       |
| Crown creditor increase/(decrease)                                     | (6,413)                     | -                                      | (6,413)                                 | 5,682                       |
| Payables and provisions increase/<br>(decrease) .....                  | (2,413)                     | -                                      | -                                       | 7,271                       |
| Other liabilities increase/(decrease)                                  | (176)                       | -                                      | -                                       | (1,919)                     |
| <b>Net movement in working capital .....</b>                           | <b>(6,684)</b>              | <b>-</b>                               | <b>(6,413)</b>                          | <b>10,674</b>               |
| <b>Add/(less) investing activity items</b>                             |                             |  |   |                             |
| Net loss (gain) on sale of fixed<br>assets .....                       | 33                          | -                                      | -                                       | 385                         |
| <b>Total investing activities .....</b>                                | <b>33</b>                   | <b>-</b>                               | <b>-</b>                                | <b>385</b>                  |
| <b>Net cash inflow / (outflow) from<br/>operating activities .....</b> | <b>(97)</b>                 | <b>5,670</b>                           | <b>(1,623)</b>                          | <b>13,738</b>               |

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

**STATEMENT OF COMMITMENTS**  
as at 30 June 2000

|                                      | <b>30/06/00</b> | 30/06/99 |
|--------------------------------------|-----------------|----------|
|                                      | <b>Actual</b>   | Actual   |
|                                      | <b>\$000</b>    | \$000    |
| <b>Capital commitments</b>           |                 |          |
| Other plant and equipment .....      | <b>45</b>       | 17       |
| Total capital commitments .....      | <b>45</b>       | 17       |
| <b>Operating commitments:</b>        |                 |          |
| Non-cancellable accommodation leases |                 |          |
| less than one year .....             | <b>3,835</b>    | 3,419    |
| one to two years .....               | <b>4,070</b>    | 2,591    |
| two to five years .....              | <b>9,176</b>    | 6,018    |
| greater than five years .....        | <b>5,331</b>    | 5,764    |
| Other non-cancellable leases         |                 |          |
| less than one year .....             | <b>256</b>      | 248      |
| one to two years .....               | <b>145</b>      | 148      |
| two to five years .....              | <b>50</b>       | 74       |
| greater than five years .....        | <b>7</b>        | 12       |
| Other commitments                    |                 |          |
| less than one year .....             | <b>562</b>      | 402      |
| one to two years .....               | <b>326</b>      | 259      |
| two to five years .....              | <b>561</b>      | 403      |
| greater than five years .....        | <b>516</b>      | 500      |
| Total operating commitments .....    | <b>24,835</b>   | 19,838   |
| <b>Total commitments</b> .....       | <b>24,880</b>   | 19,855   |

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

**STATEMENT OF CONTINGENT LIABILITIES**  
**as at 30 June 2000**

|   | <b>30/06/00</b> | 30/06/99 |
|---|-----------------|----------|
|   | <b>Actual</b>   | Actual   |
|   | <b>\$000</b>    | \$000    |
| Public liability claims .....             | <b>12,863</b>   | 14,669   |
| Designations .....                        | <b>3,259</b>    | 5,017    |
| <b>Total contingent liabilities</b> ..... | <b>16,122</b>   | 19,686   |

These relate to claims against the Department and are disclosed without prejudice.

A designation is a notice to protect the status quo on land for a future public work. The contingent liability is that if the designation proceeds the Department will have to pay for the land.

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

**STATEMENT OF DEPARTMENTAL EXPENDITURE AND APPROPRIATIONS**  
for the year ended 30 June 2000

| (GST inclusive)                                       | 30/06/00<br>Actual | 30/06/00<br>Appropriation Voted | Expense transfer approved by Cabinet<br>\$000 | 30/06/00<br>Under expenditure<br>\$000 | 30/06/99<br>Actual<br>\$000 |
|---|--------------------|---------------------------------|---|--|-----------------------------|
| <b>OUTPUT CLASSES</b>                                 |                    |                                 |   |  |                             |
| <b>Vote: Biosecurity</b>                              |                    |                                 |   |  |                             |
| D9 Policy advice .....                                | 90                 | 90                              | -   | -                                      | 194                         |
| D10 Crown pest/weeds exacerbator costs .....          | 2,338              | 2,476                           | 138   | -                                      | 1,361                       |
| D11 Indigenous forest biosecurity protection .....    | 37                 | 37                              | -   | -                                      | 37                          |
| D12 Specific pest and disease response .....          | 769                | 811                             | -   | 42                                     | 516                         |
| <b>Sub-total Biosecurity .....</b>                    | <b>3,234</b>       | <b>3,414</b>                    | <b>138</b>                                    | <b>42</b>                              | <b>2,108</b>                |
| <b>Vote: Conservation</b>                             |                    |                                 |   |  |                             |
| D1 Policy advice .....                                | 2,144              | 2,273                           | -   | 129                                    | 2,542                       |
| D2 Legal protection .....                             | 3,164              | 3,386                           | 135   | 87                                     | 3,494                       |
| D3 Statutory planning .....                           | 3,568              | 3,625                           | -   | 57                                     | 3,697                       |
| D4 Conservation estate management .....               | 50,537             | 52,368                          | 1,831   | -                                      | 53,126                      |
| D5 Protected species management .....                 | 34,091             | 35,324                          | 1,233   | -                                      | 36,109                      |
| D6 Licences and Regulations management .....          | 8,122              | 9,078                           | 923   | 33                                     | 8,584                       |
| D7 Recreation services .....                          | 43,287             | 43,425                          | 138   | -                                      | 47,498                      |
| D8 Education and information services .....           | 19,726             | 19,871                          | -   | 145                                    | 17,813                      |
| D9 Servicing Crown agencies .....                     | 3,019              | 3,071                           | -   | 52                                     | 3,110                       |
| <b>Sub-total Conservation .....</b>                   | <b>167,658</b>     | <b>172,421</b>                  | <b>4,260</b>                                  | <b>503</b>                             | <b>175,973</b>              |
| <b>Total output appropriations .....</b>              | <b>170,892</b>     | <b>175,835</b>                  | <b>4,398</b>                                  | <b>545</b>                             | <b>178,081</b>              |
| <b>OTHER EXPENSES INCURRED BY THE DEPARTMENT</b>      |                    |                                 |   |  |                             |
| Provision for retirement and long service leave ..... | -                  | -                               | -   | -                                      | 3,364                       |
| <b>Total appropriation for other expenses .....</b>   | <b>-</b>           | <b>-</b>                        | <b>-</b>                                      | <b>-</b>                               | <b>50,862</b>               |

Cabinet approved the transfer of expenditure from 1999/00 to 2000/01 to the extent of the under expenditure in 1999/00 as these operations have been delayed due to unsuitable weather.

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

**STATEMENT OF NON-DEPARTMENTAL EXPENDITURE AND APPROPRIATIONS**  
for the year ended 30 June 2000

| (GST inclusive)  | 30/06/00<br>Actual | 30/06/00<br>Appropriation Voted | Expense transfer approved by Cabinet<br>\$000 | 30/06/00<br>Under expenditure<br>\$000 | 30/06/99<br>Actual<br>\$000 |
|--|--------------------|---------------------------------|---|--|-----------------------------|
| <b>Vote: Conservation Appropriation for non-departmental output classes</b>                    |                    |                                 |   |  |                             |
| <b>O1</b> Identification and implementation of protection for natural and historic resources . | 14,648             | 18,396                          | 3,748   | -                                      | 8,331                       |
| <b>O2</b> Management services for natural and historic places .....                            | 948                | 1,015                           | -   | 67                                     | 894                         |
| <b>Sub-total output classes .</b>  | <u>15,596</u>      | <u>19,411</u>                   | <u>3,748</u>                                  | <u>67</u>                              | <u>9,225</u>                |
| <b>Appropriation for other expenses to be incurred by the Crown</b>                            |                    |                                 |   |  |                             |
| Esplanade Reserve Compensation .....   | 16                 | 230                             | -   | 214                                    | 2                           |
| Lake Taupo access fee  | 778                | 800                             | -   | 22                                     | 689                         |
| Payment of interest to ..  |                    |                                 |   |  |                             |
| Waitutu Incorporation  | 49                 | 49                              | -   | -                                      | 277                         |
| Subscriptions to International Organisations .....   | 207                | 207                             | -   | -                                      | 204                         |
| To reserves trust .....  | 1,356              | 3,428                           | -   | 2,072                                  | 469                         |
| Waikaremoana lakebed lease .....   | 139                | 140                             | -   | 1                                      | 139                         |
| <b>Sub-total other expenses</b>  | <u>2,545</u>       | <u>4,854</u>                    | <u>-</u>                                      | <u>2,309</u>                           | <u>1,780</u>                |
| <b>Appropriation for purchase or development of capital assets by the Crown</b>                |                    |                                 |   |  |                             |
| Vested coastal marine areas .....  | 5                  | 30                              | -   | 25                                     | -                           |
| <b>Sub-total capital assets ...</b>  | <u>5</u>           | <u>30</u>                       | <u>-</u>                                      | <u>25</u>                              | <u>-</u>                    |
| <b>Total payments .....</b>  | <u>18,146</u>      | <u>24,295</u>                   | <u>3,748</u>                                  | <u>2,401</u>                           | <u>11,005</u>               |

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

**STATEMENT OF UNAPPROPRIATED EXPENDITURE  
for the year ended 30 June 2000**

| <b>(GST inclusive)</b>      | <b>30/06/00<br/>Actual</b> | <b>30/06/00<br/>Appropriation</b> | <b>30/06/00<br/>Unappropriated<br/>Expenditure</b> | <b>30/06/99<br/>Actual</b> |
|-----------------------------|----------------------------|-----------------------------------|--|----------------------------|
|                             | <b>\$000</b>               | <b>\$000</b>                      | <b>\$000</b>                                       | <b>\$000</b>               |
| <b>Crown Other Expenses</b> |                            |                                   |  |                            |
| Lake Taupo access fee ..... | -                          | -                                 | -  | 81                         |

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

**STATEMENT OF TRUST MONIES  
for the year ended 30 June 2000**

|                      | <b>As at<br/>01/07/99<br/>\$000</b> | <b>Contri-<br/>butions<br/>\$000</b> | <b>Distri-<br/>butions<br/>\$000</b> | <b>Revenue<br/>\$000</b> | <b>As at<br/>30/06/00<br/>\$000</b> |
|----------------------|-------------------------------------|--------------------------------------|--------------------------------------|--------------------------|-------------------------------------|
| Conservation Project |                                     |                                      |                                      |                          |                                     |
| Trust                | 262                                 | 211                                  | (93)                                 | 11                       | 391                                 |
| Reserve Trust        | 3,012                               | 2,478                                | (2,063)                              | 61                       | 3,488                               |
| NZ Walkway Trust     | 1                                   | 4                                    | -                                    | -                        | 5                                   |
| National Park Trust  | 92                                  | 150                                  | (111)                                | 4                        | 135                                 |
| Bonds/Deposits       |                                     |                                      |                                      |                          |                                     |
| Trusts               | 594                                 | 292                                  | (109)                                | 17                       | 794                                 |
| <b>Total</b>         | <b>3,961</b>                        | <b>3,135</b>                         | <b>(2,376)</b>                       | <b>93</b>                | <b>4,813</b>                        |

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

There are three sources of receipts:

- (i) Donations, grants and gifts received for specific purposes under s.33 of the Conservation Act 1987, s.18 of the Walkways Act 1990 or s.78(3) of the Reserves Act 1977, and specific trust money under the National Parks Act 1980.
- (ii) Bonds and deposits from operators working on the Conservation Estate including those contracted by the Department. These are repaid when the operators have been cleared of all obligations.
- (iii) Monies received from the sales of reserves are deposited to the Reserves Trust. The funds are applied for the purpose set out under s.82 of the Reserves Act 1977.

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

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2000

### Note 1: Major Budget Variations

#### Statement of Financial Performance

- (i) **Revenue other:** Movement in revenue is mainly due to decrease in employment scheme recoveries.
- (ii) **Departmental revenue:** Movement in departmental revenue is mainly due to decrease in administration recoveries
- (iii) **Interest:** The Department is prohibited from retaining any interest income and therefore this was not taken into account at the time of preparing the budget.
- (iv) **Personnel expenses:** Increase in personnel expenses is mainly due to increase in temporary workers as opposed to contractors.
- (v) **Operating expenses:** Decrease in operating expenses is mainly due to transfer of expenses from 1999/00 to 2000/01 as approved by the Cabinet.

#### Statement of Financial Position

While the cash received in respect of operating activities was close to budget, the cash applied to operating activities was approximately \$9.0million less than budgeted. The purchase of fixed assets was approximately \$7.7million less than budgeted. This resulted in an increased closing cash position.

### Note 2: Crown Revenue

This is revenue earned for the supply of outputs to the Crown.

### Note 3: Departmental Revenue

|  | <b>30/06/00</b> | 30/06/99 |
|--|-----------------|----------|
|  | <b>Actual</b>   | Actual   |
|  | <b>\$000</b>    | \$000    |
| Employment schemes .....               | <b>398</b>      | 334      |
| Other Government departments .....     | <b>4</b>        | 63       |
| <b>Total departmental income</b> ..... | <b>402</b>      | 397      |

### Note 4: Other revenue

|                                  | <b>30/06/00</b> | 30/06/99 |
|----------------------------------|-----------------|----------|
|                                  | <b>Actual</b>   | Actual   |
|                                  | <b>\$000</b>    | \$000    |
| Recreational charges .....       | <b>6,390</b>    | 6,133    |
| Leases and rents .....           | <b>734</b>      | 507      |
| Retail sales .....               | <b>2,746</b>    | 3,157    |
| Resource sales .....             | <b>2,698</b>    | 1,865    |
| Donations – sponsorships .....   | <b>1,640</b>    | 2,317    |
| Other .....                      | <b>3,681</b>    | 2,870    |
| <b>Total other revenue</b> ..... | <b>17,889</b>   | 16,849   |

There have been no significant changes to existing user charges during the year.

**Note 5: Interest**

Interest received is from call and short-term deposits with the New Zealand Debt Management Office. Interest is earned at variable rates.

**Note 6: Personnel expenses**

|                                       | <b>30/06/00</b> | 30/06/99 |
|---------------------------------------|-----------------|----------|
|                                       | <b>Actual</b>   | Actual   |
|                                       | <b>\$000</b>    | \$000    |
| Salaries and wages .....              | <b>71,828</b>   | 70,467   |
| Superannuation subsidies .....        | <b>901</b>      | 928      |
| Training .....                        | <b>1,529</b>    | 1,909    |
| Recruitment .....                     | <b>263</b>      | 296      |
| Uniforms .....                        | <b>317</b>      | 328      |
| ACC levies .....                      | <b>1,076</b>    | 1,525    |
| Other .....                           | <b>677</b>      | 654      |
| <b>Total personnel expenses .....</b> | <b>76,591</b>   | 76,107   |

**Note 7. Operating expenses**

|   | <b>30/06/00</b> | 30/06/99 |
|---|-----------------|----------|
|   | <b>Actual</b>   | Actual   |
|   | <b>\$000</b>    | \$000    |
| Professional fees & contractors .....                               | <b>19,031</b>   | 23,636   |
| Audit fees to the auditors for audit of the financial statements .. | <b>119</b>      | 116      |
| Fees to auditors for other services provided .....                  | <b>10</b>       | 34       |
| Bad Debts written-off .....   | <b>12</b>       | 342      |
| Provision for bad debts .....                                       | <b>39</b>       | (179)    |
| Communications and computer expenses .....                          | <b>8,837</b>    | 6,907    |
| Travel .....  | <b>3,334</b>    | 3,317    |
| Motor vehicle & boat expenses .....                                 | <b>2,680</b>    | 2,579    |
| Accommodation .....   | <b>2,811</b>    | 3,306    |
| Office supplies .....   | <b>1,599</b>    | 2,226    |
| Field equipment .....   | <b>2,499</b>    | 2,499    |
| Field supplies .....  | <b>9,029</b>    | 7,910    |
| Lease expense .....   | <b>8,102</b>    | 8,319    |
| Printing .....  | <b>1,362</b>    | 1,249    |
| Other .....   | <b>4,825</b>    | 7,872    |
| <b>Total operating expenses .....</b>                               | <b>64,289</b>   | 70,133   |

Decrease in operating expenses is mainly due to one off additional funding received for inspection and upgrade of Visitor Structures in 1998/99 (refer Statement of Departmental Expenses and Appropriations for Output Class 7).

**Note 8: Capital charge**

The Department pays a capital charge to the Crown twice yearly on the opening balance of taxpayers' funds including revaluation reserve.

The capital charge rate for the year ended 30 June 2000 was 10% (1999: 11%).

**Note 9: Other expenses**

|                                   | <b>30/06/00</b> | 30/06/99     |
|-----------------------------------|-----------------|--------------|
|                                   | <b>Actual</b>   | Actual       |
|                                   | <b>\$000</b>    | \$000        |
| Employees entitlements .....      | -               | 3,364        |
| <b>Total other expenses</b> ..... | <b>-</b>        | <b>3,364</b> |

Last year was the first year the retirement and long service leave was valued on an actuarial basis and the increase was funded by other expenses.

**Note 10: Revaluation reserve**

|  | <b>30/06/00</b> | 30/06/99 |
|--|-----------------|----------|
|  | <b>Actual</b>   | Actual   |
|  | <b>\$000</b>    | \$000    |
| <b>Freehold land</b>                   |                 |          |
| Balance brought forward .....          | <b>2,770</b>    | 3,057    |
| Unrealised gains/(losses) .....        | <b>855</b>      | -        |
| Revaluation realised on disposal ..... | <b>(1,305)</b>  | (287)    |
| Closing balance .....                  | <b>2,320</b>    | 2,770    |
| <b>Administrative buildings</b>        |                 |          |
| Balance brought forward .....          | <b>13,877</b>   | 13,986   |
| Unrealised gains/(losses) .....        | <b>(564)</b>    | (82)     |
| Revaluation realised on disposal ..... | <b>(346)</b>    | (27)     |
| Closing balance .....                  | <b>12,967</b>   | 13,877   |
| <b>Visitor facilities</b>              |                 |          |
| Balance brought forward .....          | <b>2,588</b>    | 2,959    |
| Unrealised gains/(losses) .....        | <b>(5)</b>      | 211      |
| Revaluation realised on disposal ..... | <b>166</b>      | (582)    |
| Closing balance .....                  | <b>2,749</b>    | 2,588    |
| <b>Other assets</b>                    |                 |          |
| Balance brought forward .....          | <b>24</b>       | 76       |
| Revaluation realised on disposal ..... | <b>-</b>        | (52)     |
| Closing balance .....                  | <b>24</b>       | 24       |
| <b>Total revaluation reserve</b> ..... | <b>18,060</b>   | 19,259   |

Gains and losses on revaluation realised reflect the amount transferred from the revaluation reserve to taxpayer's funds upon sale or disposal of an asset.

**Note 11: Assets Transfers**

Scrutiny of the departmental assets register revealed that there were several Crown assets erroneously classified as departmental assets. An exercise was carried out to identify Crown assets in departmental books. The net carrying value of assets transferred to Crown in 2000 was \$3.222m (1999: \$1.738m).

Revaluation reserve attributable to assets transferred to Crown in 2000 was \$1.890m (1999: \$0.890m).

These assets will still be managed by the Department after the transfer. This will have the effect of reducing the Crown's equity in the Department and increasing the net assets managed on behalf of the Crown.

**Note 12. Cash and bank balances**

|   | <b>30/06/00</b> | 30/06/99 |
|---|-----------------|----------|
|   | <b>Actual</b>   | Actual   |
|   | <b>\$000</b>    | \$000    |
| Cash at bank .....                        | <b>19,493</b>   | 21,619   |
| Petty cash floats .....                   | <b>81</b>       | 89       |
| <b>Total cash and bank balances</b> ..... | <b>19,574</b>   | 21,708   |

The Department's bankers are WestpacTrust under an arrangement between WestpacTrust and the Crown.

**Note 13: Inventories**

|                                    | <b>30/06/00</b> | 30/06/99 |
|------------------------------------|-----------------|----------|
|                                    | <b>Actual</b>   | Actual   |
|                                    | <b>\$000</b>    | \$000    |
| Retail .....                       | <b>700</b>      | 800      |
| Nursery .....                      | <b>79</b>       | 75       |
| Fire control supplies .....        | <b>23</b>       | 18       |
| Wild animal control supplies ..... | <b>235</b>      | 339      |
| <b>Total inventories</b> .....     | <b>1,037</b>    | 1,232    |

**Note 14: Receivables**

|   | <b>30/06/00</b> | 30/06/99 |
|---|-----------------|----------|
|   | <b>Actual</b>   | Actual   |
|   | <b>\$000</b>    | \$000    |
| Accounts receivable .....               | <b>2,135</b>    | 4,275    |
| Less provision for doubtful debts ..... | <b>(122)</b>    | (83)     |
| Net accounts receivable .....           | <b>2,013</b>    | 4,192    |
| Interest accrued .....                  | <b>-</b>        | 34       |
| Other receivables .....                 | <b>805</b>      | 927      |
| <b>Total receivables</b> .....          | <b>2,818</b>    | 5,153    |

**Note 15: Fixed assets**

|  | <b>30/06/00</b> | 30/06/99 |
|--|-----------------|----------|
|  | <b>Actual</b>   | Actual   |
|  | <b>\$000</b>    | \$000    |
| <b>Freehold land</b>   |                 |          |
| At valuation .....   | <b>3,521</b>    | 4,149    |
| Land – net current value .....                                 | <b>3,521</b>    | 4,149    |
| <b>Administrative buildings</b>                                |                 |          |
| At valuation .....   | <b>30,388</b>   | 35,298   |
| Accumulated depreciation .....                                 | <b>(2,996)</b>  | (4,949)  |
| Buildings – net current value .....                            | <b>27,392</b>   | 30,349   |
| <b>Visitor facilities</b>                                      |                 |          |
| At valuation .....   | <b>14,187</b>   | 13,225   |
| Accumulated depreciation .....                                 | <b>(4,216)</b>  | (3,591)  |
| Buildings – net current value .....                            | <b>9,971</b>    | 9,634    |
| <b>Other assets</b>  |                 |          |
| <b>Plant and field equipment</b>                               |                 |          |
| At cost .....  | <b>6,630</b>    | 5,935    |
| Accumulated depreciation .....                                 | <b>(3,493)</b>  | (3,019)  |
| Plant and field equipment – net book value .....               | <b>3,137</b>    | 2,916    |
| <b>Furniture, computers and office equipment</b>               |                 |          |
| At cost .....  | <b>10,027</b>   | 4,620    |
| Accumulated depreciation .....                                 | <b>(4,510)</b>  | (3,764)  |
| Furniture, computers and office equipment – net book value ... | <b>5,517</b>    | 856      |
| <b>Motor vehicles</b>  |                 |          |
| At cost .....  | <b>14,722</b>   | 14,830   |
| Accumulated depreciation .....                                 | <b>(5,266)</b>  | (5,314)  |
| Vehicles – net book value .....                                | <b>9,456</b>    | 9,516    |
| <b>Vessels</b>   |                 |          |
| At cost .....  | <b>3,072</b>    | 2,731    |
| Accumulated depreciation .....                                 | <b>(1,942)</b>  | (1,818)  |
| Vessels – net book value .....                                 | <b>1,130</b>    | 913      |
| <b>Work in progress – net carrying value</b> .....             | <b>3,028</b>    | 5,302    |
| <b>Total fixed assets</b>                                      |                 |          |
| At cost and valuation .....                                    | <b>85,575</b>   | 86,090   |
| Accumulated depreciation .....                                 | <b>(22,423)</b> | (22,455) |
| <b>Total net carrying value of fixed assets</b> .....          | <b>63,152</b>   | 63,635   |

**Note 16: Payables and provisions**

|  | <b>30/06/00</b> | 30/06/99 |
|--|-----------------|----------|
|  | <b>Actual</b>   | Actual   |
|  | <b>\$000</b>    | \$000    |
| Trade creditors .....                      | <b>6,882</b>    | 8,608    |
| Other .....                                | <b>7,262</b>    | 10,271   |
| <b>Total payables and provisions</b> ..... | <b>14,144</b>   | 18,879   |

**Note 17: Employee entitlement – Current liability**

|   | <b>30/06/00</b> | 30/06/99 |
|---|-----------------|----------|
|   | <b>Actual</b>   | Actual   |
|   | <b>\$000</b>    | \$000    |
| Accrued salaries and wages .....                | <b>1,895</b>    | 1,731    |
| Accrued annual leave and time off in lieu ..... | <b>5,265</b>    | 4,805    |
| <b>Total payables and provisions</b> .....      | <b>7,160</b>    | 6,536    |

**Note 18: Other liabilities**

|                                      | <b>30/06/00</b> | 30/06/99 |
|--------------------------------------|-----------------|----------|
|                                      | <b>Actual</b>   | Actual   |
|                                      | <b>\$000</b>    | \$000    |
| Revenue in advance – other .....     | <b>818</b>      | 994      |
| <b>Total other liabilities</b> ..... | <b>818</b>      | 994      |

Funds received for specific purposes are recorded as 'Revenue in advance – other' until such time as the output for which the funds have been received has been produced.

**Note 19: Employee entitlement – Non current liability**

|  | <b>30/06/00</b> | 30/06/99 |
|--|-----------------|----------|
|  | <b>Actual</b>   | Actual   |
|  | <b>\$000</b>    | \$000    |
| Retiring leave .....                       | <b>5,922</b>    | 5,696    |
| Long service leave .....                   | <b>1,174</b>    | 1,205    |
| <b>Total payables and provisions</b> ..... | <b>7,096</b>    | 6,901    |

**Note 20: Financial instruments**

The Department is party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, accounts receivable, short-term deposits and foreign currency forward contracts.

**Credit risk**

In the normal course of its business, the Department incurs credit risk from trade debtors, transactions with WestpacTrust and the New Zealand Debt Management Office (NZDMO).

The Department does not require any collateral or security to support financial instruments with financial institutions that the Ministry deals with, or with NZDMO, as these entities have high credit ratings. For its other financial instruments, the Department does not have significant concentrations of risk.

**Fair value**

The fair value of the Department's financial assets and liabilities is equivalent to the carrying value shown on the Statement of Financial Position.

**Currency and interest rate risk**

The Department has no exposure to interest rate risk as all investments are with the New Zealand Debt Management Office of the Treasury.

All interest earned on short-term deposits with the New Zealand Debt Management Office are returned to the Crown as part of the surplus repayable to the Crown.

The Department uses foreign exchange forward contracts to manage foreign exchange exposures.

**Note 21: Related party information**

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

The Department undertakes a number of trading activities with the Crown, other Government departments, Crown entities and agencies and State-owned enterprises. These activities are negotiated at arm's length and follow normal commercial enterprise conditions.

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DEPARTMENT OF CONSERVATION

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**ADDITIONAL**

**INFORMATION**

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**SUMMARY OF OUTPUT CLASS EXPENDITURE BY OUTPUT  
FOR YEAR ENDED 30 JUNE 2000 (EXCLUDING GST)**

|  | <b>Actual<br/>\$000</b> |
|--|-------------------------|
| <b>Vote: Biosecurity</b>   |                         |
| D9 Policy advice .....   | 80                      |
| D10 Crown pest/weeds exacerbator costs .....   | 2,063                   |
| D11 Indigenous forest biosecurity protection .....   | 33                      |
| D12 Specific pest and disease responses .....  | 679                     |
| <b>Total Biosecurity</b> .....   | <b>2,855</b>            |
| <b>Vote: Conservation</b>  |                         |
| <b>D1 Policy Advice and Ministerial Servicing</b>  |                         |
| Policy and Legislative Review .....  | 805                     |
| Treaty of Waitangi .....   | 618                     |
| Ministerial Servicing .....  | 470                     |
| <b>Total Policy Advice and Ministerial Servicing</b> .....                                       | <b>1,893</b>            |
| <b>D2 Implementation of Legal Protection</b>   |                         |
| Legal Protection and Status Changes .....  | 1,603                   |
| Legal Protection of Marine Areas .....   | 202                     |
| Tenure Review .....  | 991                     |
| <b>Total Implementation of Legal Protection</b> .....  | <b>2,796</b>            |
| <b>D3 Statutory planning and Coastal Responsibilities under Resource Management Act</b>          |                         |
| Terrestrial, Freshwater, Marine and Historic Advocacy .....                                      | 2,204                   |
| Coastal Responsibilities .....   | 969                     |
| <b>Total Statutory planning and Coastal Responsibilities under Resource Management Act</b> ..... | <b>3,173</b>            |
| <b>D4 Management Services: Conservation Estate</b>   |                         |
| Fire Control .....   | 5,696                   |
| Possum Control .....   | 12,452                  |
| Goat Control .....   | 5,888                   |
| Other Animal Pest Control .....  | 5,548                   |
| Invasive Weed Control .....  | 8,593                   |
| Historic Heritage .....  | 3,750                   |
| Generalist Inventory and Monitoring .....  | 1,583                   |
| Marine Protected Areas Management .....  | 1,385                   |
| <b>Total Management Services: Conservation Estate</b> .....                                      | <b>44,895</b>           |
| <b>D5 Management Services: Protected Species and Island Habitats</b>                             |                         |
| Species Conservation Programmes .....  | 21,021                  |
| Mainland Island Sites .....  | 2,855                   |
| Island Management and Restoration .....  | 2,734                   |
| Marine Mammals .....   | 1,268                   |
| CITES .....  | 874                     |
| Conservation Service Levy .....  | 1,472                   |
| <b>Total Management Services: Protected Species and Island Habitats</b> ....                     | <b>30,224</b>           |

## DEPARTMENT OF CONSERVATION

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|   |                |
|---|----------------|
| <b>D6 Management of Statutory Actions, Leases, Licences and Other Concessions</b>           |                |
| Concession Management .....   | 4,369          |
| Pastoral Leases .....   | 299            |
| Statutory Land Management .....   | 1,906          |
| Treaty of Waitangi Settlement Implementation .....  | 564            |
| <b>Total Management of Statutory Actions, Leases, Licences and Other Concessions</b> .....  | <b>7,138</b>   |
| <b>D7 Provision of Recreational Opportunities: Access, Facilities and Services</b>          |                |
| Visitor Accommodation .....   | 10,203         |
| Track and Walkways .....  | 14,786         |
| Amenity Areas, Roads, Carparks, Wharves and Other Structures .....                          | 6,897          |
| Visitor Services .....  | 4,232          |
| Taupo Sports Fishery .....  | 2,427          |
| <b>Total Provision of Recreational Opportunities: Access, Facilities and Services</b> ..... | <b>38,545</b>  |
| <b>D8 Management of Visitor and Public Information Services</b>                             |                |
| Visitor Centres .....   | 9,024          |
| Public Information .....  | 2,440          |
| Community Relations .....   | 6,092          |
| <b>Total Management of Visitor and Public Information Services</b> .....                    | <b>17,556</b>  |
| <b>D9 Conservation Management Strategies and Servicing of Statutory Bodies</b>              |                |
| Conservation Management Strategies and Conservation Management Plans .....                  | 715            |
| Servicing of Statutory Bodies .....   | 1,967          |
| <b>Total Conservation Management Strategies and Servicing of Statutory Bodies</b> .....     | <b>2,682</b>   |
| <b>Total Conservation</b> .....   | <b>148,902</b> |
| <b>Total Expenses as per Statement of Financial Performance</b> .....                       | <b>151,757</b> |

### EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2000 BY CONSERVANCY (EXCLUDING GST)

| <b>Conservancies, Regional Offices and Head Office</b>                | <b>Actual<br/>\$000</b> |
|---|-------------------------|
| Northland Conservancy .....   | 11,030                  |
| Auckland Conservancy .....  | 10,654                  |
| Waikato Conservancy .....   | 10,342                  |
| Bay of Plenty Conservancy .....                                       | 6,632                   |
| Tongariro / Taupo Conservancy .....                                   | 8,748                   |
| Wanganui Conservancy .....  | 8,500                   |
| Hawke's Bay / East Coast Conservancy .....                            | 9,946                   |
| Wellington Conservancy .....  | 8,149                   |
| Nelson / Marlborough Conservancy .....                                | 13,179                  |
| West Coast Conservancy .....  | 12,875                  |
| Canterbury Conservancy .....  | 12,358                  |
| Otago Conservancy .....   | 8,736                   |
| Southland Conservancy .....   | 13,104                  |
| Northern Regional Office .....  | 559                     |
| Central Regional Office .....   | 1,422                   |
| Southern Regional Office .....  | 237                     |
| Head Office .....   | 15,286                  |
| <b>Total Expenses as per Statement of Financial Performance .....</b> | <b>151,757</b>          |

### PERMANENT FULL TIME STAFF EQUIVALENT NUMBERS FOR THE LAST FOUR YEARS

|                               |       |
|-------------------------------|-------|
| Year ended 30 June 1997 ..... | 1,378 |
| Year ended 30 June 1998 ..... | 1,400 |
| Year ended 30 June 1999 ..... | 1,437 |
| Year ended 30 June 2000 ..... | 1,373 |

### Performance of Reserve Boards

Under section 44D of the Public Finance Act 1989 the Director-General is to append to the Department of Conservation's annual report information on the financial performance of reserve boards. Set out below is the summarised performance of reserve boards covered by the Act for the year ended 30 June 2000.

| Reserve Board   | Type       | Revenue   | Expenditure | Net Assets |
|-----------------|------------|-----------|-------------|------------|
| Awakapanga      | Hall       | 2,213     | 6,420       | 191,548    |
| Bruce Bay       | Hall       | 7,513     | 6,997       | 123,510    |
| Kokatahi        | Hall       | 6,534     | 4,735       | 398,781    |
| Millerton       | Hall       | 5,976     | 5,678       | 22,175     |
| Papanui         | Hall       | 810       | 441         | 26,244     |
| Ruakaka Central | Hall       | 7,040     | 3,000       | 67,000     |
| Ruawhata        | Hall       | 1,723     | 254         | 35,268     |
| Taurikura       | Hall       | 1,470     | 3,970       | 118,400    |
| Tiriraukawa     | Hall       | 43        | 347         | 37,333     |
| Granity         | Recreation | 3,337     | 3,093       | 42,649     |
| Horowhenua      | Recreation | 1,127     | 849         | 35,265     |
| Kaiteriteri     | Recreation | 1,989,480 | 1,950,087   | 1,825,779  |
| Matata          | Recreation | 28,250    | 25,442      | 43,195     |
| Ngungura        | Recreation | 6,460     | 7,352       | 136,000    |
| Oakuru          | Recreation | 2,340     | 6,320       | 1,060,000  |
| Poukiore        | Recreation | 7,040     | 7,260       | 55,672     |
| Ruakaka         | Recreation | 180,000   | 155,170     | 343,760    |
| Tamaeterau      | Recreation | 1,350     | 1,120       | 200,000    |
| Waikeikei       | Recreation | 4,580     | 15,180      | 101,310    |
| Waipu Cove      | Recreation | 265,000   | 192,550     | 449,500    |
| Whatitiri       | Recreation | 11,490    | 3,310       | 118,900    |
| Whitireia Park  | Recreation | 50,713    | 29,239      | 173,144    |
| Lake Rotoiti    | Scenic     | 4,108     | 792         | 14,371     |

#### Note

In last year's annual report, the Department stated that there were 45 known reserve boards. Since then a more careful look at the effect of the definition of reserve board in the Reserves Act 1977 (and adapted for the Public Finance Act 1989) has resulted in boards that are not appointed under the Reserves Act being omitted from the reporting requirements. This mainly affected racecourse reserve boards.

The total number of boards is 33. Those boards that have provided information as at 30 June 2000 are listed above. Some did not provide information.