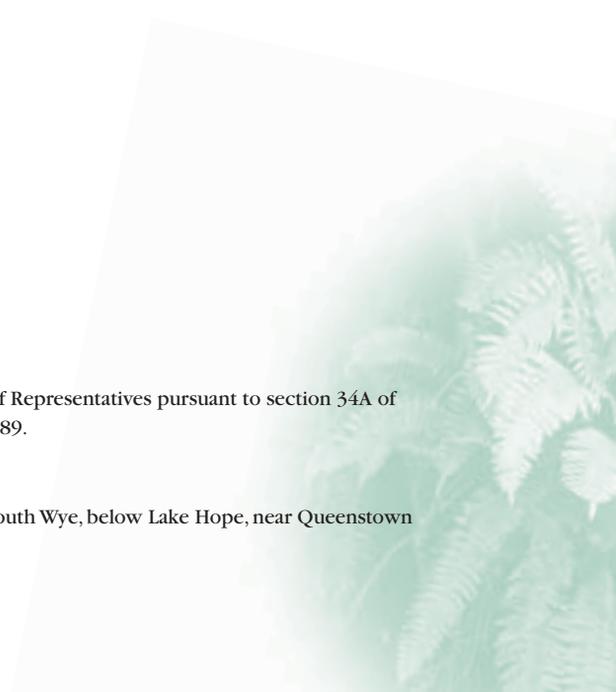


# Department of Conservation Statement of Intent 2003-2006

Presented to the House of Representatives pursuant to section 34A of  
the Public Finance Act 1989.

ISSN 1175-56-01

Cover photo: Trampers, South Wye, below Lake Hope, near Queenstown  
[Neill Simpson].





## TABLE OF CONTENTS

MINISTER OF CONSERVATION'S FOREWORD	5
DIRECTOR GENERAL'S FOREWORD	6
PART 1: INTRODUCTION	7
1.1 What the Department is required to do by the Legislation	10
1.2 The Department's contribution to the Achievement of the Government's Goals	11
1.3 The Level of Funding between Key Steps	12
1.4 The Relationship between Key Steps	13
PART 2: CONSERVATION CONTEXT	15
2.1 What the Department manages	19
PART 3: THE SEVEN KEY STEPS	23
Key Step 1: Protect and Restore New Zealand's Natural Heritage	25
Key Step 2: Minimise Biosecurity Risk	31
Key Step 3: Protect and Interpret New Zealand's Diverse Historic and Culture Heritage at Places Managed by the Department	34
Key Step 4: Promote Recreation and Increase Public Enjoyment of Places Managed by the Department	37
Key Step 5: Engage the Community in Conservation	41
Key Step 6: Promote Effective Partnerships with Tangata Whenua	48
Key Step 7: Organisational Capability	51
Activities not covered by the Key Steps	53

**PART 4: ANNUAL FINANCIAL PERFORMANCE FORECASTS** **55**

---

4.1 Statement of Responsibility	56
4.2 Introduction and Highlights	57
4.3 Financial Forecasts	59
4.3.1 Statement of Accounting Policies for the Year ending 30 June 2004	59
4.3.2 Statement of Financial Performance for the Year Ending 30 June 2004	64
4.3.3 Statement of Movement in Taxpayers' Funds for the Year Ending 30 June 2004	66
4.3.4 Statement of Financial Position as at 30 June 2004	67
4.3.5 Statement of Cash Flows for the Year Ending 30 June 2004	68
4.3.6 Reconciliation of Operating Surplus and Net Cash Flows from Operating Activities for the Year Ending 30 June 2004	69
4.3.7 Details of Fixed Assets by Category as at 30 June 2004	70
4.3.8 Reconciliation of Statement of Intent to 2003/2004 Estimates	72

**APPENDICES**

---

Appendix 1: Joint Outcomes with other Departments to which the Department of Conservation Contributes	73
Appendix 2: Glossary	75
Appendix 3: Links between Key Steps, Outcomes and Output Classes	78
Appendix 4: Legislation, Conventions, Strategies, Policies and Plans	83
Appendix 5: The Department's Structure	85
Appendix 6: The Department's Stakeholders	88

## MINISTER OF CONSERVATION'S FOREWORD

Each year in New Zealand we make steady progress towards the long-term sustainable protection of some of the world's finest and most distinctive biodiversity. But the challenges we face, in a land besieged by introduced weeds and pests, are many. Inevitably, there are also significant setbacks as well.

The Statement of Intent is a useful tool to help identify where it is we want to be and how we intend to get there. As the Minister of Conservation I am committed to achieving enduring long-term outcomes as the recovery of species and habitats must be permanent. The immediate priorities are marine and high country conservation along with more effective and extensive integrated pest management to benefit both threatened species and habitats.

New Zealand's marine environment contains a rich diversity of marine life with many species still unknown to science. Understandably, the focus to date has been on land-based conservation but I have given my strong commitment to see progress made in the marine area, including the creation of more marine reserves and a reduction in the number of marine mammals and seabirds killed in our fisheries. It is also vital that albatrosses are safe not only in New Zealand waters but also throughout the southern ocean that is their home. Accordingly, we must be an effective advocate for conservation in international forums.

The high country is the last extensive tract of natural areas in Crown ownership whose future uses have not yet been resolved. I intend to ensure that a series of South Island high country tussock-land parks and reserves are established protecting their unique biodiversity and at the same time opening the country up for public use and enjoyment.

Terrestrial conservation will continue to be a priority. Ensuring habitats are protected in order that species are able to thrive both on the mainland and on island sanctuaries is a key element of this Statement of Intent.

This Government's commitment to conservation is articulated in this document and in the New Zealand Biodiversity Strategy. The provision of an additional \$349 million, over 10 years for recreational purposes is further evidence of the importance this Government places on ensuring New Zealanders are able to access and appreciate their natural and historic heritage.



Hon Chris Carter

MINISTER OF CONSERVATION

## DIRECTOR-GENERAL'S FOREWORD

### Restoring the Dawn Chorus

New Zealand has a unique place in the ecology of our planet. Our indigenous flora and fauna have evolved in isolation from the rest of the world and are therefore found nowhere else. Conservation of New Zealand's natural heritage is particularly challenging because our native flora and fauna are highly vulnerable to the foreign pest species that have been introduced since human settlement in New Zealand. The dawn chorus that characterised our forests in earlier times survives only on some outlying islands and in a few intensively managed pockets of the mainland. Restoring the dawn chorus is the task with which the Department of Conservation (the Department), working together with the people of New Zealand, is charged.

The Department's brief is to conserve and restore New Zealand's indigenous biodiversity, to protect historic and cultural sites in public conservation areas and to ensure that the special places we manage are accessible to all New Zealanders for their appreciation, enjoyment and inspiration.

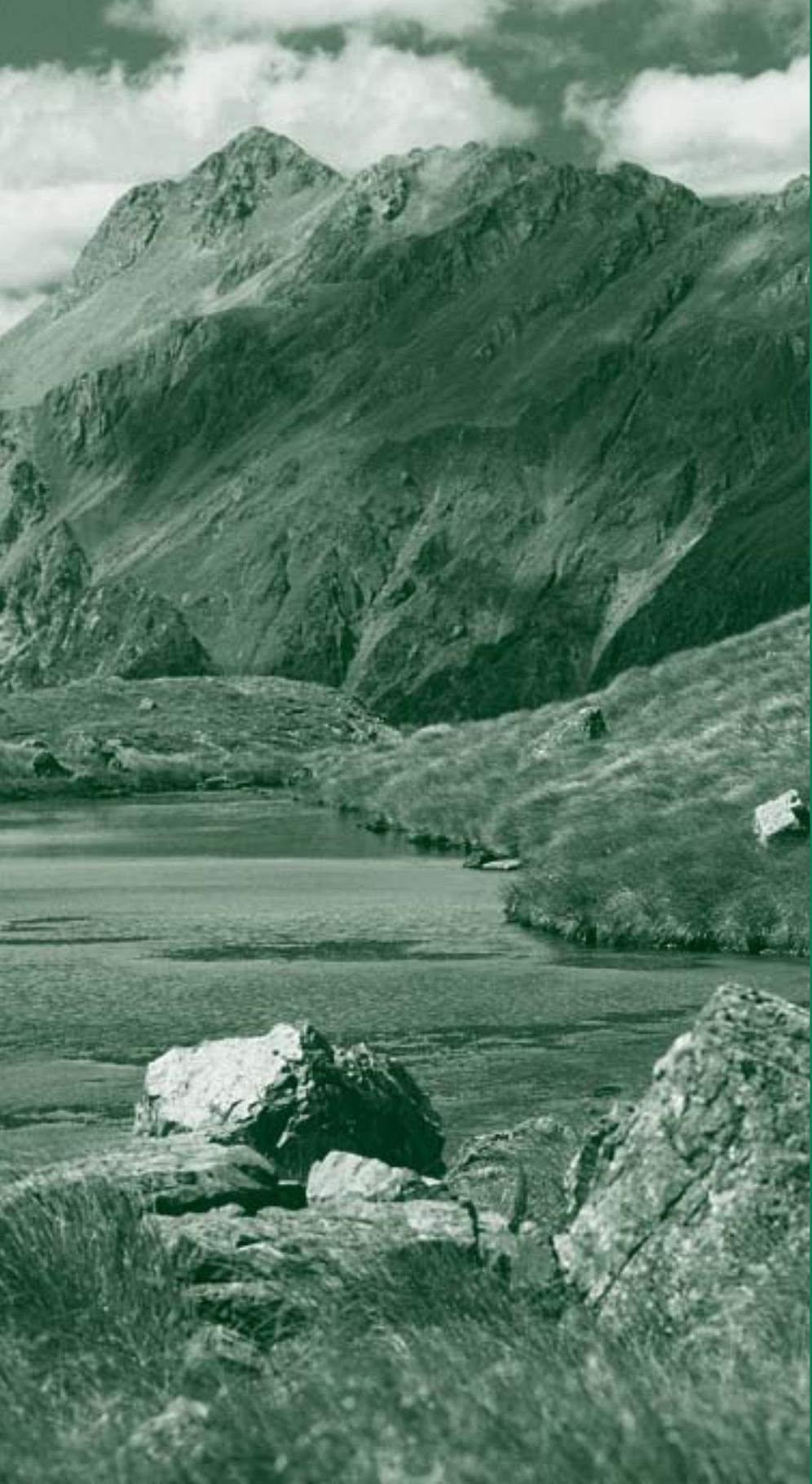
This Statement of Intent sets out the key steps that the Department is taking to fulfil this brief, both in the coming year and over the next five years. There are seven key steps: protecting and restoring New Zealand's natural heritage; minimising biosecurity risks; enhancing cultural and historic heritage; promoting active enjoyment of protected areas; working with the community; working with tangata whenua; and improving the Department's general capability.

The wild places of New Zealand and the species and plants that live in them are a significant part of what makes New Zealand a distinctive nation. Looking after these is a responsibility we have to the planet as a whole and to generations that will come after us. The impacts of past human settlement and the pests and weeds that accompany them present us with a huge challenge. But it is a challenge that we can rise to and the Department accepts in partnership with the community.



Hugh Logan  
DIRECTOR-GENERAL

# Part 1 Introduction





## OVERVIEW

The work of the Department is shaped by the Conservation Act 1987 and subsidiary conservation legislation, and directed by the Government's key goals and policies.

The Department directly contributes toward achieving the Government's key goals to:

- Protect and enhance the environment.
- Strengthen national identity and uphold the principles of the Treaty of Waitangi.

It also contributes toward achieving the Government's key goals to:

- Grow an inclusive, innovative economy for the benefit of all.
- Improve New Zealanders' skills.

Together, legislation and the key goals provide the Department with its vision, which is:

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

*Kei te mabi ngātahi te Papa Atawhai me ngā iwi whānui ki te whakautu, te manaaki me te tiaki i ngā taonga koiora me ngā taonga tuku iho o Aotearoa hei painga mō te katoa.*



To achieve this overall objective the Department is undertaking seven key steps to:

- Protect and restore New Zealand's natural heritage.
- Minimise biosecurity risk.
- Protect and interpret New Zealand's diverse historic and cultural heritage at places managed by the Department.
- Promote recreation and increase public enjoyment of places managed by the Department.
- Engage the community in conservation.
- Promote effective partnerships with tangata whenua.
- Improve organisational capability.

The following sections of this Statement of Intent discuss:

- What the Department is required to do by the legislation.
- The way in which the Department contributes towards achieving the Government's goals and the Department's vision.
- The level of funding and the relationship between the key steps.
- The conservation context.
- The key steps in terms of what is wanted, what will be done, how what will be done will be measured, and why what is done is the best way of achieving what is wanted.

## 1.1 WHAT THE DEPARTMENT IS REQUIRED TO DO BY THE LEGISLATION

The Department of Conservation is the leading central government agency responsible for the conservation of New Zealand’s natural and historic heritage. Its legislative mandate is the Conservation Act 1987 (“the Conservation Act”) and other key statutes such as the National Parks Act 1980 (“the National Parks Act”) and Reserves Act 1977 (“the Reserves Act”). Like other government departments, the Department has the responsibility to advise Ministers and the Government and to implement Government policy.

The Department’s key functions as set out in the Conservation Act are to:

- Manage land and other natural and historic resources.
- Preserve as far as practicable all indigenous freshwater fisheries.
- Protect recreational fisheries and freshwater habitats.
- Advocate conservation of natural and historic resources.
- Promote the benefits of conservation (including Antarctica and internationally).
- Provide conservation information.
- Foster recreation and allow tourism, to the extent that use is not inconsistent with the conservation of any natural or historic resource.

The Department has a particular responsibility under s4 of the Conservation Act to interpret and administer the Act so as to give effect to the principles of the Treaty of Waitangi. This involves building and supporting effective conservation relationships with tangata whenua at the local level.

The Department also contributes to the conservation and sustainable management of natural and historic heritage in areas for which it is not directly responsible. It does this through its roles under other statutes including the Resource Management Act 1991 (“the Resource Management Act”), the Fisheries Acts 1983 and 1996, the Marine Reserves Act 1971, the Biosecurity Act 1993, the Forest and Rural Fires Act 1977 and the Crown Pastoral Land Act 1998.

Conservation management and the work of the Department are characterised by a high level of public interest. Conservation is based on societal support and on the concept that conservation land is the common heritage of all New Zealanders. As such, conservation land is public land. These principles are inherent in all conservation legislation. One formal avenue for public input into conservation management is through conservation boards and the New Zealand Conservation Authority, independent bodies appointed by the Minister. The Authority has powers to approve formal management plans binding the Department, and also serves to advise the Minister.

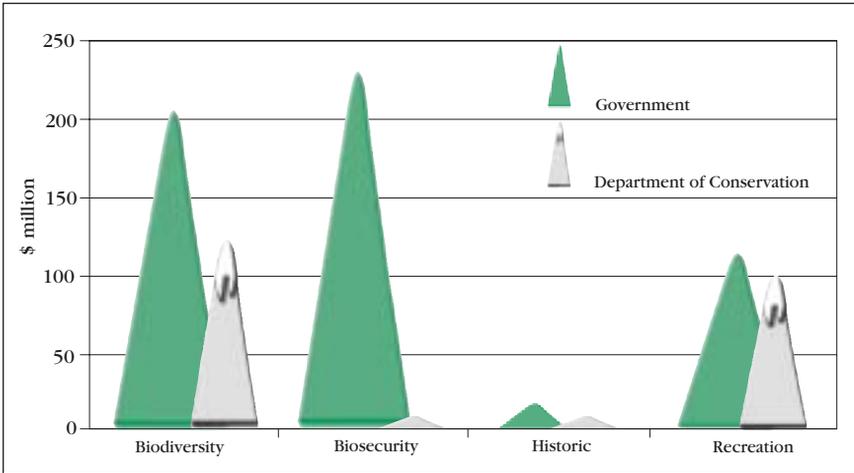
## 1.2 THE DEPARTMENT'S CONTRIBUTION TO THE ACHIEVEMENT OF THE GOVERNMENT'S GOALS

The Department has identified seven key steps to take towards fulfilling its conservation responsibilities and these are outlined in this Statement of Intent. Each of the key steps contributes to the achievement of the Government's key goals. The most direct links are listed below. It should be noted that biodiversity and historic protection, for example, also contribute to national identity and economic performance, and that capability and iwi and community engagement in turn contribute to the protection of the environment.

Government Goals	Department's SOI Key Steps
Protect and enhance the environment	<p><i>Key Step 1</i> Protect and restore New Zealand's natural heritage</p> <p><i>Key Step 2</i> Minimise biosecurity risks</p>
Strengthen national identity and uphold the principles of the Treaty of Waitangi	<p><i>Key Step 3</i> Protect and interpret New Zealand's diverse historic and cultural heritage at places managed by the Department</p> <p><i>Key Step 4</i> Promote recreation and increase public enjoyment of places managed by the Department</p> <p><i>Key Step 5</i> Engage the community in conservation</p> <p><i>Key Step 6</i> Promote effective partnerships with tangata whenua</p>
Grow an inclusive, innovative economy for the benefit of all	<p><i>Key Step 4</i> Promote recreation and increase public enjoyment of places managed by the Department</p> <p><i>Key Step 5</i> Engage the community in conservation</p>
Improve New Zealanders' skills	<p><i>Key Step 7</i> Improve organisational capability</p>

### 1.3 THE LEVEL OF FUNDING BETWEEN KEY STEPS

#### *Department funding as a proportion of Government spending*



The heavy weighting of funding by the Department of Conservation in protecting natural heritage is unusual for a national conservation management agency. The weight of funding in other countries lies in recreation and visitor opportunity and protection of historic places. The New Zealand emphasis is derived from this country's ecological uniqueness, and the weed and pest threat to that uniqueness. This emphasis has been expressed in legislation and government policy. At the same time, legislation and government policy also support considerable funding on recreation and visitor use (including commercial operators) as a conditional element of nature and historic place protection, in that they provide social, economic and environmental benefit.

In biosecurity, the Department has chosen to support other lead agencies and direct its funding to combating weeds and pests which have gained entry and which are either establishing or are established.

The high level of threat to natural heritage, and the direction of resources to maintaining recreation and visitor opportunities dictate the current level of investment priority in historic sites. The Department is reviewing the requirements for maintaining a representative range of nationally significant historic sites on public conservation land.

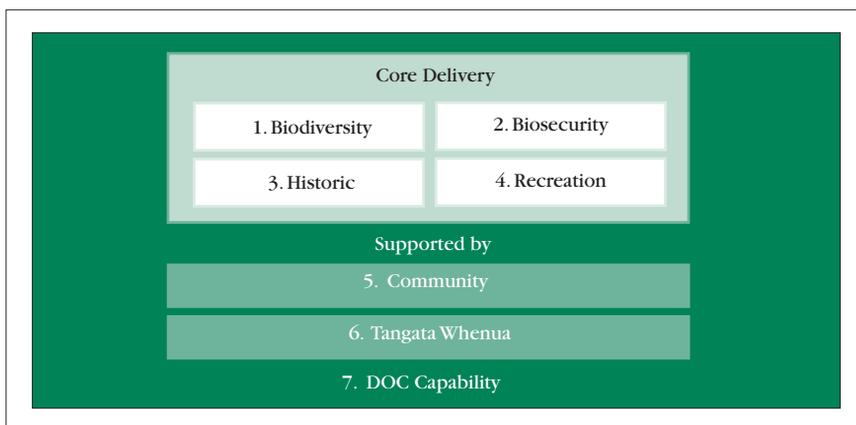
Consideration of how much funding should go into different output classes involve relative decisions and also judgements on how much can be achieved with a given level of resources.

In the case of funding for outdoor recreation on conservation lands, the Government has decided it wishes to maintain the existing levels of recreational opportunities (but not all the facilities). It will progressively increase spending in this area over the next decade to achieve this goal.

For the protection of historic heritage, similar estimates can be made as to how many sites are conserved to what standards. Ministers can then decide on the level of conservation they think is appropriate, relative to other priorities in the culture and historic heritage sector, and to other conservation priorities.

The equations for natural heritage conservation are not yet nearly as explicit as for the outdoor recreation and historic heritage output classes. The Department is three to five years away from achieving this clarity.

## 1.4 THE RELATIONSHIP BETWEEN KEY STEPS



The diagram above shows how the key steps fit together. The core deliverables (what the Department does) are biodiversity, biosecurity, recreation and historic (key steps 1 to 4). These are supported by engaging with the community in conservation and promoting effective partnerships with tangata whenua (how it does it – key steps 5 and 6). The Department’s organisational capability (key step 7) underpins everything it does.





## Part 2 Conservation Context

## PART 2 CONSERVATION CONTEXT

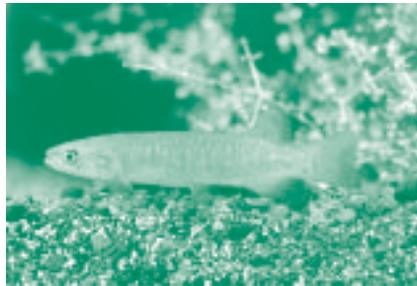
New Zealanders treasure their natural environment and their historic heritage. They recognise that New Zealand is special in the world, particularly from an ecological perspective. Over the past 100 years they have:

- Created a public protected area network.
- Created legal protection for threatened species.
- Developed integrated concepts of recreation and use, contingent on preservation and protection.
- Through legislation, created the Department of Conservation to manage the public interest in conservation in New Zealand.

Evolution through a long period of isolation created New Zealand's unique flora and fauna and also made it especially vulnerable to new changes associated with human settlement. The Department aims to maintain or restore the condition of a full range of natural environments with the goal of ensuring threatened species again flourish in their natural environments. Ecosystem management, however, is a difficult process that involves managing multiple species and the integration of weed and pest control efforts.

### Threats to Ecosystems and Species

Invasive introduced species pose the single largest serious threat to ecosystem functioning and the survival of indigenous species in many natural areas, and even now the problem may still be underestimated. Further extinctions remain probable due to insufficient or degraded habitat, plant and animal pests, or the adverse effects of human activities.



Although there have been significant advances and achievements over recent years, so far the overall decline of threatened species has been slowed rather than reversed. The example of the kiwi is a startling reminder of the vulnerability of our flora and fauna. Two hundred years ago there were millions of kiwi on New Zealand's mainland. Today there are less than 85,000 and the population is declining at the rate of 5.8% per year – or halving every decade. Without management kiwi would almost certainly become extinct on the mainland within the next 100 years. Fortunately intervention management is currently being undertaken, ensuring the survival of a selection of representative populations of kiwi.

Climate change also threatens to have significant long-term adverse effects on indigenous ecosystems, particularly for alpine and sub-alpine species and through improved conditions for alien pest species.

## Legal Protection

While New Zealand's protected area network on public conservation land is extensive - about eight million hectares - many distinctive and scarce natural habitats and ecosystems are small fragments surrounded by developed and modified landscapes. Examples of these include lowland and coastal forest remnants, dune lands, natural shrub lands, wetlands and lower altitude tussock grasslands. While some of these habitats and ecosystems are on public land, many of the terrestrial and freshwater habitats are located on private or Crown leasehold land and vulnerable to future loss. Accordingly, these areas are a high priority for legal protection.

The recent addition to public conservation lands of 132,000 hectares of West Coast rainforest previously managed by Timberlands New Zealand, and the protection of areas of the South Island tussock land high country have been significant for conservation. The ongoing pastoral lease tenure review and acquisition process in the eastern South Island is likely to deliver gains for conservation in upcoming years. It is critical, however, that conservation gains continue to also be achieved outside the protected area framework, to ensure that a representative range of natural habitats is protected.

## Protecting the Marine Environment

The greatest environmental policy issue facing New Zealand is developing an integrated framework for the management of our oceans. New Zealand's marine environment is at least 14-times the size of our terrestrial and freshwater area, and our exclusive economic zone (EEZ) is the fourth largest in the world. Mixed, and sometimes conflicting, management responsibilities with competing environmental, social and economic priorities need to be better co-ordinated. There is insufficient knowledge of marine life and how marine ecosystems work to show whether we are sustainably managing New Zealand's marine and coastal biodiversity.

The *New Zealand Biodiversity Strategy* (February 2000) target of protecting 10% of the marine environment is extremely challenging. For example, less than 1% of the marine environment around the coastline is protected in marine reserves, and there has been real difficulty in establishing additional areas for protection under the current Marine Reserves Act 1971 and its intersection with fisheries legislation. Although New Zealand's coastal waters and habitats are generally of high quality by international standards, they are under considerable stress in some areas, particularly in estuaries near towns and cities and at the mouths of large rivers. Fisheries mortality, for example of albatross, Hector's dolphin and the New Zealand sealion, remains a serious threat to a range of protected species.

## Protecting the Freshwater Environment

Management of freshwater ecosystems is probably the second largest environmental policy challenge. Management responsibilities are complex, contradictory and

overlapping and the achievement of conservation outcomes depends on agencies working effectively together. Although a significant proportion of upland lakes and streams are included within protected areas, very few lowland river or lake systems have any form of protection.



Rivers, lakes and wetlands in lowland areas face dramatic increases in demand from irrigation and, in some cases, hydro-generation impacts, as well as increased pollution from urban and rural areas. Many are ecologically degraded through biological invasions, reduced water quality, channelling and sedimentation. The habitat of some freshwater species is now severely restricted. One third of the 29 identified species of indigenous freshwater fish are threatened. There are also sizeable gaps in knowledge of freshwater species and habitat requirements.

### **Exotic Pests, Weeds and Diseases**

New Zealand's unique biodiversity is highly vulnerable to the impacts of exotic pests, weeds and diseases. Unless New Zealand has effective border biosecurity and achieves the rapid and effective eradication of introductions of new alien organisms, then many of the gains of decades of conservation effort are put at risk.

There are four central government agencies with operational responsibilities in the biosecurity area – the Ministry of Agriculture and Forestry, the Ministry of Fisheries, the Ministry of Health and the Department. Regional councils also have an important role to play in managing existing marine and terrestrial pests and in providing support for new incursion responses. The overriding issues relate to leadership, strategic focus and co-ordination across the sector. More specifically from the Department's point of view, risks to indigenous flora and fauna should be given a higher priority.

### **Management of Historic Heritage**

The Department is New Zealand's largest manager of historic heritage properties. It plans to actively manage 1,174 historic heritage assets on 478 sites in order to maintain heritage fabric in good condition and to provide sites for visitors. Another 10,000 recorded heritage sites, principally Māori sites, are in an acceptable condition and are protected from avoidable harm. In 1999, the overall government responsibility for historic policy and legislation, including the Historic Places Act 1993 and the New Zealand Historic Places Trust, was transferred from the Department to the



Ministry for Culture and Heritage. A priority is for the Ministry, the Trust and the Department to work together to prepare an integrated strategy to ensure that a full range of historic heritage is protected across the whole country.

## Fostering Recreation

Fostering recreation is a major part of the Department's work. The National Parks Act, the Conservation Act, and the Reserves Act all contain explicit recognition that the enjoyment of natural heritage is one of the main reasons for the existence of the Department and the protected area network. People should be able to experience and enjoy a full range of their natural and historic heritage, including knowing more about it.

More and more New Zealanders and overseas visitors want to enjoy protected areas and, as the National Parks Act states, receive the full measure of inspiration, enjoyment and recreation from them. Although the Department is considered to be a world leader in back country recreation facility management, important issues continue to be raised about the extent to which public demand can be met, and the need to ensure a quality experience for visitors. Most importantly, the Department is required by its legislation to promote recreation and permit tourism within its obligations to conserve natural and historic places.

In 2002, the Government secured the long-term funding of recreation facilities with an agreement to provide additional capital injections and operating funding until 2022/23. Between 2012 and 2023, funding will be further increased to replace the large number of visitor assets that will be retired during this period. This funding will enable the Department to retain all existing recreation opportunities, but not all existing facilities.

Given that there is a clear pathway in place to maintain and replace infrastructure, the Department will now move to increase its focus on the nature of visitors' recreation experience. This will require more focus on visitor use patterns and preferences, the quality and accessibility of visitor information and management of social and environmental visitor impacts.

## 2.1 WHAT THE DEPARTMENT MANAGES

The Department looks after about one-third of New Zealand's landmass which has been protected for scientific, scenic, recreational, historic or cultural reasons. Among the categories of protected land are 14 national parks, five wilderness areas, and three UNESCO Ramsar Convention wetlands of international importance.

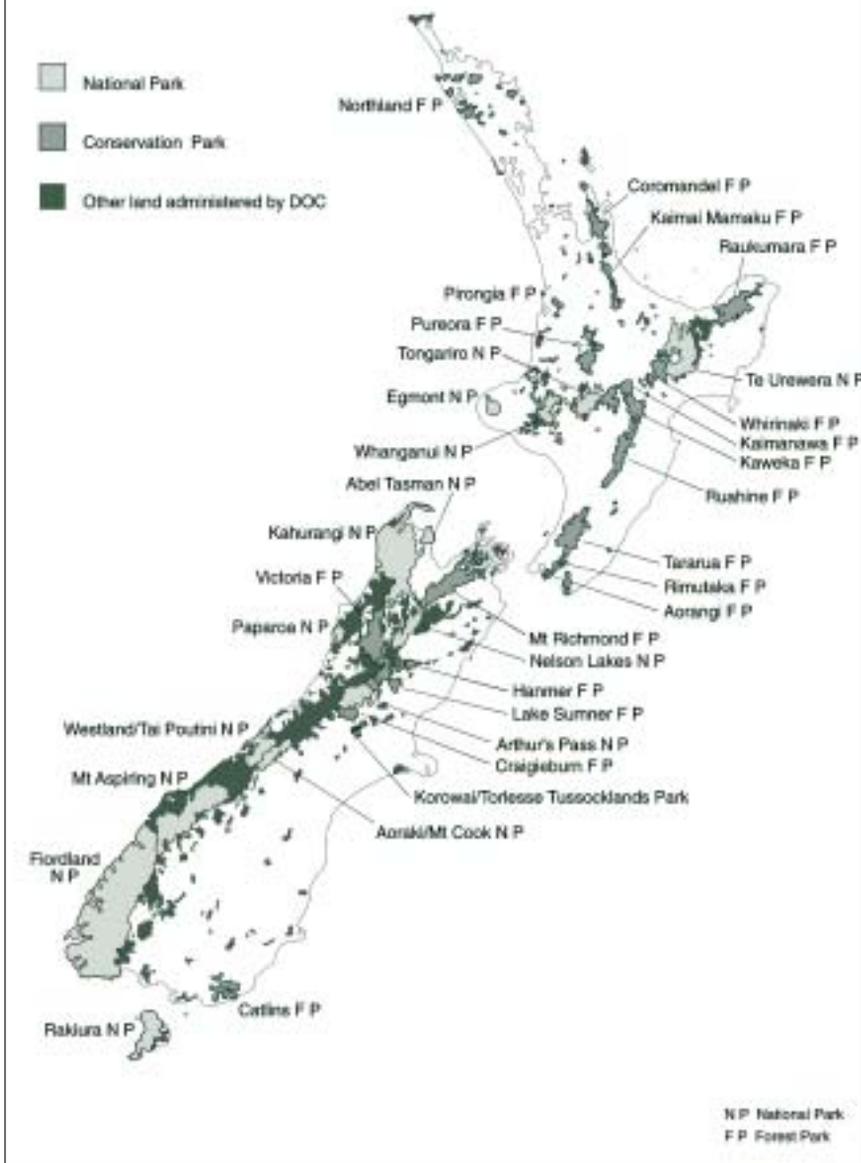
The Department also manages almost 7% of New Zealand's territorial sea via 17 marine reserves, two marine mammal sanctuaries, two marine parks and one specially protected area.

For management purposes, the Department classifies and maps New Zealand's landmass into "Environments." Environments are places which are more similar to

each other environmentally than they are to other places. They are grouped using a terrestrial ecological classification system developed by Landcare Research and called “Land Environments of New Zealand” (LENZ). LENZ sorts factors such as climate, landform and soil properties that are known to be correlated to forest, shrub and fern distribution, and allows areas of similar environments to be grouped together.

Environments can be selected at different scales, from a more broad brush national approach that identifies 20 Environment types (or “groups”), to a local area scale that identifies 500 Environment types. The Department has mapped and grouped New Zealand into LENZ classifications at the 20 group level. One way in which the department uses this information is shown in Part 3 of this Statement of Intent (Key Step 1 Outcome 3), where the outcome is to ensure a more comprehensive range of terrestrial environments are legally protected. The table on page 22 provides details about the lands within the 20 group level that are currently legally protected.

*Public Conservation Land*



## Land Area Legally Protected – LENZ 20 Group Level

Environments	Total Area (ha)	Area Legally Protected (ha)	% of Total Environment Legally Protected
		[As at 01/07/03]	[As at 01/07/03]
A Northern Lowlands	1853745	89269	4.816
B Central Dry Lowlands	691433	6625	0.958
C Western and Southern North Island Lowlands	635918	6992	1.100
D Northern Hill Country	2099624	405174	19.297
E Central Dry Foothills	1323675	195521	14.771
F Central Hill Country and Volcanic Plateau	5241270	1113910	21.253
G Northern Recent Soils	338680	26207	7.738
H Central Sandy Recent Soils	135282	56498	41.763
I Central Poorly-drained Recent Soils	120994	3872	3.200
J Central Well-drained Recent Soils	293580	16555	5.639
K Central Upland Recent Soils	160716	27532	17.131
L Southern Lowlands	801165	64674	8.072
M Western South Island Recent Soils	220345	108308	49.154
N Eastern South Island Plains	2044508	19496	0.954
O Western South Island Foothills and Stewart Island	1414258	1171335	82.823
P Central Mountains	3248591	2317400	71.336
Q Southeastern Hill Country and Mountains	3271981	489564	14.962
R Southern Alps	1926881	1758686	91.271
S Ultramafic Soils	33476	28123	84.009
T Permanent Snow and Ice	157015	132852	84.611
<b>Other<sup>1</sup></b>	211363	46530	22.014
<b>Totals</b>	<b>26,224,500</b>	<b>8,085,123</b>	

<sup>1</sup> Other - unclassified, mostly waterbodies but also includes quarries, opencast mines and reclaimed land.

# Part 3 The Seven Key Steps



## PART 3 THE SEVEN KEY STEPS

Part 3 of this Statement of Intent describes in greater detail what the Department expects to see happen as a result of its actions toward each of its seven key steps. Each key step is described in terms of:

- What is wanted - the Outcome.
- How the Department will know whether it is making progress towards the outcome - the Outcome Indicator.
- The work the Department will do toward achieving the outcome - Outputs.
- How the Department will know whether it has delivered on the outputs - Measures and Targets.

Note that the Outcome and the Outcome Indicator both have a five-year focus. The Outputs, Measures and Targets are from the Department's 2003/04 work programme, and together they form the Department's Service Performance Objectives - its annual effort toward achieving the key step outcomes.

## LINK TO THE DEPARTMENTAL OUTPUT CLASSES

Each of the seven key steps (and its five-year outcomes) is linked to the Department's output classes for Vote Conservation and Vote Biosecurity.

- Vote Conservation is covered by Key Step 1 and Key Steps 3 - 6, which fall across the output classes D1 - D4.
- Vote Biosecurity is covered in Key Step 2 and spread across the output classes D7 - D10.
- Key Step 7 is not specified in any particular output class because, with the exception of policy advice, it is a whole-of-organisation issue.
- Policy advice (output class D5) is covered in the section titled "Activities not covered by the Key Steps."

Note that the table in Appendix 3 clarifies these links, and that the financial details for these output classes are in Part 4 of this Statement of Intent.

## QUALITY STANDARDS

The Department has in place more than 300 policies, standards, best practice documents and standard operating procedures to guide its work. These quality standards are applied to all aspects of its operation.

The Department runs an Operating Review System that involves managers at all levels of the business in monthly reviews where exception reporting is used to identify operational issues, such as compliance with standard operating procedures.

## **KEY STEP 1: PROTECT AND RESTORE NEW ZEALAND'S NATURAL HERITAGE**

New Zealand's natural heritage of native plants and animals, and its unique land forms, are protected and restored by working toward three priority outcomes:

- Halting decline in the state of protected areas.
- Preventing loss of species.
- Adding key places to the protected areas network.

Protected areas, particularly on land, generally represent the most important, unique and best examples of natural heritage in New Zealand. As a result, the Department's priority is to improve the state of protected areas systems, with a special emphasis on preventing fire and eliminating weeds and pests. Where this does not ensure the survival of native species, the Department then develops specific threatened species programmes, both in-situ and ex-situ. The Department also seeks to legally protect places with important natural heritage not otherwise represented in New Zealand's protected area network. Emphasis is being given at present to greater legal protection for South Island grassland/shrubland ecosystems, freshwater ecosystems, and coastal and marine ecosystems.

Comparatively, the Department puts its greatest resource into protecting ecosystems as this secures the greatest returns for biodiversity in a general and a species sense, and protects the wider services that flow from healthy native ecosystems.

### **Key Step 1: Outcome 1**

Halting the loss of natural heritage in New Zealand's terrestrial, freshwater and marine Environments<sup>1</sup> within areas managed by the Department.

#### **Outcome Indicator**

- Reduction in the pressure on natural character, and resulting improvement in the state of, the terrestrial, freshwater and marine Environments in areas administered by the Department within each Environment type.

#### **Statement of Objectives – Service Performance**

##### **Outputs 2003/04**

- Prevent the spread of fire, and of containable pest and weeds, before they damage natural heritage over wide areas.
- Provide ongoing control of pests and weeds at places most important for sustaining the full range of New Zealand's indigenous biodiversity and natural geodiversity.
- Restore areas of degraded or scarce native communities and ecological connections and processes that are priorities for sustaining the full range of remaining indigenous biodiversity

<sup>1</sup> "Environments" with a capital 'E' are explained in part 2.1 of this Statement of Intent.

### Measures and Targets 2003/04

- Thirteen approved fire plans in place.
- 307,153 hectares to receive possum control treatment in current year.
- 1,031,249 hectares under sustained management for possum control.
- 1,508,486 hectares to receive goat control treatment in current year.
- 2,315,165 hectares under sustained management for goat control.
- 530,155 hectares to receive treatment for thar in current year.
- 862,804 hectares under sustained management for thar.
- 314,980 hectares to receive treatment for deer in current year.
- 422,280 hectares under sustained management for deer.
- 110 weed control work plans completed using weed-led approach.
- 247,965 hectares to receive treatment for weed control in current year using site-led approach.
- 679,812 hectares under sustained management for weed control using site-led approach.
- 16 marine protected areas with marine biological monitoring programmes under action.

#### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

The principal agents of decline in New Zealand's protected areas are weeds, pests and fire.

Once they are established, it is usually more effective to prevent the spread of these threats than to control them. Unfortunately this preferred approach is only possible where the threat is present over only a small area, and there is an effective control method.

Once weeds and pests are established in protected areas, ongoing control can limit their impact on natural heritage. Many weeds and pests that threaten New Zealand's natural heritage are widespread and difficult to control. These range from invasive plants to introduced plant browsers and predators. With current methods and resources, not all pests and weeds can be controlled in all protected areas all of the time. Priorities are set on the basis of the importance of the place for conserving New Zealand's natural heritage, the impact of the threat, and the practicality of control.

For the past decade and more, the Department has prioritised weed and pest control. Initially this was done for each threat: possums, goats, deer, and particular weed species. This approach is still reflected in the current output measures. Increasingly outcomes are being defined for particular places and the full range of threats is being considered in setting pest control priorities. As more emphasis is being placed on the integrated management of threats at places, the measures will be modified to reflect this.

In setting priorities, the Department will preserve as much as possible of the remaining natural diversity of environments by focusing on:

- the best remaining examples of natural ecological systems
- distinctive or unusual ecological systems that contribute specially to national and global ecological diversity
- the habitats and processes required to sustain the greatest possible richness of New Zealand's natural biological diversity.

### **Key Step 1: Outcome 2**

No human-induced extinctions of indigenous terrestrial, freshwater and marine species have occurred and, where practicable, representative populations of all indigenous species have long-term security in predominantly natural habitats within their natural range.

### **Outcome Indicators**

- Prevention of human-induced extinctions (cumulative from date of first measure).
- Improvement in the threatened category status of indigenous species.

## **Statement of Objectives – Service Performance**

### **Outputs 2003/04**

- Protect and enhance populations and distributional ranges of indigenous species and subspecies threatened with extinction, and prevent additional indigenous species from becoming threatened.

### **Measures and Targets 2003/04**

- 134 acutely threatened species have improved security as a result of active species conservation programmes.
- 42 chronically threatened species have improved security as a result of active species conservation programmes. (Note: These measures report on whether at least one population of a threatened species had its overall security improved as a result of management).
- Survey monitoring and research will have resulted in improved understanding of the status and threats for 162 acutely threatened species.
- Survey monitoring and research will have resulted in improved understanding of the status and threats for 56 chronically threatened species.
- An annual report will be prepared for each of the six mainland islands.
- 45 island management and restoration programmes will be progressed.
- 90 islands will be kept rodent-free through the effective implementation of quarantine and contingency procedures.

- The Hauturu rodent eradication operation will be completed by 30 June 2004.
- The Raoul Island cat eradication operation will be completed by 30 June 2004.
- Trade applications for 330 CITES permits or certificates will be processed.
- 36,730 specimens surrendered/seized at the border will be collected and processed within 10 working days.
- 330 trade-related applications for CITES permits or certificates will be processed within 20 working days.
- 560 other related trade (non-commercial) applications will be processed within 10 working days
- Full and timely reporting to the Minister and the fishing industry on progress in achieving the agreed Conservation Services Levy programme.

*Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

Where native species are threatened with extinction despite best efforts to sustain ecosystems, the Department will intervene directly to sustain them in their natural habitats, or where necessary remove them to safe havens. In this work the Department will give priority to actions that produce the greatest long term security for the living things that are most threatened and most distinctive and most important to national identity. Guidance is provided by the New Zealand Threat Classification System.

### **Key Step 1: Outcome 3**

Ensuring a more comprehensive range of terrestrial, freshwater and marine environments is legally protected.

#### **Outcome Indicator**

- Change in the percentage of each Environment type under legal protection.

#### **Statement of Objectives – Service Performance**

##### **Outputs 2003/04**

- Establish a network of marine reserves that protects both special places and places typical of wider Environments.
- Establish a network of high country parks and reserves in the eastern South Island.
- Add to the existing network of protected areas to secure a full range of remaining indigenous biodiversity and geodiversity.

- Support initiatives to protect, maintain and restore important indigenous biodiversity outside of protected areas using a range of appropriate mechanisms, including legal protection.

### Measures and Targets 2003/04

- For each terrestrial Environment (at 20 group level): Its total area.
- For each terrestrial Environment (at 20 group level): Area legally protected (as defined on the current spatial representation of the Department's Land Register).
- For each terrestrial Environment (at 20 group level): Percentage area legally protected.
- For each terrestrial Environment (at 20 group level): Change in area legally protected during the year.
- 18 marine protected area proposals/applications will be under action.
- 26 Pastoral Leases/Pastoral Occupation Licences resource reports will be provided to the Commissioner of Crown Lands.
- 20 Pastoral Leases/Pastoral Occupation Licences resource reports will be provided within the Commissioner's project plan timeframe.
- The Department expects to be consulted on 25 substantive proposals for Crown Pastoral Lease reviews.
- 162 reports on discretionary consent applications under the Crown Pastoral Land Act 1998 will be provided.
- 177 requests for reports from the Commission of Crown Lands will be completed in the agreed time.

### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

Public protection under statute law provides the greatest certainty for natural heritage protection.

Progress towards this outcome can be demonstrated by increases in the percentage of area protected within each Environment type.

In setting priorities, the Department will be guided by criteria for sites which are:

- least represented in the protected area network;
- the best or most distinctive natural areas or habitats characteristic of Environments; and
- important geological features, and places and landforms important to cultural identity.

Specific emphasis within these criteria is being given to eastern South Island grasslands/shrublands, freshwater sites, and coastal and marine sites.

### Key Objectives for the Next Five Years

The Department will:

- Vigorously engage in programmes that contribute to halting the decline of New Zealand's indigenous biodiversity (New Zealand Biodiversity Strategy, Goal 3).
- Pursue the government's goal of protecting 10% of New Zealand's marine environment (including the EEZ) in marine protected areas by 2010.
- Improve protection of important high country environments and progressively establish, extend and link a network of high country parks and reserves.
- Continue restoring islands as safe havens for threatened species and develop pest eradication programmes for more large islands, including the main Auckland Islands.
- Become more effective in protecting the natural biodiversity of New Zealand's nationally important rivers, lakes, streams and wetlands.
- Develop Natural Heritage Management System to better enable the Department to understand the state of New Zealand's natural heritage, how to arrest its decline and to measure the difference its programmes make.
- Develop a Terrestrial and Freshwater Biodiversity Information System and a National Aquatic Biodiversity Information System to make information on biodiversity freely available to the public.

## **KEY STEP 2: MINIMISE BIOSECURITY RISK**

New Zealand's indigenous biodiversity is assailed by a range of pests and weeds which smother indigenous vegetation, prevent native vegetation from establishing, browse native vegetation to the point where whole layers are removed in forests and some species disappear, and attack and kill many of the native birds and other animals, sometimes to the point of extinction. It is vital to prevent the entry and establishment of any new, potentially threatening pests and weeds.

The majority of the expenditure in this output class (90%) is devoted to meeting the Crown's contribution to Regional Pest Management Strategies (RPMS) implemented by regional councils.

### **Key Step 2: Outcome 1**

Preventing, in conjunction with other agencies, the entry into New Zealand and establishment of new organisms that pose a threat to indigenous biodiversity.

#### **Outcome Indicator**

- Satisfaction of the Minister for Biosecurity with the provision of policy and technical advice.

#### **Statement of Objectives – Service Performance**

##### **Output 2003/04**

- Support integrated border control and response activities across all agencies with biosecurity responsibilities or interests.

##### **Measures and Targets 2003/04**

- An annual survey of the satisfaction of the Minister for Biosecurity with the provision of policy, technical advice and co-ordination.
- An annual survey of the Ministry of Agriculture and Forestry (MAF) of its satisfaction with support provided by the Department for border control and response activities arising from newly-arrived unwanted organisms that pose a threat to indigenous biodiversity.

#### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

The primary responsibility for preventing the entry into New Zealand and establishment of new unwanted organisms lies with MAF and Ministry of Fisheries (MinFish). However, the Department can help prevent the deliberate and accidental introduction of unwanted organisms by providing advice to these agencies about the threats posed to indigenous biodiversity by unwanted organisms that may or have entered the country. A solid understanding of the environment and ecology enables the Department to advise on the development and implementation of

surveillance programmes to identify new incursions and, where appropriate, to implement systematic surveys of high risk sites. Co-ordination of response activities across all agencies with responsibilities or interests in biosecurity will give focus and direction to all the border control activities undertaken. This co-ordinated approach will be more likely to prevent the establishment of unwanted organisms than if each agency acted independently.

## Key Step 2: Outcome 2

Eradicating or containing organisms that are newly established, or already established but not widespread, and pose a threat to indigenous biodiversity.

### Outcome Indicator

- Trends from 30 June 2003 in the number or range of exotic unwanted organisms that are newly established, or established, but not yet widespread in New Zealand.

#### Statement of Objectives – Service Performance

##### Outputs 2003/04

- Establish methods of assessing and managing risks from unwanted organisms to indigenous biodiversity.
- Support lead agencies in the eradication or containment of new unwanted organisms that pose a threat to indigenous biodiversity.
- Raise public awareness about new unwanted organisms that pose a potential threat to indigenous biodiversity.

##### Measures and Targets 2003/04

- Trends in the number of unwanted organisms that pose a threat to indigenous biodiversity, for which risk assessment and management appraisals have been prepared, from 1 July 2003.
- Trend in the number of unwanted organisms that pose a threat to indigenous biodiversity that become established or naturalised from 1 July 2003.
- Trend in the number of newly established or naturalised, unwanted organisms that pose a threat to biodiversity that are contained or eradicated from 1 July 2003.
- Annual survey of the public's awareness of new unwanted organisms that pose a threat to indigenous biodiversity.

*Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

Eradication or containment of new incursions of unwanted organisms depends on the efficacy of surveillance and response activities undertaken by MAF and MinFish

with support from the Department. A proactive approach to unwanted organisms that might establish in New Zealand will help to cut the time needed to respond to discoveries. Knowing the likely entry points and the country of origination of carriers, a list can be drawn up of potential invaders. For this list, an estimation of the risks potential invaders pose to indigenous biodiversity can be undertaken, appropriate control actions scoped, and the principal border control agencies advised. In the event that some of these anticipated unwanted organisms are discovered, immediate and effective response can be made.

The more the public knows about the threats posed by unwanted organisms and the efforts needed to contain or eradicate them, the more likely that the public will be careful about their role in bringing unwanted organisms into the country. An informed public is more likely to spot unexpected organisms and advise the authorities, thus extending surveillance capacity.

### **Key Objectives for the Next Five Years**

Guided by a new Biosecurity Strategy for New Zealand, the next five years will see biosecurity take a higher profile within the Department:

- The biosecurity function within the Department may be repositioned according to the outcome of the strategy but, irrespective of this outcome, biosecurity will be integrated as a core consideration in the Department's business.
- Staff capability will be enhanced through the development and implementation of a comprehensive biosecurity response action plan, a national surveillance programme for new organisms, and a national training programme.
- All staff will be aware of the importance of minimising and managing biosecurity risks both nationally and regionally. The identification and management of these risks will be proactive and given appropriate priority.
- The ability of the Department to fulfil its responsibilities in an advisory capacity will be enhanced through the development of a research programme designed to meet short term operational and long term strategic needs.

### **KEY STEP 3: PROTECT AND INTERPRET NEW ZEALAND'S DIVERSE HISTORIC AND CULTURAL HERITAGE AT PLACES MANAGED BY THE DEPARTMENT**

New Zealand's historic heritage conservation is achieved through two priority outcomes:

- Identifying, conserving and interpreting place.
- Working with others.

The Department has chosen a representative selection of historic sites on public conservation lands for active management and, given the significant national value of these sites, priority will be given to this work. However, in order to work towards a total historic heritage "package," the Department will assist others seeking to conserve and interpret sites on private land.

#### **Key Step 3: Outcome 1**

Historic heritage is identified and, where appropriate, conserved and interpreted.

#### **Outcome Indicators**

- Percentage of priority areas administered by the Department that has been surveyed to agreed standards.
- Change over time in the condition of actively managed historic assets administered by the Department (ratio of number of assets "improving" or "stable" relative to those "degrading").

#### **Statement of Objectives – Service Performance**

##### **Outputs 2003/04**

- A documented inventory of key areas to identify historic heritage appropriate for conservation and interpretation.
- Maintain, restore (where appropriate) and interpret important historic heritage sites managed by the Department.

##### **Measures and Targets 2003/04**

- 11 agreed inventory projects are completed to standard.
- Remedial work is completed to standard for 26 historic heritage assets.
- Annual maintenance programmes are completed to standard for 349 historic heritage assets.
- Interpretation projects are completed to standard for 27 sites.

*Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

The inventory expands the knowledge of historic sites on conservation land. There are currently 12,000 known sites. The inventory also helps identify remedial and maintenance work required at sites. In addition, the Department has adopted a framework to classify sites based on nine historic heritage themes. Five hundred sites have been selected for active management. Each contributes a tangible link to the many communities, landscapes and times that together comprise the tapestry out of which New Zealand culture and identity has developed. Of the 500 sites, priority is assigned based on each site's historical importance, condition and urgency of remedial action, and its accessibility to New Zealanders to learn about and enjoy their heritage.

### **Key Step 3: Outcome 2**

The protection of a representative range of sites reflecting the themes of New Zealand history.

#### **Outcome Indicator**

- Increase in places under protection in each of the nine themes of the historic heritage framework.

#### **Statement of Objectives – Service Performance**

##### **Output 2003/04**

- Support others' initiatives to protect, maintain and restore a range of important historic heritage on land outside of protected areas using a range of appropriate mechanisms, including legal protection.

##### **Measure and Target 2003/04**

- Legal protection is achieved or enhanced through two places becoming historic sites.

*Explanation of why the chosen output is the best way to achieve the desired outcome:*

Achievement of this outcome will involve a range of organisations. The Department is but one contributor.

The same inventory and thematic analysis system used for sites managed by the Department is also used to identify and judge the relative importance of sites on land not managed by the Department.

The process for identifying and costing historic work options is also similar, but will be provided as advice to other agencies and community groups. Sites of the highest value may be given legal protection.

### **Key Objectives over the Next Five Years**

The Department will continue to work towards implementing the key goals of the Historic Heritage Strategy; principally heritage protection, visitors' appreciation, and working co-operatively with others. To achieve these goals the Department will focus on:

- Enhancing the asset management system as a strategic management tool. In particular, the present focus of the system will be widened to include historic and cultural values, risk, and condition monitoring. The maintenance lifecycle will be fully programmed for key sites. The scope of asset management will be expanded from the 500 key sites to support the protection of the other 11,500 sites (mainly archaeological) on land managed by the Department.
- Researching the values of some key historic sites to better determine their national significance. A Conservation Management Strategy review process will provide an opportunity for communities to identify cultural values and seek incorporation of these in departmental plans. All this improved information will support improved public awareness and interpretation of sites.
- Major restoration work (to International Council on Monuments and Sites standards) at around 25 key historic sites, prioritised on the basis of benefit and urgency. Work will continue towards achieving the sustainable management of the entire portfolio of around 500 key 'actively managed' sites.
- Improving visitor appreciation and enjoyment, primarily by providing interpretation at key sites. Fact sheets will be made available on the Department's web site for a large number of the other key sites. This will help Department staff and the public to have a greater understanding of the historic heritage being managed.
- Working co-operatively with others, including tangata whenua, volunteers, community groups and heritage agencies, on a range of projects, to achieve the goals above.
- Working with others, especially the Historic Places Trust, to identify and protect a more comprehensive range of historic heritage across the whole country. In particular, a thematic framework coupled with national context studies can help identify key sites. The Department will continue to foster legal protection initiatives, especially using Reserves Act options.
- Improving departmental and community capability, particularly by making available a range of relevant historic heritage management training courses.

## **KEY STEP 4: PROMOTE RECREATION AND INCREASE PUBLIC ENJOYMENT OF PLACES MANAGED BY THE DEPARTMENT**

Visitor enjoyment of New Zealand's special places is achieved through two priority outcomes:

- Providing and promoting opportunities at places.
- Ensuring visitor impacts are minimised.

Put simply, the Department seeks to provide a wide range of recreation opportunities, and to ensure as many people as possible know about and can access them. But, at the same time, these special places will only remain so if visitor impacts are minimised.

### **Key Step 4: Outcome 1**

A range of quality recreation opportunities, consistent with the protection of conservation values, is provided in areas managed by the Department, and promoted so that all New Zealanders have the opportunity to derive benefits from them.

### **Outcome Indicator**

- Change, over time, of visitor satisfaction with the range of recreation opportunities provided.

### **Statement of Objectives – Service Performance**

#### **Outputs 2003/04**

- Provide a range of visitor facilities and services. For example campsites, picnic sites, tracks, huts, visitor centres and supporting visitor facilities and services (such as mountain weather reports and hut radios).
- Manage wilderness areas.
- Provide a range of visitor information about recreational opportunities (for example, on the Department's web site, maps, brochures and signs).
- Monitor visitor satisfaction with the range of recreational opportunities provided

#### **Measures and Targets 2003/04**

- Manage approximately 3,800 visitor sites to provide a range of recreation opportunities for the six key visitor groups.
- Manage approximately 1,000 huts to the appropriate service standard (target 80% of huts meet the required standard).
- Manage approximately 12,500 kilometres of track to the appropriate service standard (target 40% of tracks meet the required standard).

- 13,300 visitor structures meet safety standards for load capacity and correct barrier requirements (target 100% of structures meet the required standards).
- Manage 14 icon and 11 regional visitor centres to the appropriate service standard.
- Monitor visitor numbers at a number of key indicator sites.
- Monitor visitor satisfaction:
  - with the range of recreation opportunities provided
  - at the visitor centres
  - with the Taupo sport fishery (with a target rating of not less than 3.5 out of 5 for success, and not less than 4.5 out of 5 for enjoyment).
- Manage the facilities and services at the Mount Cook, Whakapapa and Iwikau villages to the specified service standards.

*Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

In New Zealand, public enjoyment of conservation lands is promoted as a social and economic good. It contributes to a healthy active lifestyle for New Zealanders. In addition, recreation on conservation land also provides a very considerable benefit to the New Zealand economy.

The range of campsites, tracks, huts, visitor centres and supporting facilities and services enables visitors to enjoy a range of recreational opportunities at 3,800 sites, to learn about the natural and historic heritage present, and in some cases stay at these sites. Priority is given to maintenance to meet safety standards and tracks will be progressively improved to meet service standards. The Wilderness Areas require a high degree of self reliance and enable visitors to enjoy quality recreational opportunities in natural settings with no facilities. Concessions which do not adversely affect conservation values are issued to broaden the recreation opportunities and provide economic opportunities for the private sector. Visitor monitoring enables the Department to assess whether public enjoyment of these places is increasing over time.

#### **Key Step 4: Outcome 2**

Visitor impacts on natural and historic heritage are minimised.

#### **Outcome Indicator**

- Change in the proportion of sites where visitor activity has significant adverse effects on natural or historic heritage.

## Statement of Objectives – Service Performance

### Outputs 2003/04

- Monitor the adverse effects of visitors on natural and historic heritage at selected visitor sites.
- Mitigate any significant adverse effects of visitors on natural and historic heritage where these impacts occur.

### Measures and Targets 2003/04

- Monitor selected sites for the effects visitors have on the natural and historic heritage.
- Monitor selected recreation concessions for significant effects on the natural and historic heritage.
- Undertake the necessary remedial action to protect or restore the natural and/or historic heritage where it is significantly adversely affected.

### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

The Department is required “to foster recreation and allow tourism, to the extent that use is not inconsistent with the conservation of any natural or historic resource.”

Where visitor use has an unacceptable effect, action will be taken to minimise or mitigate the effects.

Monitoring the condition of the biophysical health and historic features of the sites provides the evidence for deciding when mitigation measures are needed. A wide range of mitigation actions may be applied, and their effectiveness monitored.

### Key Objectives for the Next Five Years

The Department will continue to work towards implementing the key goals of its Visitor Strategy: protection of the environment, fostering visits, managing tourism concessions, informing and educating visitors, and visitor safety. To achieve these goals the Department will focus on:

- Consulting with the community to ensure that an appropriate range of recreation opportunities and associated facilities and services are provided.
- Fostering recreation use and sharing knowledge with visitors about New Zealand’s natural and historic areas to deepen their understanding and develop an awareness of the need and benefits of their conservation. In particular the Department will complete implementation of the Visitor Centre and Visitor Information reviews.
- Working to improve free public access to protected areas, waterways and the coast, and supporting Te Araroa “the long pathway”.

- Implementing the visitor asset management programme, to provide a portfolio of facilities, sustainable in the long term.
- Reviewing (in consultation with the community) existing facility standards and developing and implementing standards for other key facilities such as roads, signs, toilets and camp grounds.
- Inspecting, maintaining and, where necessary, upgrading or replacing facilities to the appropriate service, legal and safety standards. This work will include an increase in the maintenance undertaken on tracks and associated facilities, and an acceleration of asset replacement, especially huts and toilets. This ongoing upgrade of facilities will see progressively greater percentages of facilities meeting service standards.
- Developing and implementing environmental and social monitoring techniques that will help ensure the protection of conservation values and the high quality of the recreational experiences. In particular the Department will complete the implementation of the national visitor use and satisfaction monitoring programme, and will continue research into ways to measure and set limits on unacceptable effects caused by visitors.
- Working with concessionaires and the tourism industry to encourage the development of environmentally sustainable tourism. This will include ensuring concession applications fit the Department's conservation and recreation objectives and that their activities cause minimal adverse effects.
- Managing the Taupo sport fishery and the facilities and services provided in the Mount Cook, Whakapapa and Iwikau villages.

## **KEY STEP 5: ENGAGE THE COMMUNITY IN CONSERVATION**

Conservation of the full range of New Zealand's natural and historic heritage in the longer term cannot be achieved without active public support and involvement through various national and local communities. The Department contributes to this by encouraging New Zealanders to treasure their heritage and to increase their commitment to its conservation. It seeks to provide national leadership in conservation, working with associates nationally and locally, encouraging them not only to become involved in the Department's work, but also to undertake their own conservation initiatives in their communities.

### **Key Step 5: Outcome 1**

New Zealanders treasure their natural and historic heritage and are committed to its conservation.

#### **Outcome Indicators**

- New Zealanders' awareness of conservation issues and activities.
- The value placed by New Zealanders on their natural and historic heritage.
- New Zealander's commitment to conservation.

#### **Statement of Objectives – Service Performance**

##### **Outputs 2003/04**

The Department expects to provide:

- An up-to-date website, consistent with e-government standards, and monitored for the level of use.
- New conservation information items, including interpretation panels, newsletters, fact sheets, visitor brochures, audiovisual resources and other publications covering historic, recreation/visitor, species, departmental, biosecurity, marine/coastal and cultural information topics.
- New conservation education initiatives including teacher resources, teacher workshops, on-site information, school projects.
- Events and opportunities for engagement including Conservation Week, Sea Week and Arbor Day, open days, celebrations and openings/launches, and community events.

##### **Measures and Targets 2003/04**

- A report on the number of visitors to the website per month will be produced.
- 382 new information items will be produced.
- A report providing an evaluation of how effective a sample of information items were at meeting their objectives will be produced.

- 54 new education initiatives will be developed.
- A report providing an evaluation of how effective a sample of education initiatives were at meeting their objectives will be produced.
- A report providing an evaluation of how effective a sample of events were at meeting their objectives will be produced.

*Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

Conservation of New Zealand’s natural heritage depends in the long term on public support. The Department is directed by Parliament through its legislation to provide New Zealanders with good information on their unique conservation assets, opportunities to experience them, and current conservation issues. One way to increase public commitment is by providing opportunities for communities and individuals to celebrate conservation. Education providers play a vital role in raising the awareness of younger generations about the importance of conservation. The Department supports them through the production of targeted and useful resources. Selected outputs therefore include the production of fact sheets and visitor information, an effective presence on the internet, conservation events, awareness campaigns, and the production of educational resources.

**Key Step 5: Outcome 2**

The Department is a national conservation leader that has effective working relationships at international, national, conservancy and area levels for conservation.

**Outcome Indicators**

- Associates’ evaluation of the Department as a conservation leader across its work areas.
- Associates’ evaluation of the effectiveness of the working relationships between themselves and the Department.

*Relationships and leadership are critical across all the Department’s work areas. However; this outcome statement is an intermediate outcome, rather than an end outcome in itself. The Department will further examine the best way to reflect this direction and describe, measure and group the related outputs in the next Statement of Intent.*

## Statement of Objectives – Service Performance

### Outputs 2003/04

The Department expects to:

- Actively manage key relationships at national, conservancy and area levels in support of the achievement of conservation.
- Engage with key associates in managing significant issues in order to maintain and enhance respect for the Department as a leader in conservation.
- Contribute to international conservation through participation in relevant agreements and conventions together with advocacy and co-operation with target partners.

### Measures and Targets 2003/04

- A report outlining the effectiveness of actions taken to improve key relationships will be produced.
- A report on the contribution to international conservation agreements and conventions through international advocacy and co-operation, participation in international forums and meeting national reporting requirements.

### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

The Department strives to maintain and enhance its leadership role in conservation based on its extensive knowledge derived from the management of public conservation land. By working strategically with associates and communities of niche and local expertise, there is potential for the Department to increase its effectiveness in achieving conservation outcomes. Conservation decisions can be controversial, and effective relationships and communication enable issues to be managed with greater community understanding.

The Department also has responsibility for a number of international conservation agreements to which New Zealand is a signatory. The Department demonstrates leadership at the international level through advocacy. The Department has an opportunity to raise its international profile by forming partnerships with target countries.

## Key Step 5: Outcome 3

Community groups, agencies and others participate in conservation and undertake their own conservation initiatives supported by the Department.

### Outcome Indicator

- The level of leadership and development of conservation initiatives by community groups, agencies and others supported by the Department.

#### Statement of Objectives – Service Performance

##### Outputs 2003/04

- Initiatives to build community capability like skill-sharing workshops.
- Partnerships and sponsorships.
- Participation opportunities including volunteer programmes and summer programmes.
- Support and advice for community-led conservation initiatives.
- Management of concessions to provide for commercial activities on public conservation land where appropriate.
- Evaluation of the effectiveness of the Department's support for others' conservation initiatives.

##### Measures and Targets 2003/04

- 231 community conservation projects and private conservation initiatives will be supported by the Department.
- 224 events/opportunities will be provided to build community capability, provide training and/or skill development.
- 21,986 workday equivalents will be carried out by individuals or group members volunteering.
- Summarise the significant adverse impacts and solutions arising from key concession activities with adverse impacts.
- 1,438 concession applications will be processed.
- 1,084 concession applications will be processed according to time/cost standards/estimates.
- Specific environmental monitoring programmes will be undertaken for 142 concessions.

#### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

Conservation will not succeed long term if the initiative is confined to the Department's activities. Individuals, community groups and other agencies have the potential to contribute substantially to the conservation of New Zealand's natural and historic heritage by being involved in departmental projects and by establishing

their own initiatives. In doing so they need opportunities from the Department to get involved and support to help launch and maintain their own projects. Forms of support that have proved effective include cooperative conservation projects, information and technical advice, and community capacity building.

In order to strengthen its work with communities, the Department recognises that it needs to make its own crucial cultural change, resulting in community participation being valued and respected. The culmination of the cultural change will be that community relationships are established based on mutual trust and respect.

### Key Step 5: Outcome 4

Better protection of natural heritage (terrestrial, freshwater and marine) and historic resources in environments for which the Department is not directly responsible.

Sustainable management of the coastal marine area in conjunction with regional councils.

### Outcome Indicator

- Improvement in the state of the natural character of terrestrial and freshwater areas not administered by the Department within each environment type.
- Increased preservation of the natural character of the Coastal Environment (including the Coastal Marine Area) through implementation of the principles and policies New Zealand Coastal Policy Statement.

*The Department's work in the coastal marine area and Resource Management Act advocacy makes a significant contribution to biodiversity outcomes. The Department will further examine the best way to reflect this direction and describe, measure and group the related outputs in the next Statement of Intent.*

## Statement of Objectives – Service Performance

### Outputs 2003/04

The Department expects to:

- Be involved in consultative processes, including informal and pre-hearing meetings.
- Make submissions on draft policy statements and plans.
- Make submissions on applications for resource consent (i.e. s96 of the Resource Management Act).
- Where it is an affected party, agree to applications for resource consent being made without public notice only where natural and historic resources are not jeopardised.
- Pursue court or legal actions where other processes have failed.

### Measures and Targets 2003/04

- 86 submissions will be made on draft (proposed) plans/proposals.
- 2,005 consultative processes, including informal and pre-hearing meetings, will be attended.
- Submissions will be made on 401 applications for resource consent (i.e. s96 of the Resource Management Act).
- 75 court/legal actions will be taken.
- 1,276 s94 applications for resource consent (without public notice) will be agreed to.
- Comment on key natural heritage and historic outcomes, technical issues, relationship, and staff resource gains and losses for each quantitative method used this year or previously.
- Submissions will be made on 18 proposed regional coastal plans, variations and changes to regional coastal plans.
- Involved in 346 consultative processes relating to regional coastal plans, restricted coastal activities and coastal permit applications.
- Submissions will be made on 113 non-Restricted Coastal Activity coastal permit applications.
- Submissions will be made on 38 Restricted Coastal Activity applications.
- Court/legal actions will be taken involving 23 regional coastal plans, restricted coastal activities and coastal permit applications.
- Comment on key Resource Management Act coastal outcomes, technical issues, relationship, and staff resource gains and losses for each Resource Management Act coastal quantitative method used this year or previously.

#### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

Regional policy statements, regional plans (including regional coastal plans) and district plans prepared under the Resource Management Act by local authorities are an important means by which natural and historic heritage can be protected and sustainably managed. The Department can influence this process by being involved in consultative opportunities, including informal and formal processes, and by making submissions on draft policy statements and plans. It can also achieve improved protection or better sustainable management of natural and historic resources by making submissions on applications for resource consents and, where it is an affected party, by agreeing to applications for resource consents being made without public notice only where natural and historic resources are not jeopardised. Court or other legal actions in regard to plans or consents are sometimes required to achieve important conservation outcomes.

The Minister of Conservation also has statutory functions under the Resource Management Act in relation to the coastal area. The Minister is responsible for the New Zealand Coastal Policy Statement, the only compulsory national policy

statement under the Resource Management Act. The Minister approves Regional Coastal Plans prepared by Regional Councils. The Minister also has a consent role and appoints a hearing committee member for certain coastal permits referred to as Restricted Coastal Activities.

### **Key Objectives over the Next Five Years**

Driven by a new Conservation with Communities Strategy, the next five years will see a change in the way the Department manages its business leading to more community involvement in conservation and its work.

- There will be growth in relationships between the Department and communities, including businesses, and in community-led conservation initiatives.
- The Department's information resources, particularly on the world-wide-web, will be enhanced to provide the public with ready access to both conservation and visitor information.
- The development of community capability to undertake its own conservation work will be supported.
- Staff capability will be improved through training to assist their efforts to involve communities more fully in conservation management decisions and actions.
- Educational resources, linked to accessible conservation sites around the country, will be available for education providers delivering the curriculum.
- The Department will also work with the international community to advocate for conservation, focusing in particular on advocating for Antarctica, achieving stronger protection for whales, World Heritage and supporting conservation in the Pacific.

## **KEY STEP 6: PROMOTE EFFECTIVE PARTNERSHIPS WITH TANGATA WHENUA**

Effective working relationships between tangata whenua and the Department are critical to the achievement of mutual conservation outcomes. These relationships are of paramount importance to the Department and enable it to fulfill its obligations under s4 of the Conservation Act “to give effect to the principles of the Treaty of Waitangi,” and assist the tangata whenua kaitiaki role.

The Department provides clear direction to staff via its Kaupapa Atawhai Strategy, and is working to improve their capability through both training and by increasing the number of Maori staff. These actions will enable it to better respond to and support Maori aspirations.

### **Key Step 6: Outcome 1**

Tangata whenua work with the Department to achieve enhanced conservation of New Zealand’s natural and historic heritage.

#### **Outcome Indicator**

Tangata whenua are supported by the Department to maintain their cultural relationship with taonga located in areas managed by the Department.

#### **Statement of Objectives – Service Performance**

##### **Outputs 2003/04**

- Seek to negotiate and implement protocols and agreements which build and support partnerships with tangata whenua.
- Work co-operatively with tangata whenua to achieve conservation outcomes following consultation processes.

##### **Measures and Targets 2003/04**

- A report on the number of protocols and agreements with tangata whenua will be produced.

#### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

The Department recognises the special relationship that tangata whenua have with the environment. To inform its management actions, the Department needs to know what is important to tangata whenua about the natural, cultural and historic resources it manages. This may result in changes to proposed management actions or identify opportunities to involve tangata whenua in decisions and actions that affect things that they treasure.

## Key Step 6: Outcome 2

Section 4 of the Conservation Act is reflected in the Department's work.

### Outcome Indicator

Tangata whenua are supported by the Department to maintain their cultural relationship with taonga located in areas managed by the Department.

#### Statement of Objectives – Service Performance

##### Outputs 2003/04

- Make decisions and take actions in accordance with the legislation and the circumstances which apply in any particular case, including the Government's conservation goals and s4 of the Conservation Act.
- Develop, maintain and monitor the capabilities within the Department required to give effect to s4 of the Conservation Act in its work.

##### Measures and Targets 2003/04

- Survey tangata whenua in a sample of conservancies to assess their involvement in the decision-making process.
- 25 staff assessed as competent in the relevant Public Sector Training Organisation unit standards.
- 53 staff assessed by local kaumatua as competent in knowledge and application of tikanga.

*Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

Building capacity within the Department will enable it to better respond to and support Maori aspirations and enable staff to engage with Maori in the appropriate way.

#### Key Objectives over the Next Five Years

During the next five years:

- The Department of Conservation will revise and implement the Kaupapa Atawhai Strategy, as the principal strategic document to guide its work with iwi and hapu. The strategy will require all staff to have a clear understanding of the legislative responsibility to give effect to the principles of the Treaty of Waitangi. All other Kaupapa Maori policies and papers will be sub-ordinate to the strategy.

- As the Crown's principal land manager, the Department will be managing land that is under claim action by iwi and hapu. The return of land to claimants through the Treaty Claims process should provide opportunities to develop new types of engagements. The Department will continue to encourage the building of formal (written) and informal (unwritten) partnerships as positive factors in building successful long term relationships.
- While new staff will continue to undertake Te Pūkenga Atawhai training, the programme will be revised to enable all staff to voluntarily undertake refresher and/or advanced training. An assessment package that is consistent with Maori national unit standards will also be available to all staff, again on a voluntary basis. A Maori Language Strategy, based on the principle that the language of biodiversity in Aotearoa/New Zealand is the Maori language, will be introduced.
- Any review of the Wildlife Act 1953 should take into account changes to the formal ownership by the Crown of native flora and fauna used for customary use purposes. Maori access to standing dead trees or fallen timber, flora for medicinal use, the feathers and bones of dead native birds and seabirds, the teeth and bones of dead whales, and the skin of marine mammals killed in accidental by catch, is an important component of customary use.
- The Te Ara Raupapa Strategy to increase the number of Maori staff in the Department will be operational. The capacity for Maori staff to represent the Department at international, regional (that is, the Pacific region) and national conferences will be increased. The hosting and conduct of a international conference for indigenous peoples employed in conservation work will be explored.

## **KEY STEP 7: ORGANISATIONAL CAPABILITY**

Achievement of the national priority outcomes in this Statement of Intent requires a strong and adaptive culture within the department that values stakeholders and leadership and is well supported by good organisational systems. The Department needs:

- A culture where staff are:
  - Enablers of others.
  - Explorers with a broad outlook, investigating new and different perspectives.
  - Enthusiasts who are passionate and committed to their work, sharing this with others.
  - Experts who provide today's "best" whilst embracing the challenge and change that leads to tomorrow's excellence.
  - Maximisers aiming for the optimal return from all they do.
  - Achievers who get a buzz from delivering quality results.
  - Valued for their input into the work of conservation.
- Assets being managed for the long term.
- Systems that support the business of the department, information transfer and learning.
- Excellent management of all resources, particularly of staff, our most important resource.

The Department has a good base from which to achieve its outcomes in that it has:

- A well developed Statement of Intent.
- Clear strategies in most areas of its work.
- A strong organisational structure and framework.
- Staff who are skilled and passionate about their work.
- A strong systems approach to work.
- Increased resources for core work.
- A well developed asset management framework for visitor facilities and natural heritage.
- Innovative science based approaches to conservation.
- An increasing awareness of the relationships tangata whenua and the community have with conservation places.
- A management/union partnership between the Department, the Public Service Association (PSA) and the Amalgamated Workers Union of New Zealand.

The Department needs to build on this base over the next few years if it is to more fully achieve its national priority outcomes. This means:

- Expanding our asset management approach to historic heritage, fencing and infrastructure.

- Developing a long term financial strategy to support the Statement of Intent.
- Changing the way it works, supporting and increasing the skills of staff to reflect a growing emphasis on integrated ecosystem management, freshwater and marine conservation, biosecurity and working with stakeholders.
- Ensuring staff know what their role is and are working to it.
- Increasing the diversity of our staff to better reflect the diversity within our communities and improve our ability to relate to a wide range of people.
- Shifting existing culture to the desired one.
- Enhancing management capability.
- Continue to develop the management/union partnership in line with the Government/PSA Partnership for Quality Agreement.

The particular priorities for the 2003/04 year are:

- Growing management capability through leadership training and development.
- Developing staff training programmes for biosecurity, site management and working with communities.
- Completing a long term financial plan.
- Developing, with Treasury, a mechanism to provide adequate long-term cash flow to cover the increasing replacement costs of assets.
- Completing the first organisational capability cycle.
- Completing and implementing the Work of Role: People Management System for managers.
- Replacing the financial management and human resources information systems.
- Taking the first steps towards our desired culture.
- Increasing the diversity of the Department's workforce.
- Improving information systems and tools to support managers making decisions about conservation priorities.
- Implementing the findings of the State Services Commission/PSA Partnership for Quality Review.

## ACTIVITIES NOT COVERED BY KEY STEPS

Several Department activities are not attributable to any particular key step; they can occur over any number of key steps. These activities relate to effective policy advice and servicing to Ministers and a range of statutory bodies for which the Department is responsible. They are included in the Department's output class D5: Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning.

This class of outputs covers the provision of policy advice and ministerial servicing to the Minister of Conservation. It also includes servicing statutory bodies and statutory planning under the Conservation Act and the National Parks Act.

### Activities Not Covered: Outcome 1

The Department provides effective policy advice and servicing to Ministers and to a range of statutory bodies for which it is responsible.

#### Outcome Indicators

- The satisfaction of the Ministers of Conservation and Biosecurity, the New Zealand Conservation Authority, conservation boards, the Nature Heritage Fund Committee and the Ngā Whenua Rahui Komiti with the advice and services provided.

Ministers and members of the Authority, conservation boards, the Nature Heritage Fund and the Ngā Whenua Rahui Komiti will be invited annually to complete a questionnaire to establish their level of satisfaction with the advice and services provided.

### Statement of Objectives – Service Performance

#### Outputs 2003/04

The Department expects to provide:

- Advice to Ministers on major policy initiatives.
- Proposals for amending legislation and regulations.
- Submissions to Ministers.
- Draft replies to Ministerial correspondence.
- Responses to Ministerial requests for information.
- Policy advice and administrative services for all meetings of the New Zealand Conservation Authority, conservation boards, the Nature Heritage Fund and the Ngā Whenua Rahui Komiti.
- Advice to the Minister in relation to appointments to the New Zealand Conservation Authority, conservation boards, the Nature Heritage Fund and the Ngā Whenua Rahui Komiti.
- Provide advice to the Office of Treaty Settlements on the conservation related aspects of Treaty settlement negotiations.
- Respond to the requirements of the Office of Treaty Settlements.

### **Measures and Targets 2003/04**

- Policy advice to Ministers will be reported on at the end of the year.
- Actual numbers of Ministerial services provided will be reported on at year end, as they cannot be accurately forecast.
- The percentage of Ministerial services that meet standards of quality and timeliness, agreed with Ministers, will be reported.
- A report on the number of meetings held and appointments made to the statutory bodies will be made at the end of the year.
- Actual progress in settlement negotiations will be reported on at the end of the year.

### *Explanation of why the chosen outputs are the best way to achieve the desired outcome:*

The Department, unlike the majority of government agencies, retains both an operational and a policy role. Capability is required at all levels of the Department to provide the information and advice Ministers and statutory bodies require to make decisions and to respond to requests for information. The Ministers of Conservation and Biosecurity are the primary stakeholders of the Department, and through them, the Government. The Department offers advice to the Ministers on matters of policy, and supports them in preparing and commenting on Cabinet papers. Draft replies are prepared for Ministerial correspondence relating to the Department, and information on a wide range of issues is provided in response to Ministerial requests.



# Part 4 Annual Financial Performance Forecasts

## 4.1 STATEMENT OF RESPONSIBILITY

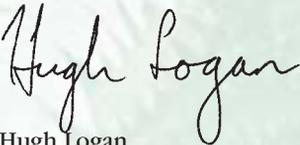
The forecast financial statements for the Department of Conservation for the year ending June 2004 contained in this section have been prepared in accordance with s34A of the Public Finance Act 1989.

The Director-General of the Department of Conservation acknowledges that he is responsible for the forecast financial statements contained in this document.

The financial performance forecast to be achieved by the Department for the year ending 30 June 2004 that is specified in the statement of objectives is as agreed with the Minister of Conservation who is the Minister responsible for the financial performance of the Department of Conservation.

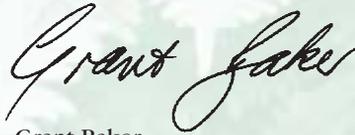
The performance for each class of outputs forecast to be achieved by the Department for the year ending 30 June 2004 is as agreed with the Minister of Conservation who is responsible for the Vote Conservation, and the Minister for Biosecurity who is responsible for Vote Biosecurity. The Department's output performance is specified for each key step outcome (Part 3) - under the heading Statement of Objectives - Service Performance.

This information is consistent with the appropriations contained in the Estimates of Appropriations for 2003/04 which are being laid before the House of Representatives under s9 of the Public Finance Act 1989.



Hugh Logan  
DIRECTOR-GENERAL

Date 29 April 2003



Grant Baker  
GENERAL MANAGER  
BUSINESS MANAGEMENT DIVISION

Date 29 April 2003

## 4.2 INTRODUCTION AND HIGHLIGHTS

### **Prospective Information**

The forecast information presented in the report is based on assumptions that the Department reasonably expects to occur. The very nature of the prospective information suggests that the actual results are likely to vary from the information presented and that the variations may be material.

This information is prepared pursuant to section 34A of the Public Finance Act 1989. It is not intended, and should not be used, for any other purpose. The Department will not present an update of this forecast information in similar format.

### **Significant Underlying Assumptions**

These statements have been compiled on the basis of Government policies and the Estimates of Appropriation relating to Vote Conservation and Vote Biosecurity presented by the Government. They reflect decisions made by the Government during the 2003/04 budget process up to April 2003.

The primary underlying assumption upon which this financial information has been prepared is that there will be no changes in Government policy during the period forecast.

A significant percentage of the forecast outputs to be produced by the Department are subject to high degrees of uncertainty given that they are largely driven by events of nature - for example, the number of whale/dolphin strandings or number of bush fires. The potential financial effect of this uncertainty may result in resources being reallocated.

These forecast financial statements contain the following statements:

- A statement of responsibility from the Director-General of Conservation in respect of the statements contained in this report.
- An overview of the Department's budget.
- A statement of accounting policies.
- Forecast financial statements for the year ending 30 June 2004, including the statement of financial performance, statement of movements in taxpayers' funds, statement of financial position, statement of cash flows, reconciliation of operating surplus from net cash flows and operating activities, and reconciliation of the Statement of Intent to the 2003/04 Estimates including Annual Appropriation by Output Class.

## Financial Overview

The 2003/04 budget figures (incl. GST) in the table include the following initiatives:

- Funding of \$0.150 million for the establishment of High Country National Parks
- Funding of \$1.000 million for the maintenance of Historic Sites on Conservation Land
- Funding of \$1.455 million for the Land Tenure Reform programme
- Funding of \$0.355 million for the development of a sustainable management plan for the historic Kerikeri Basin Heritage area
- Funding of \$0.250 million for providing an integrated approach to the improvement of freshwater management and allocation
- Up to \$8.098 million forecast expenditure transfer from 2002/03

For comparative purposes, the following table shows changes in the funding available to the Department since 1993/94. Significant changes include changes in purchases through revenue Crown, fluctuations in the capital charge rate, the use of employment schemes, funding for the recognition of previously unrecognised or undervalued assets and minor changes to Revenue Other.

### Financial GST exclusive

Financial year	Revenue		
	Crown \$000	Other \$000	Total \$000
1993/1994	97,331	29,372	126,703
1994/1995	94,582	31,039	125,621
1995/1996	103,031	31,713	134,744
1996/1997	116,302	28,764	145,066
1997/1998	132,749	22,230	154,979
1998/1999	139,406	17,246	156,652
1999/2000	134,777	18,291	153,068
2000/2001	150,814	18,678	169,492
2001/2002	156,106	23,736	179,842
2002/2003 (estimated actual)	205,463	21,520	226,983
2003/2004	211,811	21,520	233,331

## 4.3 FINANCIAL FORECASTS

### 4.3.1 Statement of Accounting Policies for Year Ending 30 June 2004

#### ***Reporting Entity***

The Department of Conservation is a Government department as defined by s2 of the Public Finance Act 1989 (“the Public Finance Act”). These are the financial statements of the Department prepared pursuant to section 34A of the Public Finance Act.

#### ***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.

#### ***Forecast – 30 June 2004***

The forecast – 30 June 2004 figures are those presented by the Minister of Finance in the budget night documents (Estimates of Appropriations for the Government of New Zealand).

#### ***Revenue***

The Department derives revenue through the provision of outputs to the Crown, for services to third parties and donations. 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 an 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 use. 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.

### ***Basis of Assigning Indirect and Corporate Costs to Outputs***

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

### ***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 expenses in the period in which the costs are incurred.

### ***Fixed Assets***

- (i) Freehold land and administrative buildings are valued by a registered valuer for accounting purposes on a cyclical basis every five years. The latest valuation was done as at 31 December 2001.
- (ii) Visitor assets are aggregated at component level and valued annually at standard optimised depreciated cost calculated using a life cycle model. These costs are reviewed by an independent registered valuer in accordance with standards and guidance comparable on the valuation pronouncements issued by the New Zealand Property Institute. The latest valuation was done as at 30 June 2002.
- (iii) When an asset is under construction the actual cost is accumulated in a work in progress account. On completion of the project, visitor assets are recorded at standard cost. Any difference between the actual cost and the standard cost is transferred to the movement in equity.
- (iv) The cost of developing, purchasing and upgrading software is capitalised. Where the software is an integral part of the hardware (the computer cannot operate without that specific software), it is treated as part of the equipment.
- (v) Infrastructure assets at Mt Cook Aoraki were valued by Crighton of Crighton Seed and Associates, an associate member of the New Zealand Property Institute, in September 2002. Subsequent revaluations will be conducted on a cyclical basis every five years. These assets are aggregated at a component level and recorded at optimised depreciated replacement cost.
- (vi) If the estimated current replacement cost of vessels is more than \$200,000 then those assets are aggregated at component level and recorded at optimised depreciated replacement costs. Vessels under \$20,000 are recognized at asset level at optimised depreciated replacement cost.

- (vii) All other fixed assets costing more than \$5,000 are capitalised and recorded at historical cost.
- (viii) Subsequent movements in revaluation are transferred directly to revaluation reserve unless they offset 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 where it exceeds the amount of the revaluation reserve for that particular class of assets.
- (ix) When an asset is revalued the accumulated depreciation of that asset is restated using the latest valuation figures. Any movement in accumulated depreciation is shown in the Statement of Financial Performance.

### ***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:	
Asset	Estimated useful life
Buildings	20-40 years
Furniture, computers and other office equipment	5 years
Infrastructure:	
Industrial fire equipment	45 years
Landscape	44 years
Roads	10-100 years
Sewerage	64 years
Solid waste	38 years
Stream control	98 years
Water supply	60 years
Motor vehicles	6 years, 8 months
Plant and field equipment	10 years
Radio equipment	5-10 years
Software	3-5 years
Vessels:	
Electronics	4 years, 2 months
Engines	10 years
Hulls	15 years
Visitor Assets:	
Amenity areas	10-25 years
Signs	5-10 years
Structures	25-50 years
Tracks/Roads	30-70 years
Huts and toilets	20-50 years
Other buildings	35 years

### ***Community Assets***

The nation's land and historic 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. Historic assets used by the Department as recreational facilities are recognised in the Department's books at optimised depreciated replacement cost of similar assets for the same purpose.

### ***Statement of Cash Flows***

Cash means cash balances on hand, held in bank accounts and in 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 payables, provisions 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 the 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 must be used, are matched against related expenditure when it has been incurred. Where the expenditure has not been incurred the unspent balance is treated as revenue in advance.

- (iii) Donations received for specified purposes under s33 of the Conservation Act, s18 of the Walkways Act 1990, or s78(3) of the Reserves Act, are held in trust accounts established by s67 of the Public Finance Act. If the Department incurs expenditure in relation to achieving these specific purposes, the funds are transferred to the Department as revenue when the expenditure is incurred.

### ***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 off in lieu. Annual leave and time of in lieu are recognised as they accrue to the employee, 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 receivables, 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 at their estimated fair value.

### ***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 accounting policies, since the date of the last audited financial statements.

All policies, other than those noted above, have been applied on a basis consistent with other years.

**4.3.2 Statement of Financial Performance  
for the Year Ending 30 June 2004**

	30/6/04 Forecast \$000	30/6/03 Estimated Actual \$000	30/6/03 Forecast \$000
<b>Revenue</b>			
Crown	211,811	205,463	205,463
Other	21,520	21,520	21,520
<b>Total Revenue</b>	<b>233,331</b>	<b>226,983</b>	<b>226,983</b>
<b>Expenses</b>			
Personnel	89,978	73,874	73,874
Operating	87,430	98,402	98,402
Depreciation	29,470	29,470	29,470
Capital charge	26,453	25,237	25,237
<b>Total Expenses</b>	<b>233,331</b>	<b>226,983</b>	<b>226,983</b>
<b>Net surplus/ (deficit) for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>

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

Note: Breakdown of revenue and expenditure by output class - \$000

	Revenue Crown	Revenue Other/ dept.	Total Revenue	Expenses	Surplus/ (Deficit)
<b>Vote: Conservation-Biosecurity</b>					
D7 Policy Advice	201	-	201	201	-
D8 Crown Pest/Weeds Exacerbator Costs	2,053	-	2,053	2,053	-
D9 Indigenous Forest BS Protection	42	-	42	42	-
D10 Specific Pest and Disease Response	127	-	127	127	-
<b>Sub-total Biosecurity</b>	<b>2,423</b>	<b>-</b>	<b>2,423</b>	<b>2,423</b>	<b>-</b>
<b>Vote: Conservation</b>					
D1 Management of Natural Heritage	98,875	3,028	101,903	101,903	-
D2 Management of Historic Heritage	4,964	416	5,380	5,380	-
D3 Management of Recreational Opportunities	82,350	12,530	94,880	94,880	-
D4 Conservation with the community	19,705	5,441	25,146	25,146	-
D5 Policy Advice and Services	3,494	105	3,599	3,599	-
<b>Sub-total Conservation</b>	<b>209,388</b>	<b>21,520</b>	<b>230,908</b>	<b>230,908</b>	<b>-</b>
<b>Total</b>	<b>211,811</b>	<b>21,520</b>	<b>233,331</b>	<b>233,331</b>	<b>-</b>

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

**4.3.3 Statement of Movement in Taxpayers' Funds  
for the Year Ending 30 June 2004**

	30/6/04 Forecast \$000	30/6/03 Estimated Actual \$000	30/6/03 Forecast \$000
Total taxpayers' funds at beginning of year	311,206	304,052	304,052
Net surplus/ (deficit)	-	-	-
Total recognised revenues and expenses for the year	-	-	-
Capital contributions	5,388	7,154	7,154
<b>Total taxpayers' funds at end of year</b>	<b>316,594</b>	<b>311,206</b>	<b>311,206</b>

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

#### 4.3.4 Statement of Financial Position as at 30 June 2004

	30/6/04 Forecast	30/6/03 Estimated Actual	30/6/03 Forecast
	\$000	\$000	\$000
<b>Current assets</b>			
Cash and bank balances	21,251	21,382	21,382
Prepayments	583	583	583
Inventories	360	730	730
GST receivable	937	937	937
Debtor Crown	35,456	19,353	19,353
Receivables	3,210	3,753	3,753
<b>Total current assets</b>	<b>61,797</b>	<b>46,738</b>	<b>46,738</b>
<b>Non-current assets</b>			
Fixed Assets	287,908	300,579	300,579
<b>Total non current assets</b>	<b>287,908</b>	<b>300,579</b>	<b>300,579</b>
<b>Total assets</b>	<b>349,705</b>	<b>347,317</b>	<b>347,317</b>
<b>Current liabilities</b>			
Creditors and payables	16,117	19,117	19,117
Provision for repayment of surplus to the Crown	-	-	-
Provision for employee entitlements	7,047	7,047	7,047
Other Provisions	421	421	421
Revenue in advance	940	940	940
<b>Total current liabilities</b>	<b>24,525</b>	<b>27,525</b>	<b>27,525</b>
<b>Non current liabilities</b>			
Loan	32	32	32
Provision for employee entitlements	8,554	8,554	8,554
<b>Total non current liabilities</b>	<b>8,586</b>	<b>8,586</b>	<b>8,586</b>
<b>Total liabilities</b>	<b>33,111</b>	<b>36,111</b>	<b>36,111</b>
<b>Taxpayers' funds</b>			
General funds	300,071	294,190	294,190
Revaluation reserve	16,523	17,016	17,016
<b>Total taxpayers' funds</b>	<b>316,594</b>	<b>311,206</b>	<b>311,206</b>
<b>Total liabilities and taxpayers' funds</b>	<b>349,705</b>	<b>347,317</b>	<b>347,317</b>

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

### 4.3.5 Statement of Cash Flows for the Year Ending 30 June 2004

	30/6/04 Forecast \$000	30/6/03 Estimated Actual \$000	30/6/03 Forecast \$000
<b>Cash flows – Operating activities</b>			
Supply of outputs to Crown	195,708	190,452	190,452
Supply of outputs to Customers	21,520	21,520	21,520
	217,228	211,972	211,972
<b>Cash disbursed to:</b>			
Produce outputs			
- personnel	89,978	73,874	73,874
- operating	87,430	98,212	98,212
- capital charge	26,453	25,237	25,237
	203,861	197,323	197,323
Net cash inflow from operating activities	13,367	14,649	14,649
<b>Cash flows – Investing activities</b>			
Cash provided from:			
Sale of fixed assets	-	-	-
Cash disbursed to:			
Purchase of fixed assets	18,886	23,251	23,251
Net cash outflow from investing activities	(18,886)	(23,251)	(23,251)
<b>Cash flows – Financing activities</b>			
Cash provided from:			
Capital contributions	5,388	7,154	7,154
Net cash inflow / (outflow) from financing activities	5,388	7,154	7,154
Net increase/(decrease) in cash held	(131)	(1,448)	(1,448)
Add opening cash balance	21,382	22,830	22,830
Closing cash and deposits	21,251	21,382	21,382

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

### 4.3.6 Reconciliation of Operating Surplus and Net Cash Flows from Operating Activities for the Year Ending 30 June 2004

	30/6/04 Forecast \$000	30/6/03 Estimated Actual \$000	30/6/03 Forecast \$000
Net surplus/(deficit)	-	-	-
<b>Add / (Less) non-cash items:</b>			
Depreciation	29,470	29,470	29,470
Provision for employee entitlements	-	437	437
<b>Total non-cash items</b>	<b>29,470</b>	<b>29,907</b>	<b>29,907</b>
<b>Movements in working capital</b>			
Inventories decrease	370	377	377
Receivables and advances (increase)/ decrease	543	(1,869)	(1,869)
Crown Debtor (increase)	(16,103)	(19,353)	(19,353)
Payables & Provisions - increase/ (decrease)	(3,000)	3,500	3,500
Other liabilities increase/(decrease)	2,087	2,087	2,087
<b>Net movement in working capital</b>	<b>(16,103)</b>	<b>(15,258)</b>	<b>(15,258)</b>
<b>Add/(less) investing activity items</b>			
Net loss on sale of fixed assets	-	-	-
Total investing activities	-	-	-
<b>Net cash inflow / (outflow) from operating activities</b>	<b>13,367</b>	<b>14,649</b>	<b>14,649</b>

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

#### 4.3.7 Detail of Fixed Assets by Category as at 30 June 2004

	30/6/04 Forecast \$000	30/6/03 Estimated Actual \$000	30/6/03 Forecast \$000
<b>Freehold land</b>			
At valuation	4,005	4,005	4,005
Land - net current value	4,005	4,005	4,005
<b>Visitor assets</b>			
At valuation	551,774	551,037	551,037
Less Adjustment for optimisation	(83,423)	(83,423)	(83,423)
	468,351	467,614	467,614
Accumulated depreciation	(310,202)	(296,402)	(296,402)
Less Adjustment for optimisation	56,634	56,634	56,634
	(253,568)	(239,768)	(239,768)
Visitor assets - net current value	214,783	227,846	227,846
<b>Administrative buildings</b>			
At valuation	38,500	38,104	38,104
Accumulated depreciation	(7,203)	(5,302)	(5,302)
Buildings - net current value	31,297	32,802	32,802
<b>Other assets</b>			
Plant and field equipment			
At cost	9,306	9,216	9,216
Accumulated depreciation	(6,696)	(6,090)	(6,090)
Plant, field and radio equipment - net book value	2,610	3,126	3,126
<b>Radio communication network</b>			
At cost	7,250	7,144	7,144
Accumulated depreciation	(2,180)	(1,820)	(1,820)
Plant, field and radio equipment - net book value	5,070	5,324	5,324
<b>Furniture, computers, other office equipment and software</b>			
At cost	14,074	13,588	13,588
Accumulated depreciation	(7,936)	(8,487)	(8,487)
Furniture, computers, other office equipment and software - net book value	6,138	5,101	5,101

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

<b>Motor vehicles</b>			
At cost	16,005	15,885	15,885
Accumulated depreciation	(7,724)	(6,724)	(6,724)
Vehicles - net book value	8,281	9,161	9,161
<b>Vessels</b>			
At cost	8,247	7,547	7,547
Accumulated depreciation	(4,523)	(6,123)	(6,123)
Vessels - net book value	3,724	1,424	1,424
<b>Infrastructural Assets</b>			
At valuation	28,800	27,680	27,680
Accumulated depreciation	(16,800)	(15,890)	(15,890)
Vessels - net book value	12,000	11,790	11,790
<b>Total other fixed assets</b>			
At cost and valuation	594,538	590,783	590,783
Accumulated depreciation	(306,630)	(290,204)	(290,204)
Total carrying amount of other fixed assets	287,908	300,579	300,579

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

### 4.3.8 Reconciliation of Statement of Intent to 2003/04 Estimates

	Total Revenue Excl. GST \$000	GST \$000	Annual Appropriation Incl. GST \$000
<b>DEPARTMENTAL OUTPUT CLASSES</b>			
<b>Vote: Biosecurity</b>			
D7 Policy advice	201	25	226
D8 Crown pest/weeds exacerbator costs	2,053	257	2,310
D9 Indigenous forest biosecurity protection	42	5	47
D10 Specific pest and disease response	127	16	143
Sub-total Biosecurity	2,423	303	2,726
<b>Vote: Conservation</b>			
D1 Management of Natural Heritage	101,903	12,738	114,641
D2 Management of Historic Heritage	5,380	672	6,052
D3 Management of Recreational Opportunities	94,880	11,860	106,740
D4 Conservation with Community	25,146	3,143	28,289
D5 Policy Advice and Services	3,599	450	4,049
Sub-total Conservation	230,908	28,863	259,771
Total output appropriations	233,331	29,166	262,497

#### Explanatory Notes:

The forecast financial statements in this report present expenses (and revenue) exclusive of GST, in accordance with generally accepted accounting practice. When appropriated by Parliament, and in accordance with legislation, these expenses are inclusive of GST on revenue. This means:

- The GST inclusive amounts for each departmental output class corresponds to the annual departmental output class appropriations for 2003/2004 appearing in Part B1 for the Estimates for each relevant vote.

## APPENDIX 1: JOINT OUTCOMES WITH OTHER DEPARTMENTS TO WHICH THE DEPARTMENT OF CONSERVATION CONTRIBUTES

Joint Outcomes	Other Contributing Departments
<p><b>Implementation of the New Zealand Biodiversity Strategy</b> All New Zealanders contribute to sustaining the full range of indigenous biodiversity, and share in its benefits.</p>	<p>Ministry of Agriculture and Forestry, Ministry of Fisheries, Ministry for the Environment</p>
<p><b>Indigenous Biodiversity on Private Land</b> The Government's policies for protecting indigenous biodiversity from the effects of private land management are implemented efficiently, effectively and sustainably.</p>	<p>Ministry for the Environment</p>
<p><b>Sustainable Forest Management</b> Privately-owned natural indigenous forests managed for extractive purposes provide a full range of products and amenities in perpetuity while retaining the forests' natural values.</p>	<p>Ministry of Agriculture and Forestry</p>
<p><b>Freshwater Ecosystems</b> The Government's goals for the preservation of the natural character of lakes, rivers and wetlands and their indigenous biodiversity are achieved in a co-ordinated and accountable manner.</p>	<p>Ministry for the Environment</p>
<p><b>Oceans Strategy</b> The Government's strategic goals and policies for marine management are clearly established and effectively co-ordinated and implemented.</p>	<p>Ministry of Fisheries, Ministry for the Environment</p>
<p><b>Coastal Management</b> The Government's goals and policies for the protection and management of the coastal environment and coastal resources are effectively co-ordinated and implemented.</p>	<p>Ministry for the Environment</p>
<p><b>Conservation Services Levy and Fisheries Interactions with Protected Species</b> Incidental capture of protected species is avoided, remedied or mitigated to levels which do not adversely affect them and do not prevent their recovery to a less threatened status.</p>	<p>Ministry of Fisheries</p>

Joint Outcomes	Other Contributing Departments
<p><b>Biosecurity</b> The Government's biosecurity policies are implemented efficiently and effectively.</p>	<p>Ministry of Agriculture and Forestry</p>
<p><b>Historic Heritage</b> The historic and cultural heritage of New Zealand is valued, respected and preserved.</p>	<p>Ministry for Culture and Heritage</p>
<p><b>Recreation and Tourism</b> The Government's policies for sustainable recreation and tourism in New Zealand are implemented efficiently and effectively.</p>	<p>Ministry of Tourism</p>
<p><b>Treaty of Waitangi Policy</b> Settlements of historical Treaty grievances are transparent, durable and fair, and restore the Treaty relationship.</p>	<p>Office of Treaty Settlements</p>
<p><b>Research, Science and Technology</b> Knowledge increases of the environment and of the biological, physical, social, economic and cultural factors that affect it, in order to maintain a healthy environment that sustains nature and people.</p>	<p>Ministry of Research, Science and Technology</p>

## APPENDIX 2: GLOSSARY

The following definitions apply to usage within this document.

**Biodiversity:** the variety of all New Zealand's indigenous biological life and ecosystems.

**Biosecurity:** protection from unwanted organisms that pose significant risks to New Zealand's indigenous biodiversity.

**Capability:** the appropriate combination of competent people, knowledge, money, technology, physical assets, systems and structures necessary to deliver a specified level of performance in pursuit of the organisation's objectives, now and/or in the future.

**Community:** used in its human and social rather than its biological meaning.

**Comprehensive:** the extent to which the full range of the diversity of natural or historic heritage is incorporated within the protected area network or selected for conservation management.

**Conservation:** all the processes of caring for natural and historic heritage, including providing for appreciation and recreational enjoyment and safeguarding the options of future generations.

**Ecosystem:** a biological system comprising a community of living organisms and its associated non-living environment, interacting as an ecological unit.

**Exacerbator:** Crown as exacerbator describes situations where activity on Crown-owned land exacerbates problems that an adjoining owner may be experiencing. A common example is when a farmer controls possums but they saunter over from the reserve next door.

**Habitat:** the place or type of area in which an organism naturally occurs.

**Historic heritage:** any area or place that forms part of the historical and cultural heritage of New Zealand, including archaeological sites, historic buildings and structures, historic areas and landscapes, and sites of significance to Māori including wāhi tapu. It includes both tangible and intangible heritage values including Māori heritage values.

**Indigenous:** occurring naturally in New Zealand, including self-introduced species but not human-introduced ones.

**Indigenous natural character:** recognisable dominance of indigenous species, habitats and ecosystems, and recognisable integrity of geological and physiological elements, features and systems.

**Outcome:** an end result of conservation action which is consistent with the role of the Department, is consistent with the Government's Key Goals, and is a national priority.

**Natural habitats and ecosystems:** containing predominantly spontaneous indigenous flora and fauna only to a small extent influenced by human impact.

**Natural heritage:** includes indigenous species, habitats and ecosystems, and geological and geographical elements, features and systems.

**Natural heritage held or managed by the Department:** areas and resources held or managed by the Department of Conservation under the Conservation Act and the Acts listed in the First Schedule to that Act.

**Ngā Whenua Rahui:** a contestable fund to assist Māori landowners to protect indigenous forests and other habitats and ecosystems.

**Outstanding:** the extent to which areas selected for legal protection or conservation management are of exceptional interest, importance or significance from the point of view of the relevant community/communities of interest. For natural heritage, criteria include the perspectives of science, conservation, natural beauty and recreation. For historic heritage, criteria include historical, physical and cultural significance.

**Principles of the Treaty of Waitangi:** reference to the principles of the Treaty of Waitangi includes the rider established in the *Whales* case (Ngai Tahu Māori Trust Board v Director-General of Conservation). The Court of Appeal ruled that section 4 to the Conservation Act (*This Act shall be so interpreted and administered as to give effect to the principles of the Treaty of Waitangi*) applied to all the Acts in the First Schedule to the Conservation Act to the extent that the provisions of s4 were not inconsistent with the Acts in the First Schedule.

**Protected area network/protected areas:** terrestrial, freshwater and marine areas that are protected primarily for the purpose of the conservation of natural and/or historic heritage using a range of legal mechanisms that provide long-term security of tenure, status or land use purpose, either privately or publicly owned.

**Representative:** the extent to which areas selected for legal protection or conservation management represent or exemplify the diversity of natural or historic heritage (used in the *New Zealand Biodiversity Strategy* as a prioritising criterion).

**Restoration:** the active intervention and management of degraded ecosystems, habitats, landforms and landscapes in order to restore indigenous natural character, ecological and physical processes, and their cultural and visual qualities (*New Zealand Biodiversity Strategy*); or for historic heritage, to return a place as nearly as possible to a known earlier state (*ICOMOS New Zealand Charter for the Conservation of Places of Cultural Heritage Value*).

**Species:** a group of organisms which has evolved distinct common inheritable features and occupies a particular geographic range, and which is capable of interbreeding freely but usually not with members of other species.

**Stakeholders:** an inclusive term including allies, associates, customers, partners and staff.

**Strategic direction:** a particular targeted focus for conservation action to achieve a national priority outcome.

**Sustainable management:** in relation to areas and resources not held or managed by the Department, management to sustain natural heritage and/or historic heritage values.

**Tangata whenua:** iwi, hapū and whanau with mana whenua or mana moana in a given rohe or locality.

**Taonga:** a very broad concept that includes tangible and intangible aspects of natural and historic resources of significance to Māori including wāhi tapu and intellectual property.

**Unwanted organism:** any organism capable or potentially capable of causing unwanted harm, or posing significant risks, to New Zealand's indigenous biodiversity.

**APPENDIX 3: THE LINKS BETWEEN KEY STEPS, OUTCOMES AND OUTPUT CLASSES**

Key Steps	Outcomes	Output Classes
<p><b>Key Step 1:</b> Protect and restore New Zealand's natural heritage</p>	<ul style="list-style-type: none"> <li>• Halting the loss of natural heritage in New Zealand's terrestrial, freshwater and marine environments within areas managed by the Department.</li> <li>• No human-induced extinctions of indigenous terrestrial, freshwater, and marine species have occurred and, where practicable, representative populations of all indigenous species have long-term security in predominantly natural habitats within their natural range.</li> <li>• Ensuring a more comprehensive range of terrestrial, freshwater and marine environments is legally protected.</li> </ul>	<p><i>Vote Conservation D1: Management of Natural Heritage</i></p> <p>This class of outputs covers the preservation of natural heritage, including the maintenance, restoration and protection of ecosystems, habitats and species.</p>

Key Steps	Outcomes	Output Classes
<p><b>Key Step 2:</b> Minimise biosecurity risk</p>	<ul style="list-style-type: none"> <li>• Preventing, in conjunction with other agencies, the entry into New Zealand and establishment of new organisms that pose a threat to indigenous biodiversity.</li> <li>• Eradicating or containing organisms that are newly established, or those already established but not widespread, and pose a threat to indigenous biodiversity.</li> </ul>	<p><i>Vote Biosecurity D9: Policy Advice</i> This class of outputs covers purchasing of policy advice and decision support to the Government on biosecurity relating to indigenous flora and fauna.</p> <p><i>Vote Biosecurity D10: Crown Pests/Weed Exacerbator Costs</i> This class of outputs covers the delivery of services to control weed and animal pests on lands administered by the Department of Conservation.</p> <p><i>Vote Biosecurity D11: Indigenous Forest Biosecurity Protection</i> This class of outputs covers monitoring the health of indigenous forests in order to detect new pests and unwanted organisms that may cause unwanted adverse effects.</p> <p><i>Vote Biosecurity D12: Specific Pest and Disease Responses</i> This class of outputs covers delivery of services associated with responses to exotic disease or pest incursions, including the costs of a programme of eradication and control of <i>Undaria</i> seaweed.</p>

Key Steps	Outcomes	Output Classes
<p><b>Key Step 3:</b> Protect and interpret New Zealand's diverse historic and cultural heritage at places managed by the Department</p>	<ul style="list-style-type: none"> <li>• Historic heritage is identified and, where appropriate, conserved and interpreted.</li> <li>• The protection of a representative range of sites reflecting themes of New Zealand history.</li> </ul>	<p><i>Vote Conservation D2: Management of Historic Heritage</i> This class of outputs covers the provision of protection and conservation management of historic heritage, including heritage orders and designations under the Resource Management Act.</p>
<p><b>Key Step 4:</b> Promote recreation and increase public enjoyment of places managed by the Department</p>	<ul style="list-style-type: none"> <li>• A range of quality recreation opportunities, consistent with the protection of conservation values, is provided in areas managed by the Department and promoted so that all New Zealanders have the opportunity to derive benefits from them.</li> <li>• Visitor impacts on natural and historic heritage are minimised.</li> </ul>	<p><i>Vote Conservation D3: Management of Recreational Opportunities</i> This class of outputs covers the provision of recreational opportunities on land administered by the Department. This includes the safety services that support these opportunities and management of the recreational asset base.</p>

Key Steps	Outcomes	Output Classes
<p><b>Key Step 5:</b> Engage the community in conservation</p>	<ul style="list-style-type: none"> <li>• New Zealanders treasure their natural and historic heritage and are committed to its conservation.</li> <li>• The Department is a national conservation leader that has effective working relationships at international, national, conservancy and area levels for conservation.</li> <li>• Community groups, agencies and others participate in conservation and undertake their own conservation initiatives supported by the Department.</li> <li>• Better protection of natural heritage (terrestrial, freshwater and marine) and historic resources in environments for which the Department is not directly responsible.</li> <li>• Sustainable management of the coastal marine area in conjunction with regional councils.</li> </ul>	<p><i>Vote Conservation D4: Conservation with the Community</i></p> <p>This class of outputs covers the provision of public information, community participation, public awareness, relationship management and advocacy under the Resource Management Act. It is split between the business streams in key steps 5 and 6.</p> <p>This component includes managing concessions and consents, and working with communities and local government to protect natural and historic resources outside of lands managed by the Department.</p>

Key Steps	Outcomes	Output Classes
<p><b>Key Step 6:</b> Promote effective partnerships with tangata whenua</p>	<ul style="list-style-type: none"> <li>• Tangata whenua work with the Department to achieve enhanced conservation of New Zealand's natural and historic heritage.</li> <li>• Section 4 of the Conservation Act is reflected in the Department's work.</li> </ul>	<p><i>Vote Conservation D4: Conservation with the Community</i> This class of outputs covers the provision of public information, community participation, public awareness, relationship management and advocacy under the Resource Management Act. It is split between the business streams in key steps 5 and 6. This component specifically deals with building partnerships with tangata whenua.</p>
<p><b>Key Step 7:</b> Organisational capability</p>	<p>No specific outcomes have been developed for this Key Step. Milestones for 2003/04 fall under the following headings:</p> <ul style="list-style-type: none"> <li>• People.</li> <li>• Resources.</li> <li>• Organisational model.</li> <li>• Systems.</li> <li>• Culture.</li> <li>• Relationships.</li> </ul>	<p>This key step spans all the Department's outputs, including those activities not covered by the key steps in Vote Conservation D5.</p>
<p>Activities not covered by the Key Steps</p>	<ul style="list-style-type: none"> <li>• The Department provides effective policy advice and servicing to Ministers and to a range of statutory bodies for which it is responsible.</li> </ul>	<p><i>Vote Conservation D5: Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning</i> This class of outputs covers the provision of policy advice and ministerial servicing to the Minister of Conservation. It also includes servicing statutory bodies and statutory planning under the Conservation Act and the National Parks Act.</p>

## APPENDIX 4: LEGISLATION, CONVENTIONS, STRATEGIES, POLICIES AND PLANS

The key steps in this Statement of Intent have been developed to give effect to the legislation governing the Department and the international conventions to which New Zealand is a signatory. There are a variety of statutory and non-statutory strategies, policies and plans that both inform the Statement of Intent and set out in more detail how the key steps will be implemented. There are also departmental systems in place or under development which address the Department's capability requirements. The main documents and systems are listed here.

### **Legislation**

Conservation Act 1987  
Hauraki Gulf Marine Park Act 2000  
Marine Mammals Protection Act 1978  
Marine Reserves Act 1971  
National Parks Act 1980  
Native Plants Protection Act 1934  
New Zealand Walkways Act 1990  
Reserves Act 1977  
Trade In Endangered Species Act 1989  
Wild Animal Control Act 1977  
Wildlife Act 1953  
Resource Management Act 1991  
Historic Places Act 1993

### **A number of other statutes relate to more particular areas or functions.**

International Environmental Agreements  
Apia Convention on the Conservation of Nature in the South Pacific  
CITES: Convention on International Trade in Endangered Species of  
Wild Flora and Fauna  
Convention on Biological Diversity  
International Convention for the Regulation of Whaling  
Ramsar Convention on Wetlands of International Importance  
The Convention on the Conservation of Migratory Species of Wild Animals  
World Heritage Convention

### **Strategies, Policies and Plans Guiding the Department's Activities**

General Policy on National Parks  
New Zealand Walkways Policy  
New Zealand Coastal Policy Statement  
Conservation Management Strategies (for each conservancy)  
National Park Plans (for each national park)  
Conservation Management Plans (for specific natural and historic places)  
New Zealand Biodiversity Strategy  
Visitor Strategy

Kaupapa Atawhai Strategy (under revision)  
Conservation with Communities Strategy (draft)  
Historic Heritage Strategy (under revision)  
People Diversity Strategy  
Information Management Strategy  
Science Strategy  
Deer Policy Statement  
Weed Strategy  
Himalayan Thar Policy  
Possum Operational Plan  
Threatened Species Classification System  
Species Recovery Plans  
General Managers' Handbook

## APPENDIX 5: THE DEPARTMENT'S STRUCTURE

The nature of the Department's work means its structure is decentralised via a network of far-flung offices, grouped into 13 conservancies. Field work and conservation outputs are mainly delivered from area offices within conservancies. Areas are supported by a conservancy office which sustains delivery through technical support and advice, and ensures accountability in the line. Three regional offices (based in Hamilton, Wellington and Christchurch) are tasked with continuous quality improvement, particularly of systems and practices. The Department's Wellington-based head office develops national policies, provides leadership, and national service and support functions.

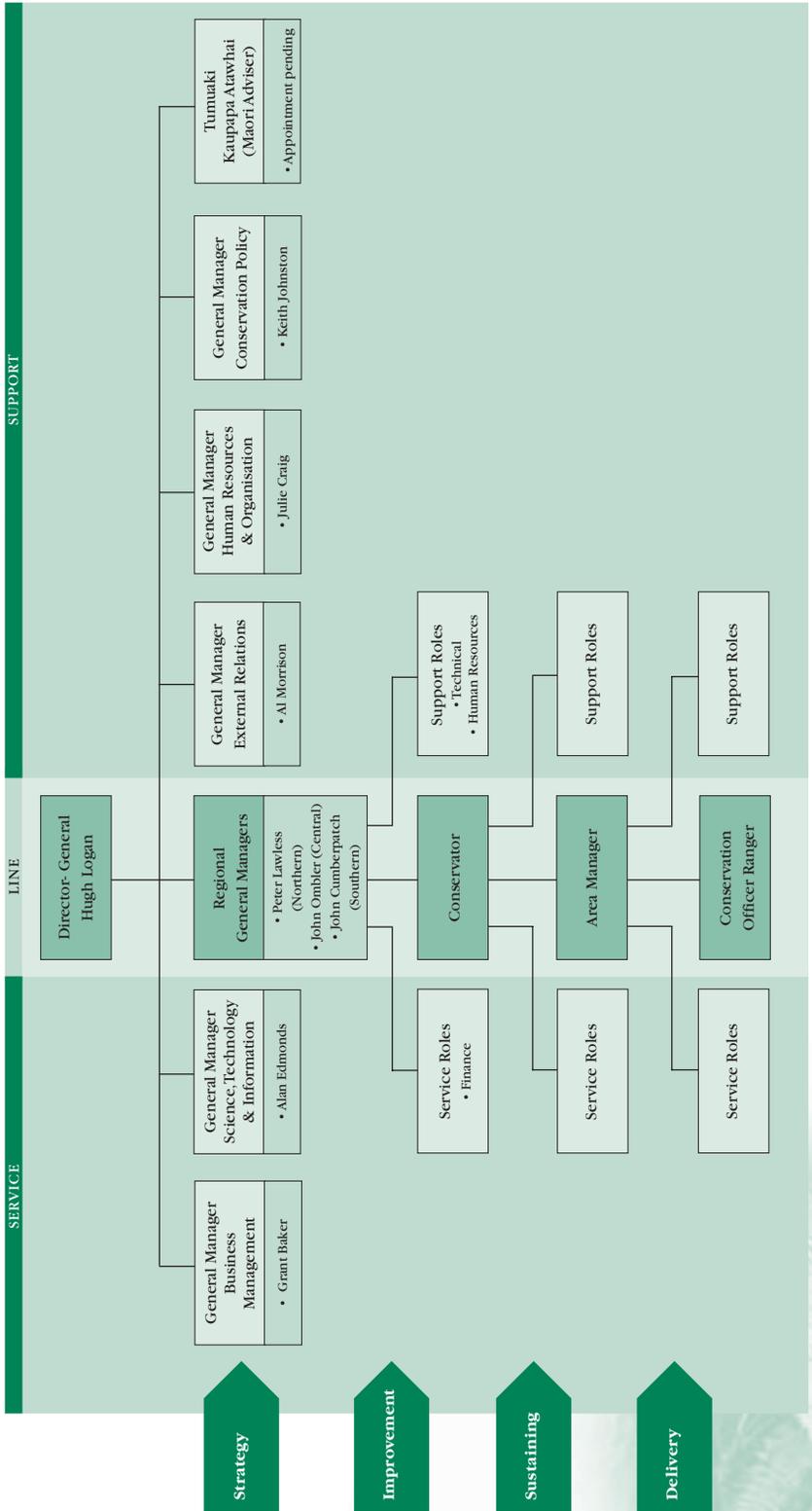
The Department employs 1570 permanent staff and an average of 440 temporary staff, as well as many contractors.

*Regions, Conservancies and Areas*

- Head office
- Regional office
- Conservancy office
- Area office



# DEPARTMENT OF CONSERVATION - ORGANISATION STRUCTURE



## APPENDIX 6: THE DEPARTMENT'S STAKEHOLDERS

The Department's relationships with its stakeholders are important to the achievement of positive outcomes for conservation. The diagram below describes the many and complex relationships that are vital to its work.

### *The Department's Stakeholders*

