

Regulatory Impact Statement: Strengthening and Modernising Fish and Game New Zealand



Department of
Conservation
Te Papa Atawhai

Decision sought	<i>Analysis produced to inform final/in-principle Cabinet decisions on proposed amendments to the Conservation Act 1987 aimed at strengthening and modernising Fish and Game New Zealand.</i>
Agency responsible	<i>Department of Conservation</i>
Proposing Ministers	<i>Minister for Hunting and Fishing</i>
Date finalised	<i>30 April 2025</i>

The Minister for Hunting and Fishing aims to strengthen and modernise Fish and Game New Zealand (F&G) by implementing good governance practices, improving transparency, and rebalancing its key functions. These reforms will boost F&G's effectiveness, ensure robust checks and balances, add value for licence holders, and make it easier for New Zealanders to engage in game bird hunting and fishing.

Summary: Problem definition and options

F&G is made up of 12 regional councils and one national council

Fish and Game Councils (FGCs) were established in 1990 under the Conservation Act 1987 to manage freshwater sports fishing and game bird hunting in New Zealand (except for the Taupō trout fishery, which is managed by DOC). There are 12 regional FGCs and a national coordinating body, the New Zealand Fish and Game Council (NZC), which collectively make up Fish and Game New Zealand (F&G). All F&G councils are public entities listed in Schedule 4 of the Public Finance Act 1989 and are subject to aspects of the Crown Entities Act 2004. F&G is funded primarily from licence fees and does not receive government funds. The Department of Conservation (DOC) has regulatory stewardship of the sports fish and game bird management system under the Act.

There have been organisational issues within F&G since its beginnings

F&G has a long history in New Zealand and role managing sports fish and game birds for hunters and anglers. However, well-documented challenges relating to governance and regulatory practices have eroded trust in the organisation. Several reviews along with media and F&G commentary, have shown that legislative settings do not encourage good governance or provide clear roles and responsibilities. This impacts F&G's effectiveness and efficiency. F&G's relationships with other users of natural resources is also affected. This impacts licence holder experience and value for money. Non-legislative improvements have fallen short; legislative change is now required for F&G to modernise and improve.

A modernised F&G will deliver value for money for licence holders

The current federal structure means FGCs and the NZC lack connectedness, with unnecessary duplication of effort and different approaches or investment in similar activities undermining cohesiveness within the organisation. Ministers have limited backstop powers, inconsistent with similar legislation for like entities. These issues ultimately affect hunters and anglers, diminishing the value they receive from their licence fees. By reducing unnecessary duplication and provide for other efficiencies, F&G can offer better value to licence holders, redirecting funds to better support angling and game bird outcomes. This could encourage more New Zealanders and overseas visitors to engage in hunting and fishing, boosting regional economic activity and further increasing funds for the sports.

The Government is refining current settings rather than opting for a major restructure

The proposed amendments will not change F&G's purpose or overall functions in the Conservation Act (S 26B(1)). Instead, they aim to improve cohesion, clarify powers and functions within the organisation, increase transparency, and align F&G with modern public entity requirements.

Success of reforms may take a few years to see

To measure the success or failure over time, several key indicators and metrics will be used, including licence sales/revenue, cost efficiency, licence holder satisfaction, economic impact, organisational cohesion, and regulatory compliance. Measuring change outcomes can be achieved primarily through existing licence holder activity surveys and annual F&G performance reports.

The Minister proposes legislative amendments to address the issues in F&G

While F&G's non-legislative changes following the latest review may bring some improvements, they cannot address the major organisational issues identified. The Government must now ensure these systemic issues are resolved by making the regulatory system fit-for-purpose. This will assure licence holders and the public that hunting and angling resources are well managed.

The change proposals will modernise F&G and deliver better outcomes for licence holders

The Minister's preferred framework includes:

- Balancing powers and responsibilities effectively between FGCs and the NZC, better supporting local decision making for local hunting and fishing activities and national decisions to provide cohesiveness and organisational direction.
- Putting licence holders at the centre of the rationale for change.
- Retaining a 'user pays, user says' approach (that is, licence holders (who pay for their licences) should have a say in how F&G is run and how resources are managed).
- Aligning F&G with contemporary governance standards of comparable public entities.

These changes will benefit the entire system

The reforms will:

- Provide better value for money for licence holders.
- Improve engagement and participation by licence holders.
- Foster a shared purpose and more effective management of F&G resources and habitats.
- Enhance the efficiency and effectiveness of F&G operations across New Zealand.
- Increase transparency and establish proper checks/balances between FGCs and the NZC.
- Improve reporting and accountability.

Without legislative change, poor governance practices, inefficiencies, and internal discord will likely continue. There will be no incentive to improve policies and processes, potentially leading F&G to further conflicts with local communities and mismanagement of hunting and angling resources.

The Minister preferred a targeted engagement approach

Several reviews of F&G since 1990 have informed the current reforms. These are discussed in Section 1. In November 2024, the Minister sent letters with high-level questions to all FGCs, the NZC, and Post-Settlement Governance Entities (PSGEs) with F&G references in their Treaty settlements with the Crown. The Minister also met individually with all FGCs in early 2025. These activities informed policy decisions.

Although wider engagement with licence holders and the community was not conducted, their views are captured in earlier reports/reviews (see Section 1). Despite low engagement from licence holders in FGC elections, this provided valuable input from the FGCs as their representatives.

The targeted approach has its limitations

Wider stakeholders, including licence holders and other users of shared resources (e.g., farmers), will be able to make submissions on the Amendment Bill at the select committee stage.

Responses from FGCs and PSGEs

FGCs showed general agreement there was a need for change, with a spectrum of views on how this could be achieved. Councillors focussed primarily on the importance of maintaining and supporting regional decision making, opportunities for efficiencies on some administrative activities, and change to improve governance and elections. The main concern expressed was around a larger role

for the NZC increasing bureaucracy and hampering local independence. Responses from iwi and hapū included one written response from s9(2)(g)(i) and three verbal responses (see Section 1).

Are the preferred options in the Cabinet paper the same as the RIS?

The Minister has agreed with the approach taken and key decisions to support reforms, with a different approach only on some minor issues.

- DOC recommended that Ministerial appointees were made only for specific reasons set out in legislation. The Minister preferred an alternative option to appoint for any reason. In either case, Ministerial appointments are intended as a backstop measure only, and it is likely this change will make only a minor difference to how appointments will work in practice. Specifying reasons in legislation largely provides clarity. DOC advised responsibility for the actions of appointees would fall to the Minister.
- DOC suggested 'up to 7' councillors per FGC and the NZC, but the Minister preferred 'up to 8', after hearing feedback largely in support of this from F&G meetings. DOC considers this minor and is in support: 7 was recommended to easily break tied votes, but Chairs currently have the power to do this.

Summary: Minister's preferred option in the Cabinet paper

Costs

One-off: F&G will incur a direct, one-off cost to establish new procedures and potentially hire staff to help with reforms and to develop a new financial strategy and funding allocation model.

Ongoing: F&G will incur minimal administrative costs to vet all election candidates at the pre-election stage. When made in exception circumstances, Ministerial appointees will be paid a fee for their time on FGCs. This fee would be between \$165 and \$225 per meeting for attending FGC meetings, or a flat annual fee of \$7,161 - \$15,615 if attending the NZC meetings. This would fall to F&G to fund.

No Additional Funds Required: DOC, the wider government, and consumers will not require additional funds, and no public funding will be necessary for F&G. Reforms will be funded from existing and future F&G revenue.

Benefits

Value for money and a better experience: Licence holders will receive better value for their money and enjoy improved hunting and fishing experiences.

Responsive budgets: F&G will benefit from more responsive budgets that meet actual needs.

Cooperative work: The NZC will work cooperatively with FGCs to develop a cohesive organisation that better serves hunters, anglers, and the community.

Informed advice: DOC will gain a clearer view of F&G operations, enabling it to provide more informed advice to the Minister.

Regulatory confidence: The Crown will have greater confidence in F&G's ability to fulfil its regulatory obligations.

Community benefits: The community will benefit from F&G being more responsive to the needs of other resource users.

Balance of benefits and costs

Preferred options are likely to outweigh the costs to F&G considering qualitative evidence.

Implementation

Enactment and phasing: The reform will be enacted in approximately June 2026 and phased in from July 2026. The NZC and FGCs will need to prepare and collaborate to ensure effective implementation. Developing secondary legislation will be crucial during the transition period.

Awareness and autonomy: DOC will ensure F&G are aware of the changes. The reforms will rebalance roles, with FGCs retaining autonomy and the Minister's powers extended but remaining "at arm's-length." DOC's role will be indirect but critical as an advisor.

Support and phasing: DOC will work with the NZC to determine necessary support and risk mitigation. Reforms will be phased, with adjustments to councillors at the next election and budget process changes in subsequent cycles. The transition is expected to be complex.

Implementation responsibility: F&G will be responsible for implementing the changes. The NZC will engage with FGCs on how to implement the changes.

Reporting and monitoring: The NZC will report to the Minister on progress and any issues that arise. Improvements in F&G's annual report structures will enable DOC to monitor performance.

Limitations and Constraints on Analysis

Non-regulatory changes out of scope: Out of scope as they have proven insufficient to address problems rooted in existing legislative settings over 35 years.

Building on previous policy decisions, this RIS documents a series of decisions rather than presenting a single option with analysis: The current Minister for Hunting and Fishing, Minister Meager, is building on the policy decisions made by the former Minister for Hunting and Fishing, Minister McClay. Minister Meager has added to these decisions and plans to recommend them to Cabinet in the second quarter of 2025.

Ministers set clear limits on the scope of work:

- Maintain broad responsibilities of Fish and Game, focusing on improving efficiency, effectiveness, value for money, and regulatory performance.
- Keep regional decision-making to enhance local hunting and fishing opportunities, while strengthening the NZC's leadership for clear direction and organizational efficiency.
- Retain and enhance the 'user pays, user says' system to support democratic foundations and improve decision-making, including considering non-hunting and fishing interests.
- Maintain the organisation's independence but improve accountability and transparency, with potential additional powers for the responsible Minister in exceptional cases.
- Modernise the organisation to align with other entities for efficiency and effectiveness.

Limited engagement impacting analysis: Limited engagement with licence holders/other stakeholders impacted analysis. Wider consultation could have provided more insights, especially from women who are vastly underrepresented in F&G, and groups like Federated Farmers.

Confidence in proposals despite limitations: Despite limitations, DOC is confident in the quality of the proposals due to comprehensive examinations over many years, including the most recent, the 2021 Governance Review of New Zealand Fish and Game. Most FGCs support the need for change, indicating general support for the proposals.

Alignment with the NZC's strategy: The proposed legislative changes align with the NZC's 2023-2028 strategy, which came from that governance review, assuming non-legislative measures will proceed as planned and support the regulatory changes.

Consequences of inaction: Without intervention, poor governance practices, duplication of effort, inefficiencies, and internal discord are likely to continue, with no incentive to improve policies and processes, which ultimately negatively impacts licence holders.

I have read the Regulatory Impact Statement and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the preferred option.

Responsible Manager(s) signature:

Nicola Molloy

Policy Manager

14 April 2025



Quality Assurance Statement	
Reviewing Agency: Department of Conservation	QA rating: Partially meets
Panel Comment: The Department of Conservation’s Regulatory Impact Assessment Panel has reviewed the Regulatory Impact Statement (RIS). The Panel considers that the RIS partially meets the Quality Assurance criteria. The requirements were not fully met because of the limited engagement undertaken to support this proposal. However, the constraints and limitations have been well described.	

Section 1: Diagnosing the policy problem

Context behind the policy problem

Establishing Fish and Game as a Regulator

1. Game bird hunting and freshwater sports fishing have been significant activities in New Zealand since early European settlement. In the 1860s, acclimatisation societies introduced various exotic species like salmon, trout, deer, pheasant, and mallard ducks to New Zealand.
2. In 1990, the 22 acclimatisation societies were replaced by 12 regional Fish and Game Councils (FGCs) and a new national coordinating body (the New Zealand Council (NZC)) under the Conservation Act 1987.
3. FGCs are independent entities responsible for managing freshwater sports fishing and game bird hunting across New Zealand (except for the Taupo trout fishery, which is managed by DOC). Their functions are established under the Conservation Act with some provisions for game birds in the Wildlife Act 1953. They are elected bodies, with members drawn from and elected by a section of licence holders. Collectively, FGCs and the NZC are referred to as Fish and Game New Zealand (F&G).
4. To support their functions, F&G is empowered to collect fees from the public for fishing and hunting permits/licences, generating around \$13 - \$18 million annually. In the 2023/2024 season, there are some 144,935 anglers and hunters. An angling whole season adult licence costs \$156, and a game bird whole season adult licence costs \$116. There are other types of licences available e.g. for children and families, day or short periods and non-resident licences.
5. Additional income comes from bequests and donations. F&G does not receive any government funding.
6. The Minister’s role is relatively limited to approving licence types and fees, the conditions for hunting and fishing, and sports fish and game management plans proposed by F&G. Although the Minister has some intervention powers to remove councillors under specific conditions, these powers have never been used and are quite limited when compared to modern public entities.
7. In effect, F&G operates as an “arm’s length” organisation made up of separate entities that function on a “user pays, user says” basis.

Several reviews have raised issues with F&G

8. Issues are long-standing and persist today despite a number of efforts to address them through non-legislative measures. Legislative changes are needed to address the underlying causes. The structure of F&G has remained largely unchanged since its establishment in 1990, raising concerns about its ability to adapt to current challenges and needs.
9. The reviews highlighted several problems, including:
 - i. poor governance, especially in managing conflicts of interest
 - ii. inadequate interaction with interests outside of hunting and fishing

- iii. inconsistent replication of functions across F&G
- iv. a flawed electoral system leading to a lack of representation
- v. poor financial and strategic planning.

Issues go back to the formation of F&G

10. In 2001, the NZC commissioned PWC to conduct an organisational review, which was completed in 2002¹. PWC concluded that F&G's structure was unlikely to solve its issues and that the autonomous nature of the FGCs and the regulatory settings provided no incentives for greater cooperation or to address cost duplication. While a centralised model could facilitate accountability and remove duplication, it might overlook regional priorities, stifle innovation, and become overly bureaucratic.
11. PWC also found that some provisions in the Conservation Act encouraged perverse outcomes. For example, Section 17L(4)(c) requires F&G to "maximise recreational opportunities for anglers and hunters," leading it to prioritise hunting game birds over cooperating with other community needs, such as aviation safety or preventing crop damage, in some outlier cases.
12. Between September 2018 and April 2019, the NZC commissioned audits of three FGCs, which identified governance dysfunction, conflict of interest issues, and staff and employment problems.
13. In 2020, a review of budget allocation found that resource decisions were more closely tied to licence sales than hunting/fishing activity, recommending that angler/hunter activity should be the primary basis for allocating licence fee revenue.²
14. In 2021, the Minister of Conservation called for a governance review of F&G. The resulting "*Review of the Governance of Fish and Game New Zealand and the Regional Fish and Game Councils*" (the Governance Review) found that the current structure and governance were not fit-for-purpose for achieving the best outcomes for hunters and anglers. The review made 36 recommendations, most requiring legislative changes to the Conservation Act and the Wildlife Act 1953 (The Wildlife Act). The NZC began implementing the non-legislative changes and developed the "Fish and Game Organisational Strategy 2023-2028."³

Understanding the legislative context helps explain the issues that arise in F&G

15. F&G operates under the Conservation Act, which outlines its structure and functions, including those related to angling (important provisions for game bird hunting are separated out in the Wildlife Act).
16. In 1990, an amendment to the Conservation Act established F&G, replacing the acclimatisation societies. The Conservation Act defines F&G's structure as 12 councils and one national body (the NZC), all separate public entities without specified relationship accountabilities.
17. Each FGC independently decides its actions and responsibilities within the legislative framework and its budget. Responsibilities include (but are not limited to) monitoring habitats, compliance activities, engagement, staffing, and setting corporate policies. The NZC coordinates but cannot compel FGCs to follow specific processes. The independence of these entities leads to duplication of functions and activities and sometimes inconsistencies between FGCs.
18. Licences are set nationally, but each FGC receives funds from licence sales in their region. Resident hunters and fishers purchase in or attribute their licence to their home region, but this may not necessarily be where their activity takes place (which could be in multiple national locations). The NZC then levies these funds and reallocates them to other FGCs where there are

¹ "Fish and Game New Zealand Organisational Proposals" 2002. PriceWaterhouseCoopers.

² Concept Consulting 2020

³ Fish and Game Organisational Strategy 2023-2028 <https://www.fishandgame.org.nz/assets/About-us/Corporate-documents/2023-2028-Organisational-Strategy.pdf>

budget shortfalls. This creates wastage through double- or triple-handling of revenue before it goes to where it is needed, creates a perception that licence fees collected regionally are locally 'owned', and creates incentives for regions to hold onto funding at the expense of the organisation. It is very likely that the majority of licence holders do not understand how the money from their 'choice' of purchase region flows through the system, as licence holders perceive Fish and Game as a single body.

19. FGCs must prioritise the interests of licence holders for the benefit of hunting and fishing in the management of their functions. The legislation states that they may consider the views of non-hunting or non-angling users (such as Māori landowners, farmers, or those responsible for aviation safety), but these interests do not override the primacy of hunting and fishing interests.
20. Each FGC including the NZC, provides an annual report to the Minister, which is then tabled individually in Parliament. These reports include audited financial and performance statements, but there is no routine additional external scrutiny of F&G's operational performance, unlike other regulatory entities examined by select committees.
21. In addition to the main Acts, the Conservation Act and the Wildlife Act, other functions and responsibilities of F&G are found in various regulations.⁴

Other Acts related to Crown/public entities

22. The Public Service Act 2020 designates all FGCs as part of the State services, classifying them as Public Finance Act 1989 Schedule 4 organisations. This classification means that certain aspects of the Crown Entities Act 2004 apply to FGCs (although Fish and Game is not a Crown Entity), proportionate to their nature and role, including specific standards of reporting and accountability. Other legislation, such as the Public Audit Act 2001, also impacts F&G and is relevant when considering changes to its regulatory settings. F&G councils, as public entities, must comply with these requirements.
23. F&G's governance arrangements are also directly linked to the Local Government Official Information and Meetings Act 1987 (LGOIMA).⁵ This linkage aligns their decision-making processes and conduct of meetings more closely with those of local government bodies. The application of bespoke Standing Orders, discussed more below, further reinforces this alignment.

The role of the Minister

24. The Minister is responsible for overseeing the administration of sports fish and gamebird management (mainly under the Conservation Act 1987 and the Wildlife Act 1953), but has only a limited role in other key aspects of F&G. The Minister has a role to approve, or decline to approve, hunting and fishing conditions, sport fish and game management plans and the setting of licence fees on the advice of F&G. However, the Minister has no role in determining management policy relating to sports fish or game birds and cannot intervene. For example, FGCs are the primary decision-makers on game bird management: whether or not a game bird population is managed in ways that meet the needs of non-hunting interests (e.g. farmers, aviation), largely depends on the views of the local FGC at the time.
25. The Minister has some indirect means to ensure that game management plans are adhered to, and FGCs can be removed by the Minister for failure to carry out any of their functions under the Conservation Act or the Wildlife Act, though this power has never been exercised.⁶
26. F&G is not scrutinised at Select Committee as other, more modern public entities are. F&G must provide annual reports to Parliament on their performance, but these are rarely scrutinised, and

⁴ That is, the Freshwater Fisheries Regulations 1983, the Wildlife Regulations 1955, the Fish and Game Council Election Regulations 1990, and the New Zealand Game Bird Habitat Stamp Regulations 1993.

⁵ LGOIMA, Part 7, through being a type of local authority listed in Schedule 2

⁶ Section 17N(1) and (2) of the Conservation Act.

the information provided can vary across FGCs and it can be difficult to compare like for like. For example, the way expenditure is classified and presented means there isn't a common understanding of how resources are directed on activities by each FGC.

27. As an elected and arms-length body, the Minister has no role in appointing members to the FGCs or the NZC to provide decision-making support where warranted. FGCs must rely on co-opting, although this is rarely used, and co-opted members do not have vote rights. While the Minister has powers to remove a councillor, this power is in accordance with strictly defined criteria in the Conservation Act, which are at odds with other modern governance entities. This makes the evidence bar for action particularly difficult to reach and these powers have never been exercised.

How is the status quo likely to develop without change?

28. FGCs and the NZC can continue to operate under the current statutory framework. However, as outlined above, multiple reviews since F&G was established in 1990 have highlighted similar problems, all concluding that legislative settings are at fault and legislative reform is necessary. These reviews and non-legislative actions taken afterwards have consistently failed to rectify all issues identified.
29. For example, the most recent Governance Review in 2021 made 36 recommendations. Most of these require legislative changes, with only a handful able to be actioned in the interim. F&G has made limited progress in taking these non-legislative recommendations forward. For example, the organisation defined a key objective to identify and recognise existing Treaty Settlements and their implications for F&G's work.⁷ The NZC has led several initiatives to provide consistency and efficiency across functions (for example, a common Health and Safety policy). However, since these policies are not binding on FGCs (even if agreed by the NZC), they have not always been universally adopted. Other initiatives, like common templates for Sports Fish and Game Management Plans (SFGMPs) are progressing but not yet established and are still limited by the terms of the legislation that sets out their requirements. Recent work led by the NZC to improve budgeting processes provides some additional transparency and accountability but will only achieve limited efficiencies without additional legislative changes.
30. The NZC also provided governance training to councillors to improve knowledge and standards following the 2021 Governance Review, but there was a low level of uptake, which is unlikely to improve. Despite these efforts, Ministers have continued to receive complaints about or within some FGCs over the last 15 months. Since the October 2024 elections, there have been three resignations s9(2)(a) [REDACTED] The provisions in legislation to support F&G governance are out of step with other modern governance entities.
31. As an entity at arm's length from the Government and without Government funding, guidance alone will not provide adequate support for F&G to respond effectively to its challenges. Guidance has the same limitations as the efforts already made over the last 30 years to address these problems, which are rooted in the legislative settings. The organisation itself largely considers that legislative change is necessary in some form.
32. Legislative amendments are therefore necessary to bring F&G up to the standards of similar public entities. Without legislative intervention, the current situation is likely to remain unchanged. Media reports will continue to highlight poor actions by F&G and recognised poor governance practices, with no incentive to improve policies and processes that could better serve wider conservation objectives or facilitate better management of licence fee revenue.

⁷ Fish & Game Organisational Strategy 2023-2028, <https://www.fishandgame.org.nz/assets/About-us/Corporate-documents/2023-2028-Organisational-Strategy.pdf>

What is the policy problem or opportunity?

33. The legislative settings do not support F&G in fulfilling its statutory roles and responsibilities: F&G are therefore not operating or governing the fish and game resource as well as they could be. This results in sub-optimal outcomes for licence holders and undermines confidence in the organisation as a regulator. As set out above, several independent reviews and audits have found that the organisation is dysfunctional and that the legislative settings are no longer fit for purpose.
34. Legislative settings cause confusion about where responsibilities for delivering functions should sit and undermine organisational relationships; lead to wasteful use of revenue, including through duplication of effort; do not enable resources to follow activities; undermine the 'user pays, user says' model; are out of step with modern governance and legislative best practices, and lead to poor decision-making, accountabilities and transparency. For example:
- i. Licence holders and others perceive F&G as a single entity, but the legislation provides for an autonomous and federated structure. The NZC has a coordinating role but lacks the authority to enforce strategies and policies that aim to deliver this. FGCs can disregard such policies, including those aimed at improving efficiencies, promoting best practices, and providing for national consistency as a regulator (e.g., for monitoring and compliance functions). This also means that the actions of an individual FGC can undermine other councils and damage the reputation of the organisation, including through poor local relationship management or by setting unhelpful legal precedents.
 - ii. Licence holder funds are wasted on duplicating common activities and skilled staff. Further, reviews have found that the current regional collection and allocation methods for licence revenue do not follow licence holder activities levels or support strategic need across the organisation. The same settings also create perverse incentives to hold onto revenue regionally, where there can be large reserves of funding.
 - iii. Large councils (up to 12 seats per council) are disproportionate to both the number of staff (approx. 84 across all councils) and the level of decision making. FGCs also struggle to fill all these seats: 5 FGCs did not have enough candidates to warrant elections in 2024. Councils are formed of elected licence holders – while FGCs have good knowledge of local hunting and fishing issues, expertise on governance, budget management and regulatory practices (for example) to support good decision making can be lacking.
 - iv. The electoral system is intended to support a 'user pays-users says' model. However, of 135,646 individual hunters and anglers, only whole season licence holders are eligible to vote and stand for election. Of this, only 4,058 votes were cast (just 2.99% of total licence holders or 4.18% of eligible voters). This is not representative of licence holders, undemocratic, and can disadvantage certain groups in decision making (e.g. women and children). Many licence holders are disengaged more generally having to actively 'opt-in' to vote. Few, therefore, hold F&G to account for their decision-making, performance and professionalism.
 - v. F&G's role in managing maintaining and enhancing sports fish and game resources in the recreational interests of anglers and hunters, including their role in advocacy, can lead to conflicts (often public) with other users and resources in the system when not well managed. This can damage relationships with key groups and deflect FGC resources. For example, poor relationships with farmers have resulted in access routes for anglers being closed.
 - vi. The Minister has very few levers to intervene: despite receiving repeated complaints and calls to remove councillors for poor behaviours over the years (noting the councils themselves cannot act), the high evidence bar means no action has ever been taken. The Minister's powers to approve hunting and fishing conditions are inconsistent, slow down

processes and in some cases have prevented hunting conditions from being adjusted despite requests to do so.

- vii. Localised exercise of some functions results in unnecessary duplication across F&G. FGCs may use different providers for services like accounting, missing out on savings from economies of scale. While some FGCs coordinate and have shared operational services arrangements, such as sharing equipment or staff, there is no common national approach.
- viii. There is a lack of clear Ministerial powers to appoint or remove councillors, compared to other modern entities (e.g., the Game Animal Council) which has allowed significant dysfunction to persist at some FGCs.

- 35. This all impedes F&G's ability to deliver its statutory functions, undermines its effectiveness and credibility as a regulator, and leads to unnecessary discord with other resource users.
- 36. There are opportunities to address these failings within the legislation, and modernise and strengthen the organisation as a regulator to better support anglers and hunters. Doing so will therefore ultimately benefit the licence holder.
- 37. For example, reducing duplication of effort and improving shared resourcing will mean savings which can be passed back to licence holders either directly by a reduction in the licence fee, or re-invested into the system to grow angling and hunting opportunities. Clarifying roles and responsibilities for the delivery of functions should improve regulatory consistency, remove administrative burdens and enable FGCs to refocus efforts on decisions that directly benefit anglers and hunters locally. Improving electoral and governance arrangements should benefit licence holder representation and participation and support better decision making with respect to resource management and investment. These actions in turn could encourage growth in licence holders and further revenue for investment.

Ministers' objectives for reform

- 38. There is scope for improving the overall effectiveness and efficiency of F&G, thereby enhancing value-for-money. Opportunities exist to build on the strengths of F&G's model of local ownership, leveraging the skills and knowledge to manage resources effectively to suit local conditions and licence holder needs. Both the previous Minister for Hunting and Fishing, Minister McClay, and Minister Meager agreed to the following objectives:
 - i. Ensure confidence in regulatory performance – F&G must demonstrate the ability to undertake, and be accountable for, statutory functions and responsibilities at all levels in accordance with regulatory best practice, manage risks, avoid perverse outcomes, and improve consistency across regions.
 - ii. Effective governance and accountability – F&G has the right checks and balances, and oversight, in place to ensure good governance over public resources while acting in the best interests of all licence holders.
 - iii. Value-for-money for licence holders through efficient use of resources – F&G better manages revenue collection and distribution, and resource allocation to enable effective and efficient operational effort to deliver best value for all licence holders.

Ministerial parameters for change

- 39. The scope for the reform was agreed by the Minister at an early stage. This outlined that legislative change include:
 - i. Maintaining the broad statutory framework for the functions, powers and responsibilities for Fish and Game New Zealand
 - ii. Retaining the benefits of a regional and national delivery approach
 - iii. Improvements to the allocation (regional/national) and performance of statutory functions, powers and responsibilities

- iv. Directing governance and organisation change towards making Fish and Game New Zealand more cohesive, effective and efficient
 - v. Exploring opportunities (and trade-offs) for any potential additional Ministerial powers that would support Fish and Game New Zealand in the performance of its statutory functions, powers and responsibilities.
40. Any root and branch reform or fundamental change to the model (such as the removal of functions from the organisation), was therefore out of scope.
41. DOC also received clear direction on change proposals from the Minister at each engagement, which narrowed the major options available, and focused Cabinet proposals on the development of a comprehensive and coherent package of proposals which would be mutually supportive.
42. Ministers also wished to ensure certain key existing elements of the organisation were retained, and certain outcomes were prioritised:
- i. Regional decision making over local matters must be retained. Local knowledge and resource should focus on improving hunting and fishing opportunities for their region.
 - ii. Improve the 'user pays, user says' system, so that more members can, and do, vote in elections. Improve how F&G make decisions, including how it considers non-hunting and fishing interests in decision-making.
 - iii. The organisation is to remain at arms' length from Government. Where necessary, Ministerial powers could be extended but not to the point where F&G loses its autonomy
43. These parameters meant that some early options being explored were disregarded as out of scope. For example, in Proposal 1 in Section 2 to rebalance functions, an option to move all responsibility to the NZC and find an alternative way to gather local views to inform decisions was not progressed. In another example, options that considered the wide use of cyclical Ministerial appointments across Fish and Game were disregarded as not meeting the requirements to retain the fundamental benefits of the 'user pays, user says' system and reducing the arms-length nature of the organisation.
44. Further, as the package evolved over time and was evaluated as a whole, some early proposals were disregarded or expanded. For example, a proposal to give the NZC a role in managing any conflicts and directing FGCs was considered unnecessary, and potentially undermining to the reform objectives.

Expected Outcomes

45. Taken together the proposed changes should improve F&G's ability to perform its statutory functions, improve its relationships with other users of natural resources and reduce wastage to improve value for money for licence holders.
46. While it is not possible to specify exactly what this would look like we expect:
- i. Improved efficiencies should result in more resources (staff time and revenue) being used to manage and protect sports fish and gamebird habitat to the benefit of licence holders, or be passed back directly to the licence holder through a reduction in licence fee.
 - ii. Clarified roles with respect to functions, better governance arrangements and accountabilities should improve trust and relationships within the organisation.
 - iii. An improved revenue collection and distribution model, guided by a finance strategy, should improve the use of funding targeted towards areas of angler and hunter activity, but still support the maintenance and growth of the organisation as a whole.
 - iv. Unified approaches to core regulatory functions should support best practice and improve regulatory confidence. For example, improved monitoring will provide a better picture of national usage and impact on fish and game stocks which in turn will lead to better management of this resource overall. A universal approach to compliance will ensure all licence holders are being held to the same standards with similar expectations for experience with F&G across the country.

- v. Better relationships with other users should reduce instances of conflict, saving resource from costly court cases, and preventing public disagreements which impact users' access.⁸
- vi. Clearer standards of councillor behaviour and increasing eligible candidates will ensure a wider and better representation on councils, supporting good decision making for the benefit of resource management and revenue use.
- vii. Greater voting rights and a simpler democratic system should encourage voter participation from licence holders. In turn this will provide necessary scrutiny on councils and their decision making which should encourage greater transparency and decision making focused on the needs of the user.

Targeted engagement for consultation

- 47. Due to extensive prior consultation on issues with F&G and possible solutions from previous reviews, including the 2021 Governance Review, the Minister preferred a targeted engagement approach for these reforms. These engagements informed the directions provided by Ministers and the final package of proposals developed for Cabinet.
- 48. In November 2024, Minister McClay sent letters to all FGCs to gather their views, inviting responses by 16 December 2024. All FGCs responded by the deadline. The letters included open or prompting questions about the current F&G model but did not seek input on specific policy proposals or cover all aspects of the policy framework. The Minister encouraged FGCs to consider and reflect the views of their licence holders, Māori interests, and other interested parties.
- 49. Additionally, Minister McClay met with the NZC in December 2024 to hear the national perspective, and Minister Meager met with all FGCs in February and March 2025 to hear local views. The Ministers chose not to engage more widely on specific policy issues, so the direct views of licence holders, the wider F&G community, and other users of shared resources (e.g., farmers) were not canvassed. However, views of these groups and individuals consulted through previous reviews, or expressed independently in correspondence with the Minister, or through the media, have informed policy development.

Treaty Analysis

- 50. The Minister also wrote to post-settlement governance entities (PSGEs) with statutory relationships or arrangements with F&G in their settlements or deeds. DOC reached out to other iwi and hapū through existing relationship channels in January and February 2025, inviting responses by the end of February 2025.
- 51. As an arms-length body established under the Conservation Act, F&G is subject to Section 4 of the Conservation Act⁹, meaning their actions must give effect to the principles of the Treaty of Waitangi.
- 52. DOC undertook a high-level desktop treaty analysis for the 20 PSGEs with a relationship or arrangement with F&G to understand the likely impact of any changes.
- 53. These relationships and arrangements with Fish and Game vary. Examples include, Ngāi Tahu has a statutory advisory role relating to native game birds in their claim area, which applies to all South Island FGCs¹⁰, and Auckland/Waikato FGC must indicate in their SFGMP how they are giving effect to Te Ture Whaimana o Te Awa o Waikato vision and strategy¹¹.

⁸ As has occurred in the disagreement with Southland Federated Farmers [Federated Farmers Southland to boycott Fish & Game](#)

⁹ [Conservation Act 1987 No 65 \(as at 02 February 2025\), Public Act 4 Act to give effect to Treaty of Waitangi – New Zealand Legislation](#)

¹⁰ [Ngāi Tahu Claims Settlement Act 1998 No 97 \(as at 01 July 2022\), Public Act 279 Function of statutory adviser – New Zealand Legislation](#)

¹¹ [Te Urewera Act 2014 No 51 \(as at 05 April 2025\), Public Act 61 Relationship with Fish and Game Council – New Zealand Legislation](#)

54. As Minister limited the scope of the reform to only cover matters of F&G's internal operations and governance, certain issues of importance to iwi, such as mahinga kai¹² and customary take, were out of scope of the reform.
55. Given the Minister for Hunting and Fishing's engagement approach, to take steps towards meeting section 4 obligations, the Minister wrote to specific PSGEs with a statutory relationship or arrangement with F&G and DOC lead outreach to a wider group of iwi and hapū through its existing relationship channels.

Points of agreement and points of contention

56. FGCs broadly agree on the problems within F&G and support the need for change. However, increasing decision-making authority for the NZC is likely to be a significant point of contention.
57. Most FGCs support becoming a more cohesive organisation to improve efficiency and effectiveness. However, opinions on how to achieve this vary between FGCs. It was also noted from discussions the Minister had with every FGC that opinions can also vary within each council. Some FGCs advocate for low-to-mid-sized adjustments to the existing model, while others support broader changes. For example, one FGC believes the NZC should manage most functions, including staffing, whereas others argue for more FGC autonomy to implement change, with the NZC only supporting FGCs in need of additional help.
58. Most FGCs agree that the NZC could do more to standardise corporate requirements, alleviating burdens on local FGCs, especially smaller ones. However, some FGCs including

s9(2)(g)(i)

General support for governance improvements

59. FGCs generally support proposals to improve eligibility to vote (opt-out enrolment) and stand for election (beyond just whole season licence holders). They also agree that reducing the number of councillors on each FGC could enhance decision-making while maintaining a diversity of views.
60. However, opinions on a requirement to have a fit and proper person test and criteria for removing councillors are mixed. Some FGCs believe a fit and proper person test would create additional hurdles, potentially reducing the number of candidates standing for election or adding unnecessary bureaucracy. Others think the current legislation is sufficient for removing councillors and that FGCs should exhaust all internal avenues before involving the Minister in the removal process.

Neutral or little support for merging regions or receiving an honorarium

61. Some FGCs supported merging regions if evidence showed it would improve efficiencies. However, most FGCs opposed merging themselves and preferred other methods to create efficiencies and improve effectiveness. Five FGCs suggested redefining FGC boundaries to manage physical resources more efficiently.
62. Eleven of the thirteen FGCs did not support an honorarium for regional FGCs or overall. There was some support for an honorarium if it would attract younger candidates or compensate for the increasing workload of the NZC.

The biggest source of tension between the NZC and FGCs is communications and funding

63. There is general agreement that the current funding model is inefficient, outdated, and does not fully support the needs of angler and hunter activities. However, some FGCs perceive that the

¹² For Ngāi Tahu, mahinga kai is about ensuring that people can continue to gather kai in the way their ancestors did, and about mana and manaakitanga (hospitality).

NZC is taking money away from them, reducing their ability to serve their licence holders. Centralising the funding model is likely to cause concern among FGCs that hold this view.

64. Some FGCs such as those s9(2)(g)(i)

However, there are overall suggestions that the relationship between the NZC and FGCs needs improvement. One way many FGCs felt could achieve this is for the NZC to increase transparency in its decision-making and spending.

Most see a regional link to the NZC and certainty of position as important

65. Generally, most FGCs saw a need to maintain the regional link to the NZC and are less supportive of Ministerial appointments, particularly if not from the pool of licence holders.

66. Most FGCs saw a need to create certainty of position on the NZC, with some suggesting that a NZC representative only be removed by their FGC, by Ministerial approval or resignation.

Iwi responses covered more than just F&G

67. In December 2024, the previous Minister, Minister McClay, contacted 20 PSGEs who have a statutory relationship or arrangement with F&G in their settlements or deeds. DOC also reached out to other iwi and hapū in January and February 2025, inviting responses by the end of February 2025. The Minister received one written response from Ngāi Tahu and three verbal responses via DOC.

Key feedback from iwi

s9(2)(g)(i)

Proactively released by the Minister for Hunting and Fishing

¹⁴ Another DOC policy area unrelated to F&G reforms.

Section 2: Assessing options to address the policy problem

What criteria will be used to compare options to the status quo?

72. We have used the assessment criteria set out in Annex 1 to assess the suitability of each option.

What scope will options be considered within?

73. The agreed objectives for reform were to:

- i. Ensure confidence in regulatory performance – F&G must demonstrate the ability to undertake, and be accountable for, statutory functions and responsibilities at all levels in accordance with regulatory best practice, manage risks, avoid perverse outcomes, and improve consistency across regions.
- ii. Effective governance and accountability – F&G has the right checks and balances, and oversight, in place to ensure good governance over public resources while acting in the best interests of all licence holders.
- iii. Value-for-money for licence holders through efficient use of resources – F&G better manages revenue collection and distribution, and resource allocation to enable effective and efficient operational effort to deliver best value for all licence holders.

74. The agreed scope for the reform outlined that legislative change include:

- i. Maintaining the broad statutory framework for the functions, powers and responsibilities for Fish and Game New Zealand
- ii. Retaining the benefits of a regional and national delivery approach
- iii. Improvements to the allocation (regional/national) and performance of statutory functions, powers and responsibilities
- iv. Directing governance and organisation change towards making Fish and Game New Zealand more cohesive, effective and efficient
- v. Exploring opportunities (and trade-offs) for any potential additional Ministerial powers that would support Fish and Game New Zealand in the performance of its statutory functions, powers and responsibilities.

75. Ministers also wished to ensure certain key existing elements of the organisation were retained, and certain outcomes were prioritised:

- i. Regional decision making over local matters must be retained. Local knowledge and resource should focus on improving hunting and fishing opportunities for their region.
- ii. Improve the 'user pays, user says' system, so that more members can, and do, vote in elections. Improve how F&G make decisions, including how it considers non-hunting and fishing interests in decision-making.
- iii. The organisation is to remain at arms' length from Government. Where necessary, Ministerial powers could be extended but not to the point where F&G loses its autonomy.

What options are being considered?

76. The proposals for change are focussed on the amendments needed to modernise F&G. They are loosely divided between functions and governance, but the links between them are critical.

Reforms should be considered as a package

77. While the recommendations below separate decisions into sections with options, the chosen proposals should be considered as a single package of change with optionality in some areas. This approach acknowledges the interconnected nature of the reform.

78. Changes follow the principle that 'form follows function'. DOC began by considering where roles and responsibilities should sit within the organisation. This rebalancing of functions contained most of the major decisions in support of the reform package.
79. The most appropriate governance arrangements to support this particular balance of functions was developed, noting that while there are a number of possible options (limited by scope), the option chosen needs to support the particular arrangement of functions.
80. A raft of other changes were also considered to modernise and support these arrangements – for example, changes to bring governance practices up to par with other entities; to remove current barriers preventing the user pays, user says model from being fully democratic; and to improve standards of reporting and behaviour across the councils. Many of these changes have limited or binary optionality within the scope of the reform (i.e. status quo or fix/standardise).
81. Ministerial powers to improve incentives and backstops to provide for good regulatory performance were considered as a collective package. This was to ensure that overall F&G retained its arms-length status, and that a group of proposals would not significantly increase the Minister's overall role.

Functions

82. The analysis of the functions is designed to:
- rebalance what the NZC and FGCs do
 - adjust the roles and responsibilities between the NZC and FGCs
 - reorganise how the licence fees are collected and managed
 - require FGCs to take account of other resource users' interests.

Proposal 1: Rebalance the functions and responsibilities between the NZC and FGCs

83. This proposal rebalances the functions and responsibilities of F&G to reduce duplication and improve cohesion across the organisation.
84. Licence holders often perceive F&G as a single organisation. However, the current structure of F&G is federal, a design likely influenced by the acclimatisation societies that preceded it.
85. This legislative framework limits F&G's ability to work cohesively and effectively as a unified organisation. The NZC has a co-ordinating role but does not have the power to make binding policies. As such NZC's policies can (and have) been rejected by individual FGCs. Consequently, there are no consistent or collectively managed functions, leading to duplication of effort and confusion about responsibilities, despite each FGC sharing the same goals and licence fee revenue for their operations. This includes basic corporate functions that are unlikely to vary between regions (for example, health and safety, human resources policies). This duplication of effort and staff is a cost to the licence holder.
86. This could also undermine F&G regulatory role. For example, F&G has a core function to manage hunting and fishing resources effectively. However, each FGC can undertake monitoring in its own way. There are examples of best practices that are not promulgated, and conversely, certain types of monitoring that have not been undertaken. While it is important that monitoring can be tailored to local need and benefits from local knowledge, there is no consistent approach which prevents accurate comparisons, and no coherent national picture of resources.
87. Similarly, compliance and enforcement is a key F&G regulatory function. Approaches to this can vary across FGCs (e.g., the types of offences pursued). This can create confusion for licence holders who may carry out their activities in multiple locations nationwide, as well as creating legal risks for the organisation.
88. F&G also has a function to advocate for hunting and fishing interests at national and local levels. This is an important function to enable F&G to fulfil its statutory obligations. However, it can be

costly. A review of the 2022-23 annual reports suggested that spending on Resource Management Act Advocacy was approximately \$1,250,000, with significant regional variation. Litigation can be very expensive, and decisions to pursue court action are taken by individual FGCs, which may set unhelpful precedents for the organisation. Accounting and reporting practices vary, making it difficult to establish the true cost of F&G's advocacy. DOC understands that while there have been attempts to establish national advocacy strategies, they have not been widely adopted.

89. Having a clearer NZC role for setting key corporate functions and strategic direction on a number of areas should provide for a more unified F&G approach to activities like monitoring, compliance, advocacy, planning, and reporting. This consolidation of responsibilities under the NZC will lead to more efficient decision-making processes, clearer accountability, and enhanced strategic alignment across all functions, ultimately fostering a more effective and responsive organisational framework.
90. This approach will free FGCs to focus on key regional activities for the benefit of their licence holders, rather than focusing time and resources on basic corporate functions. The suggested frameworks allow significant scope for FGCs to plan work programmes that address issues important to their region.
91. Licence fee collection and budget allocation is also a key function, but a significant topic in its own right. It has therefore been separated out in Proposal 2, but note that analysis of the best options for rebalancing functions is also linked to proposals for budget.

Four options were considered:

92. Options were developed on a scale from least to most centralisation of functions. These options were considered within the defined scope of retaining the current broad structure for F&G, with the objectives of achieving greater efficiencies while retaining the benefits of local knowledge and decision-making.
93. The role of the NZC was also considered on a scale: either full responsibility for delivering a function; a clarified/enhanced role providing co-ordination and consistency for functions performed by FGCs; or no role/status quo.
94. To simplify options, types of functions were grouped together. For example, non-hunting and fishing functions ("corporate functions"), such as Human Resources and Health and Safety were grouped.
95. In comparison, core regulatory functions (such as monitoring and compliance) are likely to benefit from some direction to ensure best practices, enable consistency, and provide for measurement at a national level. However, to be successful, these functions would also benefit from being tailored to account for specific local circumstances, such as variations in habitat types, resources, and angler/hunter activity.
96. Four main options were outlined, with the flexibility to make minor adjustments to each option if needed.
 - i. Option 1. Status quo.
 - ii. Option 2. Targeted changes – the NZC sets frameworks for action – mandatory templates and standardised ways of undertaking planning activities, with a power to review FGCs. The NZC would set mandatory corporate policies and a 'minimum' compliance policy in consultation with FGCs. FGC's independent decision-making largely retained (including for monitoring, advocacy and budget) but using standard templates where appropriate.
 - iii. Option 3 (preferred). FGCs and the NZC rebalance functions
 - i. the NZC takes responsibility for setting binding policies in consultation with FGCs for corporate functions (e.g. Health and Safety; HR); And
 - ii. NZC sets strategic direction, with binding policies and templates (either minimum requirements; OR within parameters) in consultation with FGCs, for compliance AND monitoring, advocacy, planning, and reporting. FGCs have flexibility to tailor

action to local conditions within these parameters or above minimum requirements.

- iii. NZC is also responsible for collecting and distributing the licence fee (see proposal 2) and its CEO may employ specialist staff for use across the organisation.
- iv. FGCs continue to have responsibility for decision making on key local hunting and angling conditions, advocacy (within parameters), and regional CEOs continue to employ local staff.

- iv. Option 4. All other changes would be carried forward, but the NZC would also have responsibility for all F&G staff and advocacy decision making. FGCs would be responsible for setting hunting and fishing licencing conditions, with the NZC having additional powers to request evidence and rationale to support such decisions.

97. Another option – to fully centralise functions and all decision making (including for angling and game bird notices) to the NZC - was discounted. This would have negated the need for a ‘decision-making council’, instead developing an alternative way to ensure local input through, for example, local advisory boards or regional stakeholder groups. This option would not have met the defined scope of retaining the broad existing structure of F&G with both local and national bodies; or providing for a balance of functions and governance between the NZC and FGCs.

How do the options compare?

98. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

99. Option 1 – retaining the status quo - was considered insufficient to achieve the aims of reform. The same issues and problems would persist: no widespread coordination or shared functions between FGCs and the NZC (e.g. 12 regional councils and 1 national council with 13 potentially different approaches), lack of coordination in activities such as monitoring, compliance, advocacy, planning, and reporting, and high levels of product and resource duplication. This adds unnecessary costs across F&G, paid for by licence holders, and makes it difficult to establish a common, comparable, national understanding of F&G responsibilities, such as population trends.

100. Detailed analysis of Options 2 and 4 was limited by an early direction from the Minister, who expressed a preference for Option 3. However, initial analysis of Option 2 did find that although there are distinct benefits to a more NZC-directed approach through the NZC setting frameworks that FGCs must follow (namely, benefits that will come from seeing high consistency across F&G). However, DOC analysis suggested Option 2 did not go far enough to improve outcomes for licence holders as most of the current issues associated with regional autonomy would remain.

101. For example, under Option 2, licence fees would continue to be collected regionally by FGCs. This has major budget implications for F&G that ultimately impact value-for-money and hunting and fishing experiences for licence holders. DOC also believes that Option 2 is less likely to foster stronger working relationships between FGCs and the NZC, which is one of the Minister’s key priorities.

102. Option 4 would provide maximum efficiencies, supporting the objective of reform through further centralisation of staffing. For example, it could reduce the need for multiple Chief Executives, thereby reducing this significant expenditure item in the current budget. However, this option represents the furthest extent of possible centralisation within the scope of preserving the current structure, almost completely removing the need for local decision making- a priority for the reform. It also brings into greater question the rationale for elected FGCs to support this limited decision-making, given that elections have associated costs.

103. Option 3 is preferred because it better balances decision-making between the NZC and FGCs, encouraging consultation and adoption of best practice to:

- i. reduce overall costs and administrative burdens on FGCs by centralising nationally agreed strategic planning, corporate policies and procedures (e.g., HR and health and safety), and coordination of activities such as monitoring, compliance, advocacy, planning, and reporting, enhancing efficiency and effectiveness
 - ii. better facilitate the use of local knowledge and regional flexibility – making sure decisions affecting local hunters and fishers are made locally
 - iii. improve regulatory performance through minimum requirements, consistency and better meeting licence holder and regulatory expectations
 - iv. contribute to clearer and more effective transparency, governance and accountability.
104. Annual reporting will change so that instead of each FGC independently providing its own separate annual report to the Minister for lodgement in the House, the NZC will compile the FGC annual reports, along with its own annual report, into one single annual report for the Minister.
105. The following table shows the rebalance of functions for Option 3 in more detail. It follows the principle of local decision-making for local conditions and issues, and national decision-making for corporate issues and policy settings. Note that some content in this table is covered by other proposals, such as the distribution of licence fee money, which is covered by Proposal 2.

The NZC	FGCs
Decision-making (in consultation with FGCs) over: - Distribution of licence fee dollars across Fish and Game supported by principles for allocation and strategic plan. - Binding national policies for: monitoring (minimum requirements), compliance (minimum requirements), advocacy (parameters), and corporate functions (including job descriptions/salaries, uniforms, health and safety, human resources) - Mandatory forms and templates for sports fish and game management plans (SFGMPs), annual operational work plans, and annual reporting.	Decision-making over: - Regional/local species and habitat management (e.g. tailored monitoring relevant to local needs). - Compliance activities (e.g. tailored to specific local hotspots) - Local advocacy (within strategic framework set by NZC). - Regional/local hunting and fishing conditions (i.e. Angler and Game Notices). - Content of SFGMPs, annual operational work plans, and annual reports (subject to any relevant binding policies or forms/templates and within allocation budget).
Responsibility for: - Issuing of licences and collection and allocation of licence fees (includes supporting technology and managing sales agents). - Reviewing the performance of individual FGCs and Fish and Game as a whole (tied into annual reporting process). - Compiling annual reports into one combined Fish and Game annual report. - Collating and editing (form and readability) of Angler and Game Notices and may amend for useability and consistency. - Employing its Chief Executive (who will employ national staff and specialist/expert staff that can work across the organisation as needed (who can be based in regions).	Responsibility for: - Input into development of binding national policies and mandatory forms and templates. - Producing SFGMPs and annual operational work plans (subject to relevant policies and forms/templates). - Providing individual annual report and statement of performance to NZC for the purpose of combined annual report and audit. - Employing their respective Chief Executives who is accountable to the FGC and who will employ regional staff), within corporate/HR policy set by NZC. Can request specialist staff from NZC.

Directing FGCs' appearances before courts or tribunals and intervening in local advocacy actions when such actions are contrary to the agreed-upon binding advocacy policy.	Representation in the courts, subject to the direction of the NZC (for both compliance and advocacy).
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Consultation/engagement themes

106. Responses to the recent letters sent by the Minister to FGCs showed that many FGCs are likely to be broadly supportive of the overall direction of Option 3. Most FGCs are likely to support greater centralisation of corporate policies for improving efficiency and removing administrative burdens, with in-principle support likely for setting binding policies for other functions provided FGCs are heavily involved in designing these policies.
107. Some FGCs are likely to be concerned about moving key functions to the NZC, perceiving an increase in bureaucracy and loss of autonomy. This relates to their opinion that their FGCs are functioning efficiently within the current model, and the NZC should focus efforts on supporting those that need it, rather than providing for a consistent and more unified approach overall.

Costs and benefits

Costs	Benefits
s9(2)(g)(i) - Implementation challenges: Transitioning to a new structure may involve initial implementation challenges including costs and require adjustments - Increase in bureaucracy for the NZC: An increased role for the NZC will necessitate an increase in its bureaucracy; at the same time, individual FGCs will need to do less administration for some functions.	- Value-for-money and a better experience for licence holders: Reduced administrative burdens on FGCs allow more focus on decisions and value-for-money for issues directly benefiting anglers and hunters. - Cost reduction: Centralising strategic planning, corporate policies, and coordination of activities (e.g. monitoring, compliance, advocacy) will reduce costs and enhance efficiency. - Improved governance: Clearer roles and more effective governance and accountability through decision-making on administrative and back-office functions. - Regulatory performance: Enhanced regulatory performance by having the NZC oversee key functions and set consistency in approach. - Local knowledge: Retains regional flexibility and the use of local knowledge in decision-making. - Streamlined reporting: Annual reporting will be complied into a single report by the NZC, simplifying the process and improving transparency.

Proposal 2: Centralised licence fee and budget allocation

108. This proposal should be considered as part of the overall package of functions outlined in proposal 1. Proposal 1 considered options for how the package of functions and responsibilities could best be rebalanced between the NZC and FGCs. However, given the significance of the budget, which is a function itself, separate consideration is outlined below.
109. The main decision regarding the budget is whether to continue collecting the licence fee at the local level or to centralise this function with the NZC. This is a binary decision. However, the point at which it should be triggered was considered when establishing the option sets in proposal 1. It was paired with decisions to centralise several core regulatory functions (Options 3 and 4), so that

future decisions on the delivery of core functions could be adequately supported by matching decisions on the budget.

110. DOC also considered additional parameters to support a decision to centralise the budget, to provide greater assurance that FGCs and local decision-making would be adequately considered and better support the objectives for reform.
111. Overall, this proposal is aimed at increasing efficiency in the collection of licence fees and setting clear principles for the effective allocation of operational budgets that are easy for users (licence holders) to understand, fair and transparent for FGCs. This proposal also covers the direction for the use of accumulated funds (e.g., financial reserves).
112. Under this proposal the NZC will have a greater role in collecting and distributing revenue, acknowledging the increased decision-making role the NZC will have through the reforms. Distribution will be managed through a transparent process with the input of FGCs to provide clarity and operational certainty.

Fees collection and budget allocation is inefficient and outdated in the current system

113. Licence fees are currently collected on behalf of the Minister for use by F&G to fulfil its obligations under the Conservation Act for the benefit of hunters and anglers. Licence fees are collected either through an online portal, with the licence issued electronically, by visiting a regional Fish and Game office or an agent (or by phone in the case of a hunting licence). This generates approximately \$13million per annum for the organisation.
114. Funding is retained by the region the licence seeker indicates they 'want to support' when purchasing their licence (or the region where the agent is located if purchased in-store). This means that even though a licence holder may purchase a licence that can be used in any region, they are financially supporting one region only. The region on the licence may also not represent the region where the user does the majority of their hunting and/or fishing.
115. This revenue is then levied by the NZC to both fund NZC activities and provide grants to regions with lower licence fee revenue, resulting in money being double or triple handled before it reaches where it is needed. This creates significant inefficiencies and wastes time and effort.
116. This system also creates poor incentives for manipulation by FGCs to retain funding they may not need. Levy amounts are decided based on predicted licence sales and not actual figures. FGCs are therefore incentivised to underestimate their total licence sales to reduce the total levy they must pay, allowing them to keep revenue from actual licence sales over this estimate. This has resulted in approximately \$2m over 11 years sat in reserves funds¹⁵, rather than being spent on supporting hunting and fishing activities. Whilst the organisation has a policy of maintaining 20% reserves in each council, this can vary significantly: from 18% (for Auckland/Waikato FGC) to 121% (for Hawke's Bay FGC) of the respective FGCs' 2024/25 approved budgets.
117. This system results in funding following location of licence sales and not of hunter/angler activity, with some regions receiving more than they need to address the impact of usage, and others receiving not enough. Independent advice commissioned by Fish and Game notes that activity has been trending southward for many years, but revenue is not following. While the levy system is supposed to compensate for this, it does not do this effectively. It is evident that many users do not understand how their initial declaration has such an impact on where their fee goes.
118. This system is overly complex and wasteful, with funding often not reaching regions where it is needed, double and triple handling, and clear avenues for abuse. The proposed solution will see all licence fee revenue collected by the NZC for redistribution to FGCs based on a national funding strategy that will be developed by the NZC and FGCs.

¹⁵ We understand that F&G's reserves as of 31 August 2024 were \$8.708 million.

Two options were considered:

- i. Option 1. Status quo. Regional licences with fees collected going to a selected region chosen by the licence holder. This is not necessarily the region in which they hunt or fish (funds do not necessarily follow activities). A levy system is maintained to rebalance funds across the organisation. There is inefficiency from the double and triple handing of fees. Regional and uncoordinated financial strategies continue, with differing regional priorities leading to potential disagreement on approaches to issues between some neighbouring FGCs.
- ii. Option 2 (preferred). The NZC issues licences and collects fees centrally. And, in consultation with FGCs, the NZC develops a financial strategy to set the direction for the purpose of and use of accumulated funds as a collective organisation. And a F&G funding model broadly sets out how funding is then allocated. This should increase certainty of funding decisions, transparency and trust across F&G, leading to adequate funding to support hunting and fishing needs locally and nationally.

How do the options compare?

119. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

120. Option 2 is the preferred option because it would:
- i. provide cost savings by centralising administration of licence issue and the collection of fees
 - ii. link decisions on budget with decisions on core functions and strategic organisational goals led by the NZC but in consultation with FGCs
 - iii. remove perverse incentives by ensuring key items and functions necessary for the running of FGCs and the NZC are adequately funded based on parameters agreed with FGCs
 - iv. Ensure certainty of funding, transparency, and build trust between the NZC and FGCs.
 - v. Provide better outcomes for licence holders: money can better follow where activity is trending, and support the development of new opportunities nationwide.
121. This proposal will reduce double and triple handling of licence fee revenue, clarify what budget each FGC will receive each year in line with activity and statutory obligations, and maintain a contingency fund for use in addressing strategic objectives.

The details of a specific F&G funding model are best worked out in secondary legislation

122. To better enable delivery of a decision to centralise the collection of the licence fee, DOC recommend that the details of the funding model be developed in consultation with F&G following Cabinet decisions on proceeding with legislation. The details of the funding model will be given effect through secondary legislation. This approach allows greater flexibility for the funding model to be changed in the future should circumstances change. Therefore, our intention at this stage is to only include an enabling provision in the primary legislation.
123. While the details of the funding model will be discussed with F&G, we propose a high-level model which prioritises funding for the following areas:
- i. Funding for FGCs to cover the cost of core activities as set in binding policy.
 - ii. Funding for the NZC to cover the cost of its core activities
 - iii. Funding for FGCs allocated in line with hunting and fishing activity (with numbers coming from hunter/fisher surveys and not licence sales).
 - iv. Remaining funding retained as a contestable fund to be used to address key strategic objectives.

124. This model should ensure that money flows to the areas with the greatest need based on activity and the cost associated with carrying out core functions. The new split of functions (Proposal 1) will mean FGCs will no longer have to perform certain tasks and will be free to focus on local issues. While the total amount of money to each FGC may either go up or down compared to the status quo in this model, no FGC should feel as if they have lost out.
125. In principle, the funding model is likely to be supported by most FGCs as it will guarantee their funding for core activities while leaving sufficient space for funding to be used to address local issues. It is important that proposals make clear that the financial strategy will be developed by the NZC in consultation with FGCs to avoid perception that the NZC has carte blanche authority to make decisions. The way the NZC is formed is also of particular relevance to budget decisions (see proposal 4).

Consultation/engagement themes

126. Generally, most FGCs see a need to change the funding model, with some variation on ideas/models. The biggest source of tension between the NZC and FGCs appears to be the perception that the NZC is taking money away from regions and that NZC does more than what it is statutorily required to do. There was some specific support for fully centralising the licence fee function. Many support the need for greater activity-based budgets, but this might not include centralisation of funding distribution.

Costs and benefits

Costs	Benefits
- Resistance from some FGCs: Some FGCs may resist changes due to concerns about loss of regional autonomy and centralisation. - Implementation challenges: Transitioning to a centralised system may involve initial implementation challenges and require adjustments. - Perception issues: There may be a perception that the NZC is taking money away from regions, leading to potential dissatisfaction among FGCs.	- Cost savings: Centralising the issuing of licences and collection of fees will provide cost savings. - Efficient fund allocation: Funds will be allocated based on hunter/angler activity, ensuring resources are directed to areas with the highest need and improving hunters and anglers' experiences. - Improved governance: FGC Chairs, as members of the NZC, will allocate funds more appropriately, better balancing regional needs with national interests. - Elimination of inefficiencies: Centralised collection and allocation will reduce inefficiencies caused by the current system of regional licences and levies. - Increased trust: A transparent model that ensures certainty of funding for FGCs will help to build trust between the NZC and FGCs over time.

Proposal 3: Mandate the requirement for FGCs to take account of non-F&G interests

127. Currently, FGCs have a function to manage sports fish and game birds for the benefit of licence holders. However, in developing SFGMPs, they must 'have regard to' the impact of their management of other resources and other users of the habitat. 'Other users' include, but are not limited to, farmers and those involved in aviation management against bird strikes. 'Other resources' include, for example, isolated populations of threatened indigenous species. This has occasionally led to conflicts between F&G and other users within the system as F&G seeks to deliver its statutory role. These conflicts are relatively rare but can become media issues and have led in the past to perverse outcomes such as placing hunting or fishing opportunities ahead of important wider community needs. This undermines trust in F&G as an effective regulator.

128. DOC developed four options to better enable F&G to take account of other users and interests in decision making. This would improve F&G's reputation with other users of shared resources and promote a proactive approach to the concerns or issues of non-hunting and non-fishing groups.
129. DOC did not consider amending F&G's statutory function to manage Sports Fish and Game Birds for the benefit of licence holders, as this would have been outside the scope of reform.
130. The options focussed on additional alterations that would complement the overall package of reform, noting that many other changes proposed would also contribute to this outcome (e.g., an improved policy-making role for the NZC, strengthened powers for Ministerial intervention). Consideration of the emerging reform package as a whole also meant that some early proposals were disregarded or expanded. For example, a proposal to give the NZC a role in managing any conflicts and directing FGCs was considered unnecessary and possibly undermining to reform objectives. Conversely, a proposal was added to provide FGCs with greater authority to act quickly to manage game birds causing damage.

The options considered were:

- i. Option 1. Status quo. (FGCs 'have regard to' the needs of other users and resources in SFGMPs only).
- ii. Option 2: Ensure Fish and Game better consider other interests by:
 - i. strengthening provisions to 'have regard to' the needs of other users and resources more generally (not just in SFGMPs);
 - ii. account for a specific list of interests in legislation that take precedence over F&G's needs due to their conservation significance or because of people's health and safety (e.g., protecting threatened native fish; ensuring aviation safety);
 - iii. give authority to FGCs to act as required with respect to game birds causing damage or risk (e.g. to farmers crops) without needing to obtain permission from DOC.
- iii. Option 3: integrate NZC oversight and strengthen planning and reporting requirements through the use of mandatory templates (also part of proposal 1), and requiring FGCs to describe how conflicts will be managed in SFGMPs.
- iv. Option 4 (preferred): A combination of Options 2 and 3.

How do the options compare?

131. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

132. Option 4 is the preferred option. It would bring together a range of complementary measures to provide greater clarity regarding F&G's regulatory responsibilities, setting out where there are particularly critical interests. This option would also ensure that the way in which this function is carried out is better articulated in planning and reporting. Additionally, it removes unnecessary bureaucracy and accelerates F&G's ability to respond to the needs of other users.

Costs and benefits

Costs	Benefits
Implementation challenges: FGCs may face challenges in integrating non-hunting and fishing interests into their SFGMPs and ensuring compliance with new requirements.	- Enhanced safety and environmental protection: Ensures that FGCs consider the impact of their actions on public safety (e.g. aviation bird strikes) and on highly threatened fish populations, leading to better environmental and safety outcomes. - Improved stakeholder relations: By considering non-hunting and fishing interests such as farmers and others,

• Potential resistance: Some FGCs may resist changes due to perceived additional burdens or shifts in priorities. • Resource allocation: Additional resources may be needed to develop and implement comprehensive management plans that account for non-hunting and fishing interests.	FGCs can foster better relationships with other resource users. Goodwill garnered here should filter down to in-person interactions between, e.g., farmers and hunters/anglers at shared resources. • Conflict resolution: Requires detailed plans for handling conflicts between hunting/fishing interests and the interests of other resource users, promoting more balanced and sustainable management practices.
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Governance

133. The analysis of the governance of F&G is designed to:
- re-examine the membership of the NZC to support rebalanced functions and decision making
 - adjust Ministerial powers to improve checks and balances and transparency
 - improve professional standards within F&G, aligning it with modern entity standards
 - upgrade F&G's decision-making efficiency and improve a user pays-user says model
 - reduce the number of councillors to support good decision making by FGCs.

Proposal 4: Membership of the NZC

134. DOC considered a full range of options at the outset for the formation of both the FGCs and the NZC. This included options used across other governance entities, including those with appointed and elected, or mixed models. The 2021 Governance Review also made recommendations regarding the role of Ministerial appointees, noting that the Governance review had a different scope.
135. The policy principle 'form follows function' was a key driver. As the likely proposed balance of functions between FGCs and the NZC became clearer through discussion with the Minister, the most appropriate options for a governance model evolved. The reform scope to retain the 'user pays, user says' model was also a driver. For example, cyclical Ministerial appointees (either fully or in a mixed model) would undermine this approach (see also proposal 5). It was also critical that the final policy decision supported stronger and more positive relationships between the NZC and FGCs.
136. Under a new arrangement of functions, in particular where responsibility for budget and establishing binding policies is set by the NZC, the make-up of the NZC would be critical to supporting good decision making, fostering good relationships and communication between the NZC and FGCs, and improving transparency.
137. This proposal also seeks more consistent membership of the NZC that is representative of each FGC, promoting collaborative work at the national level. Previous reviews have noted that current legislation allows FGCs to recall their representative from the NZC by majority vote and appoint another person at any time. This has led to disruption and inefficient decision-making, as some NZC members focus on regional interests to reduce the 'risk of recall', rather than considering the national perspective.
138. Decoupling the link between FGCs and the NZC may be an effective measure in the current model to manage concerns that national decisions are being overly influenced by regional interests. However, in a new proposed model where the NZC has a greater role for directing policies on key functions and making budget decisions, maintaining a tangible link to FGCs is considered critical.

Three main options were considered:

- i. Option 1. Status quo. FGCs elected. FGCs can nominate any member of their FGC to the NZC, and maintain the right to recall them at any time.
 - ii. Option 2 (preferred). FGCs elected. NZC is made up of the Chairs of FGCs.
 - i. The Chair of the NZC is appointed by members of the NZC (i.e., the Chairs of FGCs appoint the Chair of the NZC).
 - ii. The explicit provision providing the right to recall appointed members at any time is revoked, but maintain the right for FGCs to change their Chair (and hence representative to the NZC). For improved transparency, if a Chair (and representative to the NZC) is changed, the FGC's rationale must be set out in writing to the NZC.
 - iii. Option 3. FGCs elected. The Minister appoints all members of the NZC (these appointees may be independent of F&G and not necessarily F&G councillors).
139. The Minister indicated in early discussions that an option to independently elect the NZC by separate ballot from FGCs (a proposal recommended in other reviews) would not be acceptable. It was considered that this approach would not support the necessary relationship or decisions needed between FGCs and the NZC.

How do the options compare?

140. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

141. Option 2 is the preferred option. It combines a consistent membership of the NZC that is knowledgeable and representative of each FGC issues, and encourages FGCs to work collaboratively at the national level. FGCs would need to have clear influence on and representation at the NZC to support decision-making that would directly affect their operation, including on budget matters. The FGCs' Chairs are likely to be in the best position to facilitate this and ensure good communications and linked decision-making with their respective FGC.
142. While it is proposed to remove the provision in the Conservation Act that allows FGCs to recall their representatives on the NZC, it remains important that FGCs have the ability to change their Chairs to support their interests at both the local and national levels.
143. Option 3 goes too far and would fundamentally change the model of F&G, bringing the NZC much closer to Government. This would considerably reduce its "arms-length" independence and goes against the "user pays, user says" objective of the reforms. It would also further reduce the link between FGCs and the NZC, which is likely to lead to a culture of mistrust and poorer outcomes for FGCs.

Consultation/engagement themes

144. There was little support for appointments to the NZC, especially if the appointees were not licence holders. Most FGCs see the regional link to the NZC as important, and there are a range of views on how the NZC could be formed:
- i. s9(2)(g)(i)
 - ii.
 - iii. Most FGCs see a need to create certainty of position on the NZC, with some suggesting removal only by the Minister or through resignation.

- iv. Note that the increasing demands of the NZC role are deterring some councillors from agreeing to be their regional representative on the NZC.

Costs and benefits

Costs	Benefits
- Resistance to change: Some FGCs may resist changes due to concerns about losing flexibility in appointing representatives to the NZC. - Increased workload: The increased demand on NZC members, particularly Chairs of FGCs, may deter some councillors from taking on these roles (this could be offset by compensating NZC members in recognition of their expanded role). - Potential for regional bias: There may still be a risk of regional bias if Chairs prioritise their own regions over national interests.	- Consistent representation: Ensures consistent representation of FGCs on the NZC, promoting a unified approach to decision making. - Balanced decision making: Encourages FGCs to work together and more closely with the NZC, balancing regional and national interests. - Enhanced governance: Provides a stable and predictable governance structure, reducing inefficiencies and promoting better coordination. - Regional link: Maintains a strong regional link to the NZC, which is important for addressing local issues and ensuring regional perspectives are considered. - Benefits licence holders: better functioning NZC provides clearer direction to FGCs, promotes best practices, and ensures that national interests are considered and reflected in budget and decisions, benefits outcomes on the ground for the sport overall. This should improve value for money for licence holders.

Proposal 5: Checks and balances and transparency (Group 1a, 1b, and Group 2)

Group 1a: Adjustment of Ministerial powers (power to appoint, remove, review Fish and Game)

145. These changes have been grouped together because they all relate to Ministerial powers aimed at improving checks and balances and transparency. Overall, proposals for Ministerial powers were developed within the defined scope of F&G retaining its existing 'user-pays, user-says' arms-length model. The involvement of the Minister in this model is limited, and proposals that would significantly increase the Minister's involvement were considered out of scope and were therefore discounted. It is also expected that other changes in this package will address concerns which otherwise would need involvement from the Minister. Development was limited to powers which would serve as functional backstop as a last resort. Individual proposals were considered as part of a combined package of powers within this scope.
146. There are inconsistencies in how Ministerial powers operate for F&G compared with similar situations in other legislation. There are also inconsistencies in how Ministerial powers operate across fish and game bird decisions. This proposal will remove those inconsistencies, bringing F&G closer in line with modern public entities and simplifying processes. There was a binary choice as to whether to bring F&G in line with other entities, but options on how to give effect to whichever decision was taken. These are set out below.

General discretion for the Minister to appoint up to two people to a FGC or the NZC

147. To keep within the scope of retaining the 'user-pays, user-says' nature of F&G, proposals to make cyclical Ministerial appointments to either FGCs or the NZC (either wholly or through a mixed model) were largely discounted. As the likely balance of functions between the NZC and

FGCs became clearer, the case for making cyclical appointments to FGCs was particularly weak. Proposal 4 outlines the rationale for the decision regarding the NZC.

148. However, it was recognised that elected members of both FGCs and the NZC may sometimes lack the full range of skills required for good decision making, particularly when a council is faced with a challenging set of circumstances (e.g. externally driven events needing particular knowledge; difficult internal conflicts to manage; lack of suitable election candidates). Co-opting members (who cannot vote) is already an option for FGCs, which has helped FGCs in some circumstances, but has not been widely used by F&G.
149. This proposal gives the Minister the discretion to make appointments to both FGCs and the NZC to enhance decision making in those rare cases where additional support is considered warranted. This brings F&G in line with modern standards, seen in entities such as the Game Animal Council.¹⁶ Such appointees would be paid in accordance with the Cabinet Fees Framework and funded by Fish and Game licence fees¹⁷. This power is intended as a 'backstop measure' should other mechanisms in the model (e.g., co-opting, improved codes of conduct, etc.) not deliver improved outcomes. As such, DOC does not consider this would have significant financial consequences.
150. Any Ministerial appointment increases the perceived or real risks to the Minister for the actions and decisions then taken by the relevant FGC. The decision to use a discretionary power would also be subject to judicial review.
151. Such appointed members will be entitled to vote on any matter but cannot be elected as the FGC Chair. They are appointed because a skillset is missing from the FGC, as determined by the Minister.
152. DOC suggested that legislation specify the circumstances under which the Minister could make such appointments. Those would be to enhance:
- i. public sector governance
 - ii. financial management
 - iii. te ao Māori capabilities
 - iv. technical, ecological, or scientific skills
 - v. any other skill that would enhance the decision making of a FGC.
153. The Minister disagreed with this approach and has requested the ability to appoint for any reason. It is likely this change will make only a minor difference to how appointments will work in practice (given the scope of reasons listed above cover all likely reasons for appointments) but may increase risks that the Government will bear greater responsibility for the actions of appointees not limited to specified areas.
154. The risk of this happening is very low, especially considering that Ministerial appointments are likely to be made only rarely. DOC therefore considers the adjustment of this option to broaden it justified.

Expanding the ability for the Minister to remove a member of a FGC

155. The Minister currently has the power to remove an FGC member for limited grounds:
- i. bankruptcy
 - ii. inability to perform the functions of the office
 - iii. neglect of duty
 - iv. misconduct

¹⁶ Game Animal Council Act 2013, s8 Council Membership, [Game Animal Council Act 2013 No 98 \(as at 28 October 2021\)](#), [Public Act 8 Council membership – New Zealand Legislation](#)

¹⁷ DOC estimates that the meeting fee for Ministerial appointees attending FGCs meetings would range from \$165 to \$226, and the annual fee for Ministerial appointees to the NZC would range from \$7,161 to \$15,615. These estimations are based on the Cabinet Fees Framework, for a group 3a entities at level 5.

- v. a conviction for an offence involving sports fish, game, or protected wildlife.
156. Ministerial removal of a FGC member carries a high risk of judicial review if the principles of natural justice are not observed. In past cases, it has been challenging to gather evidence of poor governance or behaviour, specific to the reasons listed above, making it difficult to establish a case. These Ministerial powers have therefore never been exercised, although it has been requested by FGCs and individuals in the past.
157. Other entities take a different, broader approach: comparable provisions in other legislation, such as the Crown Entities Act 2004 (Crown Entities Act), have removal provisions based on “just cause”. It is recommended to provide similar powers for the Minister for Fish and Game, broadening the scope of the power of removal to ensure it is not unduly restrictive while still upholding natural justice principles.
158. This is part of a package of backstop proposals. Under this proposal, any member of a FGC may, at any time, be removed from office by the Minister for any “just cause”, including misconduct, inability to perform the functions of office, neglect of duty, and breach of any collective duties of the FGC or the NZC, or the individual duties of FGC or NZC members (depending on the seriousness of the breach).
159. A person terminated for “just cause” is generally not entitled to notice, severance, or unemployment benefits.

Power to review Fish and Game

160. As part of a backstop package, this proposal would explicitly grant the Minister the power to review F&G. While the proposed framework aims to enhance the performance of FGCs and the NZC, it is still recommended that the responsible Minister has an explicit power of review. This would also serve evidential basis for other necessary interventions, such as the removal of a councillor. This proposal aligns with other recommendations to strengthen accountability.

Five options were considered for Group 1a:

- i. Option 1. Status quo. Ministerial powers are inconsistent when compared to other legislation, with limited powers to make appointments and removals. The Minister cannot explicitly review F&G.
- ii. Option 2. General discretion for the Minister to make appointments to a FGC or the NZC to align with other like entities.
- iii. Option 3. Improve Minister’s ability to remove councillors to align with similar provisions in the Crown Entities Act.
- iv. Option 4. Explicit power for the Minister to review F&G.
- v. Option 5 (preferred). A balanced combination of the above. Adjust the powers of the Minister to bring F&G in line with similar public entities regarding making appointments, “just cause” removal of members, and reviewing performance of FGCs, NZC and F&G.

How do the options compare?

161. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

162. Option 5 is the preferred option. This will reflect the rebalancing of the NZC and FGCs responsibilities and functions and bring the Minister’s powers in line with similar public entities and more consistently applied across their own legislation. This provides greater flexibility for the Minister to respond to the needs of FGCs and, if needed as a backstop, manage issues that arise within the organisation. Improved ‘backstop’ measures acts as a disincentive for poor behaviours in the first instance. Backstop measures would work in tandem with other proposed measures to improve governance outlined in Proposal 5, Group 2 further below.

Consultation/engagement themes

163. Feedback was only provided on the proposal to update legislation relating to the removal of councillors, indicating that many felt that it is currently too difficult to do so when required. Some considered the current requirements are already adequate.

Costs and benefits

Costs	Benefits
• Implementation challenges: Adjusting Ministerial powers may involve initial implementation challenges and require adjustments. • Potential resistance: Some FGCs may resist changes due to concerns about increased Ministerial oversight and intervention.	• Adequate 'backstops' to act as disincentives for poor behaviours • Improved governance: Allowing the Minister to appoint members to FGCs to fill skill gaps and remove members for "just cause" enhances governance practices in line with other entities, and provides an effective 'backstop' should other avenues fail, and contributes to licence holder trust in the organisation • Consistency and clarity: Aligning Ministerial powers with those in similar legislation ensures consistency and clarity in regulatory practices.

Group 1b: Adjustment of Ministerial powers (approve notices, and prevent the transfer of sports fish to a location where they already exist to meet Treaty needs)

164. These Ministerial powers aim to improve consistency and modernisation in line with other entities, and are therefore binary.

Power to approve Angling and Game Bird notices

165. Under the current Conservation Act, the Minister cannot amend an Anglers Notice before approving it, which has previously resulted in delays to the start of the sports fishing licence sales. This is also inconsistent with the process for the Game Bird Notice under the Wildlife Act, which can be amended by the Minister before approval. This proposal would provide for consistency and speed up the process.
166. Additionally, a past drafting error means approved Game Notices can, in practice, only be amended from May to the following February. This proposal would allow approved Game Notices to be amended at any time of the year, providing for greater flexibilities for FGCs to propose altered hunting conditions.

Power to prevent the transfer of sports fish to a location where they already exist to address Treaty needs

167. FGCs can transfer sports fish to locations where that species already exists. The Minister of Fisheries may prohibit such a transfer (for the purposes of the Fisheries Act 1996), but the Minister of Conservation and Minister for Hunting and Fishing currently lack this power.
168. Treaty partners have in the past expressed concerns and a desire for the periodic transfer of sports fish by FGCs to isolated fisheries to cease, to meet cultural objectives.
169. This proposal provides for consistency of approach, enabling the Minister to have the power to prohibit transfers where necessary, which should help Ministers address future Treaty needs.

Two options were considered for Group 1b:

- Option 1. Status quo. The Minister cannot amend an Anglers Notice before approving it. Game Notices can only be amended within specific dates. Treaty partners' needs can be bypassed.
- Option 2 (preferred). Adjust the powers of the Minister to include the ability for the Minister to review notices, to correct a drafting error to allow Game Notices to be amended at any

time of the year, and to prevent the transfer of sports fish to locations where they already exist.

How do the options compare?

170. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

171. Option 2 is the preferred option. It corrects oversights in the original legislation, and explicitly requires Treaty obligations to be met in regard to the transfer of sports fish.

Costs and benefits

Costs	Benefits
• Implementation challenges: Adjusting Ministerial powers may involve initial implementation challenges and require adjustments. • Potential resistance: Some FGCs may resist changes due to concerns about increased Ministerial oversight and intervention.	• Avoiding disruptions for licence holders: The ability to amend Anglers and Game Notices more efficiently can prevent delays in licence sales. Also provides greater flexibility for FGCs to update their hunting and fishing conditions quickly to benefit both licence holders (e.g. higher bag limits/longer seasons) and other users (e.g. respond to needs of farmers). • Cultural and environmental considerations: Policies that respect Treaty needs and ecological balance can lead to more sustainable fishing practices, benefiting the long-term interests of licence holders. • Consistency and clarity: Aligning Ministerial powers with those in similar legislation (such as the Game Animal Council Act on the subject of reviewing notices).

Group 2: Modernising and providing for professionalism (changes to Standing Orders, retaining the option to pay councillors, changes to reporting requirements, preventing councillors also being F&G employees)

Bundling the adjustments to provide for professionalism

172. These changes have been grouped because they all relate to enhancing the professional standards of F&G. This proposal aims to elevate F&G to meet the expectations of a modern public organisation, either by providing clarification of existing intent, or aligning it with similar entities. This largely provides for binary choices to make an overall package of improvements, with limited optionality.

A standard of professionalism is mandated

173. Currently, there are no enforceable conduct expectations for members of FGCs by the Minister or the NZC. This proposal seeks to establish standards that promote a more professional F&G. There have been instances where councillors' behaviour and conduct has fallen short of what is expected of a public entity.

174. This proposal aims to upgrade the professional standards required of councillors. Key components include introducing behaviour standards similar to other entities, changing reporting requirements, and strengthening conflicts of interest processes (including prohibiting councillors from being employees of F&G).

Changes to Standing Orders for the rules for meetings to be now mandatory for FGCs

175. FGCs and the NZC are required to comply with Part 7 of the Local Government Official Information and Meetings Act 1987 (LGOIMA) (e.g., public notification of meetings, agendas, public exclusion, and maintenance of order).
176. Under the Conservation Act provisions, Standing Orders set the rules for the NZC meetings but only provide for the Minister to set 'model rules' (known as standing orders) for regional FGCs. While the NZC follows Standing Orders, FGCs appear to consider them voluntary 'model rules,' resulting in varied practices across regions. The statute is unclear on this point so clarification would be welcomed. The lack of uniformity in meeting procedures across regions can lead to inconsistency, inefficiency, and challenges in accountability and coordination. This can also complicate decision-making, hinder effective governance and transparency across regions.
177. Additionally, standing orders are the only mechanism for declaring conflicts of interest. There have been reported instances of conflicts of interest in FGCs in the past.
178. DOC proposes to provide clarity in the Conservation Act to ensure meetings are conducted consistently across F&G, with improved clarity on handling conflicts of interest through Standing Orders.

Preventing councillors from also being F&G employees

179. This proposal aims to clarify roles and prevent a councillor of a FGC or the NZC from also being an employee of F&G, which is currently permitted. Along with the proposals above, this will support F&G improve its organisational reputation, bringing it closer into alignment with similar entities and address potential or actual conflicts of interest.

Retaining the power to pay F&G councillors in the future

180. The Minister has decided not to make provision for the payment of F&G councillors at this time but wishes to retain the ability to allow their remuneration in the future, a power already present in current legislation via regulations.¹⁸ Eleven out of thirteen councils oppose the remuneration of councillors, arguing it contradicts the organisation's ethos and could deplete declining funds.
181. Under the Cabinet Fees Framework,¹⁹ DOC estimates that the daily fee for councillors attending meetings (except the Chair), should future regulations allow it, would range from \$165 to \$226. The total annual cost of remunerating all councillors, which would need to be covered by licence fees, would be between \$164,279 – \$299,482 per annum (representing between 1.3 percent and 2.3 per cent of F&G's annual budget).
182. Although this is not a large percentage of F&G's annual budget, it represents an opportunity cost for the organisation, which could instead spend these funds on operational costs until future regulations say otherwise.

Defining clearer and more consistent reporting requirements

183. This proposal clarifies the NZC as well as FGCs will need to prepare an annual operational work plan. In future, this will need to set out objectives for the year and proposed assessment criteria, and be consistent with relevant Sports Fish and Game Management Plans (SFGMPs).
184. The proposal also requires F&G to report to DOC on any legal proceedings made under the Conservation Act, which is currently only required in instances relevant to the Wildlife Act.
185. This will improve accountability and transparency, align with existing F&G reporting requirements under the Public Finance Act, and keep DOC apprised of any legal proceedings.

¹⁸ Sections 26M and 26ZF.

¹⁹ The agreed Cabinet mechanism for setting fees for all statutory, non-statutory bodies and committees that are outside the Remuneration Authority or other fee-setting bodies' jurisdiction.

Two options were considered for Group 2:

- i. Option 1. Status quo. No additional conduct expectations of councillors, FGCs understanding that Standing Orders are voluntary remains, reporting requirements remain inconsistent, councillors can potentially also be employees of F&G.
- ii. Option 2 (preferred, with Minister's amendment – see below). Make adjustments to drive up professional standards in line with the governance arrangements of other similar public entities by introducing behaviour standards similar to other entities, clarify that FGCs must follow Standing Orders, strengthening reporting requirements and conflicts of interest processes (including that a councillor cannot also be an employee of F&G).

How do the options compare?

186. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

187. Option 2 is preferred with one adjustment by the Minister because it sets professional standards for the organisation and for councillors, which is likely to go significantly improve F&G's operations and decision making. Option 2 will increase public and Ministerial confidence in the organisation and address the objectives of ensuring confidence in regulatory performance and ensuring effective governance and accountability.
188. DOC recommended adding remuneration for the NZC councillors to help promote professionalism and offset the increased responsibilities of the NZC role. The Minister decided that retaining the power to use this as a future option was sufficient as it is currently provided for in legislation. Following feedback from F&G, the Minister noted that a majority felt payment for the role was unnecessary and unwanted, as serving F&G on a voluntary basis was seen as 'giving back to the sport' rather than offsetting any costs.

Consultation/engagement themes

189. FGCs were largely opposed to payment of all councillors. Overall, the response was that it was not needed, and funds would be better directed to improving angling and hunting experience. There was some interest in councillors being given a free hunting or fishing licence, which is currently prohibited.

Costs and benefits

Costs	Benefits
- Implementation costs: Updating and standardising Standing Orders and additional reporting requirements will incur administrative costs. - Training: Councillors and F&G staff will need training on new procedures.	- Trust and confidence: Increased transparency and accountability will build trust among licence holders, could encourage greater licence holder participation in 'user pays, user-says' system, improving choice and decision quality to benefit on the ground users. - Consistency: Ensures uniformity in how meetings are conducted, reducing confusion and potential conflicts. - Transparency: Clearer rules for declaring conflicts of interest and improved reporting enhance trust and accountability, including between F&G and DOC on legal proceedings. - Accountability: Improved reporting aligns with public finance requirements and enhances decision-making. - Reputation: Enhances the reputation of F&G by aligning with other similar entities.

Proposal 6: Number of councillors

190. Currently, FGCs are made of up to 12 members. This amounts to 144 potential councillors across New Zealand, a large number of decision makers for a small organisation. Previous reviews have recommended a reduction in the number of councillors, which evidence suggests better supports good decision making. This needs to be balanced against ensuring a range of knowledge and diversity of licence holders on a council. There is also a lack of candidates to fill all the available places, either limiting 'choice' for voters, or negating the need for elections at all: 5 FGCs did not hold elections in 2024 as they did not have more candidates than seats available. The majority of FGCs already operate with less than 12 councillors (five have 8 councillors; three have 9).
191. Rebalancing the scope and number of decisions made by FGCs by reallocating key governance responsibilities to the NZC, would also support a reduction in the number of decision makers in FGCs. DOC initially suggested limiting the council size to 'up to 7 members' to ensure a range of views and (primarily) to avoid tie votes through specifying an odd number. This proposal is not intended to give flexibility to choose a number of council seats: the term 'up to 7' ensures a FGC can operate even when there are fewer than 7 candidates prepared to stand for the role.
192. Based on feedback from meetings with F&G, the Minister preferred 'up to 8 members'. DOC acknowledges that this minor adjustment still aligns with the numbers of councillors seen at similar entities and is a significant reduction from the current maximum of 12 councillors per FGC, better reflecting the decision-making needs of an FGC and is reflective of numbers on FGCs now. The primary reason for having an odd number of councillors, to break tied votes, is already addressed by allowing the Chair to cast the deciding vote.

Two options were considered:

- i. Option 1. Status quo. 'Up to 12' members per FGC.
- ii. Option 2 (preferred). 'Up to 8' members per FGC.

How do the options compare?

193. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

194. Option 2 is the preferred option. Sufficient representation of anglers and hunters across the region was considered, and this number is judged to be optimal to improve for good decision making alongside representation.
195. The Minister has agreed to reduce the size of councils but opted for 8 members rather than 7. We understand that this decision reflects the feedback the Minister received in conversation with F&G. DOC notes that a council size of 8 is more likely to result in tied voting: however, this can be broken by the Chair providing the casting vote under existing powers.

Consultation/engagement themes

196. There was general support for reducing the number of councillors on each FGC. A few FGCs noted it should be not less than 8 or 9 to ensure diversity and a range of views while ensuring it was not unwieldy for decision making. A minority preferred to maintain 12 councillors for representation.

Costs and benefits

Costs	Benefits
Potential resistance: Some FGCs may resist the reduction in size, believing	Improved decision making: A smaller council size is more efficient and better suited for decision-

that a larger number of members ensures diversity and a range of views. • Risk of underrepresentation: There may be concerns about underrepresentation of certain regions or interests with a smaller council size.	making, reducing complexity and enhancing effectiveness. • Smaller numbers of councillor seats encourage greater competition and choice for licence holders in elections • Better representation and more effective decision making should improve quality of decisions to benefit outcomes for licence holders on the ground • Alignment with similar entities: Aligns FGCs with the size of similar public entities, promoting consistency in governance practices.
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Proposal 7: Voting and election standards are improved, and 7A: introducing a fit and proper person test

197. These proposals have been bundled to support the objective of strengthening the ‘user-pays, user-says’ system, which was a limiting scope for the reform. This model currently does not work effectively, with several legislative settings undermining the intentions for a ‘democratic’ system. Collectively, these issues limit licence holder representation and engagement, which in turn can limit the choice, potential quality and breadth of knowledge of decision-makers. The majority of these issues (particularly around eligibility to vote and be elected) have been highlighted in previous reviews and are well understood, as are the options to rectify them.

198. This group of proposals removes legislative barriers to fully realising the ‘user-pays, user-says’ system, with modern democratic processes at the core. The options are therefore largely binary to align modern practices.

Extending the eligibility to vote

199. Currently, only adult whole-season licence holders who are New Zealand residents may vote in F&G elections. This proposal will expand eligibility to support a more democratic election. Hunters and anglers who hold a licence for shorter periods, but can be equally passionate about their sport, are excluded from voting (and from standing in elections, as addressed below).

200. Registration for the electoral roll is currently an “opt-in” system, which may not be fully understood by licence holders when purchasing their licence (especially when done through third parties over the counter). DOC recommends this is amended to an “opt-out” system to encourage more members to participate in elections.

201. At the 2024 F&G elections, there were 97,089 whole-season licence holders who were entitled to vote but only 24,299 of those opted to be included on the electoral roll. Of those on the roll, only 4,058 subsequently cast votes in the 2024 election. In addition, low numbers of people standing for election meant that elections were required for only seven of the twelve FGCs. For the remaining five councils, all candidates who stood for election were deemed elected.

202. This proposal would bring the electoral system in F&G in line with modern, democratic approaches. It extends voting rights to all residents who have held any kind of adult licence in the 3-year period prior to an election which will have a significant impact on voter numbers.

203. For the 2024 elections, this would have meant that an extra 16,638 adults who were partners on a family licence, and an extra 21,919 adults who held licences valid for periods less than a whole season (e.g. day licences) would have been entitled to vote. This would have meant that 135,646 licence holders (rather than 24,299) would have been entitled to vote at the 2024 elections, providing a deeper pool of voters, more in line with the “user pays, user says” approach.

Voting electronically in elections

204. An amendment to the Conservation Act in 2017 enabled electronic voting in F&G elections in accordance with regulations, however the applicable Fish and Game Council Elections Regulations 1990 do not provide any such provision. This proposal will update these Elections Regulations to enable electronic voting which should incentivise more licence holders to take part in elections.

Extending the eligibility to stand for election

205. Currently (as with eligibility to vote above), only adult whole-season licence holders may stand for election. In line with other regulatory provisions governing elections, there must be an alignment between voter and candidate eligibility. This means that the proposal also enables a wider pool of candidates to stand for election. This increases the breadth and depth of skills and knowledge that would be available to support good council decision making, as well as ensuring a wider representation of licence holders and improved choice for voters.
206. This proposal will mean that any New Zealand resident who has held an adult licence in the 3-year term prior to an election (not just whole season) is eligible to stand for election to a FGC.
207. This proposal also clarifies the requirements on a candidate who has been removed from office (either by the Minister or because of falling short of other standards we propose are required of councillors (e.g. the fit and proper person requirement). Currently there is nothing to stop a person who has been removed from a FGC from standing again immediately, with no requirement to declare to voters that they have been previously removed.

The current process for replacing FGC members who resign is undemocratic

208. This proposal addresses what happens when councillors resign or are removed from office to replace vacant seats. Currently, any member of any FGC may resign from their office at any time by writing to the Minister. If a position on a FGC becomes vacant earlier than six months before the next election, licence holders in the region must be notified. If a majority of eligible voters request a new election to fill the vacancy, an election shall be held accordingly. However, this is unlikely given that national voter participation is around 4.2 percent. In any other case, the FGC may appoint a person to fill the vacancy after publicly announcing its intention to do so. This is undemocratic, with a risk of exploitation by FGC members, undermining the FGC's credibility with licence holders.
209. DOC proposes that following a resignation, a FGC can choose whether to fill a vacancy or vacancies by election at any time during its term if the number of its members is below eight but at or above a minimum of three. However, a FGC *must* hold an election to fill *all* vacant positions if FGC membership falls below the minimum number of three members. This is the minimum number required for an FGC to still hold votes on its decisions.
210. It also requires that at any election, all vacant positions must be filled unless there are fewer eligible candidates standing than vacancies.
211. When a councillor resigns, this proposal provides that a copy of the resignation letter will have to be sent to the FGC, the NZC, and the Minister, and not just the Minister as currently required. This will ensure transparency and keep the NZC informed of FGC membership changes.
212. Under this proposal, no FGC will be able to appoint councillors in the manner they currently can. This change will ensure tighter democratic processes are in place following resignations.
213. In exceptional cases, the Minister would have a new power to appoint members to support decision making (proposal 5).

Sub-regions have also not worked as expected

214. Some FGCs are divided into sub-regions for election purposes to ensure representation from all parts of the region. However, anyone can stand in any sub-region, including people with no

connection to it. This system can lead to perverse election results. Only some FGCs currently choose to have sub-regions.

215. Since all voters vote for candidates in all sub-regions, sub-regions can result in candidates winning seats despite receiving fewer votes overall.

216. With the framework providing for fewer council members, sub-regions will be abolished.

Two options were considered to improve voting and election standards (7A: introducing a fit and proper person test has been evaluated separately, below):

- i. Option 1. Status quo. Only adult whole season licence holders can vote and stand for election, councillors removed from office can stand in the next election, there are no term restrictions, regulations don't allow for electronic voting, in general election provisions are outdated, restrictive and undemocratic.
- ii. Option 2 (preferred). Elections will meet modern democratic expectations. All adult licence holders may vote and be eligible to stand in elections. Electoral roll will be by 'opt out' rather than 'opt in'. Electronic voting will be enabled. The resignation and replacement process should be clarified. Sub-regions are removed.

How do the options compare?

217. The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

218. Option 2 meets the objectives of the reforms and is preferred by the Minister. It expands voting and representation and makes the resignation and replacement processes more transparent. The removal of sub-regions will eliminate confusion and perverse election outcomes, as well as unnecessary variation in practice across FGCs.

219. The proposal should improve the number and quality of candidates available to be elected to FGCs, and improve decision making. It improves the democratic nature of Fish and Game, supporting the 'user pays, user says' model.

Consultation/engagement themes

220. There was general agreement that changes to voting are needed, with the principle being for licence holders to opt out rather than the status quo of opting in. FGCs are mostly in agreement with extending the eligibility to vote and electronic voting was mentioned by a few FGCs.

Costs and benefits

Costs	Benefits
- Administrative changes: Updating the voting system and regulations to include electronic voting and extending eligibility will require administrative adjustments and potential costs. - Implementation costs: Implementing electronic voting and managing a larger voter base may incur additional costs.	- Benefit licence holders: expanding voting rights to more licence holders, introducing convenient electronic voting, allowing more diverse candidates, making the election process more inclusive, democratic, and transparent. - Increased participation: Extending voting rights and election candidate eligibility to all adult licence holders, including those with short-term licences, will significantly increase voter participation, ensuring a broader representation of interests. - Enhanced transparency: Requiring councillors who have been removed from office to declare their previous removal promotes transparency and allows voters to make informed decisions.

• Training and education: Educating licence holders and candidates about the new voting and election processes will require resources.	• Democratic replacement process: Replacing the current undemocratic process for filling vacancies with a more democratic one ensures fair representation. • Abolishing sub-regions: Removing sub-regions will simplify the election process and prevent perverse election outcomes. • Overall expect more engagement from a broader range of licence holders will improve decision making to benefit all licence holders (e.g., better greater consideration in focusing budget and activities on enhancing experiences for under-represented groups) • Better diversity of interests considered by F&G could improve licence uptake, further increasing experience and funds for hunters and fishers
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Proposal 7A: Introducing a fit and proper person test to align F&G with similar entities

221. Candidates for FGCs must meet appropriate standards to be and remain public entity governors. The current test for elected councillors, including those related to sports fish and game bird offences, does not meet the standards expected of similar public entities, such as school boards.
222. The outcome sought by this proposal is to enhance the provisions to require a wider fit and proper person test, which will prevent or allow the removal of candidates with any serious criminal history from being elected or remaining in office if convicted. This proposal will also preclude candidates or councillors convicted of an offence involving sports fish, or game, or protected wildlife, or freshwater habitat, or the use of firearms, which typically result in fines rather than imprisonment.
223. The proposed pre-election fit and proper person test will include a Ministry of Justice criminal background check and an insolvency register check. The responsibility for checks will sit with FGCs at the pre-elections stage and will incur minimal cost, payable from licence fee revenue.

The options considered were:

- i. Option 1. Status quo. No fit and proper person test.
- ii. Option 2 (preferred). Introduce a fit and proper person test at the pre-election stage so that a person is disqualified from standing for election to a FGC, or remaining as a FGC member, if, while in office, the member is or becomes:
 - i. a person who is an undischarged bankrupt
 - ii. a person who has been convicted of an offence involving freshwater fish or game or protected wildlife or freshwater habitat or the use of firearms
 - iii. a person who has been convicted of an offence punishable by imprisonment for a term of 2 years or more, or who has been sentenced to imprisonment for any other offence, unless that person has obtained a pardon, served the sentence, or otherwise suffered the penalty imposed
 - iv. a person who is disqualified under another Act.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

224. Option 2 is the preferred option. While this may be seen by some as an additional layer of bureaucracy, it ensures a fair and standardised process for all candidates, preventing unsuitable individuals from standing or remaining on FGCs. It is common practice for any governing body, reduces reputational risks, and provides greater assurance for licence holders.

Consultation/engagement themes

225. The proposals to introduce a fit and proper person test received mixed opinions. Some considered that such a requirement would create extra hurdles (potentially resulting in fewer candidates), and that it only adds bureaucracy.

Costs and benefits

Costs	Benefits
• Monetary costs involved: Conducting Ministry of Justice criminal background checks (insolvency register checks are free) will incur minimal costs. • Implementation and monitoring: Establishing and maintaining a fit and proper person test will require administrative resources, including training personnel to conduct the checks and manage the process. • Additional requirements: May deter some individuals from standing for election, potentially reducing the pool of candidates.	• Aligning FGCs with similar public entities: Ensuring candidates meet high ethical and professional standards overall governance and integrity of FGCs will be enhanced. • Preventing improper people from becoming councillors: Individuals with serious criminal histories or relevant convictions will be prevented from becoming or being councillors, protecting the reputation of FGCs and the NZC and increasing public trust across F&G.

Proposal 8: Regions

226. This proposal clarifies existing provisions about the how many FGC should be proscribed in legislation. It also better enables regions and FGCs to merge when desirable in future.
227. Existing provisions allow the Minister to define up to 12 regions, change the boundaries, and abolish regions by a Ministerial notice in the Gazette. While legislation enables regions to merge, it does not specify a process for how FGCs may also merge, including mechanisms for asset transfers.
228. No prescribed mergers are specified in this proposal as DOC's analysis suggests that making changes in the delivery of functions provides for greater efficiencies than mergers. The Minister also ruled out the option to seek mergers now, preferring to clarify the existing legislation to better provide for mergers to take place in future. While merging regions could bring further efficiencies to F&G, driving this through now would add significant complications and may not add additional value. However, ensuring this could be carried out effectively in the future would enable mergers to happen if and when they are considered desirable.
229. The Conservation Act currently allows the Minister to alter regions by Ministerial notice in the Gazette. DOC proposes that when regions are merged, the FGCs may merge as well. Ministerial approval would be required, and for simplicity, when any future mergers would take effect at the time of F&G elections.
230. DOC also proposes amending the legislation to enable the Minister to define between 7 and 12 regions: specifying a minimum number would ensure regions could not become too large to operate effectively, or for councils to be unable to fully represent licence holders within the area. There is limited optionality with these clarification proposals.
231. The concept of mergers was supported in principle by the majority of FGCs but often considered not appropriate for their particular region at this point. Wellington and Taranaki have been considering merging and have begun to share resources (including staff such as the CEO), but a full merger has been prevented by a lack of legislative clarity in how some processes would be achieved.

Two options were considered:

- i. Option 1. Status quo. Regions can merge, but the process lacks clarity. No minimum number of regions.
- ii. Option 2 (preferred). The number of regions will be refined in legislation to a range of 7 to 12. Clarification that when regions are merged, the respective FGCs may merge as well. Mergers would take effect at the time of F&G elections.

How do the options compare?

The comparison of each of the options is set out in Annex 1.

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

232. Option 2. There should be no fewer than 7 regions to ensure sufficient geographical and governance coverage. When regions merge, their councils and relevant assets need to be able to merge as well.

Consultation/engagement themes

233. FGCs appeared neutral on merging or supported merging for other regions (but not their own) or supported mergers if there were clear cost savings. Overall, they thought other methods would be more successful in reducing costs without risking regional connection to licence holders.

Costs and benefits

Costs	Benefits
- Resistance to mergers: Some FGCs may resist merging due to concerns about losing regional identity and autonomy. - Potential for inequities: There may be concerns about equitable representation and resource allocation in regions that merge.	- Enhanced efficiency: Clarifying the process for merging regions and FGCs will streamline operations and reduce administrative overhead. - Flexibility and adaptability: Allowing for a range of 7 to 12 regions provides flexibility to adapt to changing needs and circumstances. - Voluntary mergers: Allowing for mergers to be voluntary puts the choice in the hands of the FGCs.

Are the Minister's preferred options in the Cabinet paper the same as the agency's preferred options in the RIS?

The Minister has agreed with the overall approach taken for these reforms and has only taken a different approach on minor issues.

DOC recommended that Ministerial appointees be made only for specific reasons which would be set out in legislation. The Minister preferred an alternative option to appoint for any reason. In either case, Ministerial appointments are intended as a backstop measure only. It is likely this change will make only a minor difference to how appointments will work in practice, given that the scope of reasons covered all likely reasons for appointments. Specifying reasons in legislation largely provides clarity. DOC has advised the Minister that there is greater risk to the Minister in making appointees with an undefined role.

DOC suggested 'up to 7' councillors per FGC and the NZC, but the Minister preferred 'up to 8' after hearing from F&G that 8 should be the minimum number. DOC considers this is a minor adjustment and is in support, noting that it primarily recommended 7 to easily break tied votes, however, chairs already have the power to break tied votes.

What are the marginal costs and benefits of the preferred option in the Cabinet paper?

Affected groups (identify)	Comment nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.	Impact \$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.	Evidence Certainty High, medium, or low, and explain reasoning in comment column.
Additional costs of the preferred option compared to taking no action			
Regulated groups: F&G (FGCs and the NZC).	One-off: There will be a direct, one-off cost to F&G to establish new procedures, a new financial strategy and a funding allocation model. Indirectly, F&G will benefit from its budget being more responsive to actual needs. No public funding will be required for F&G. The reforms will be paid for from F&G revenue.	NZC will be able to work cooperatively with FGCs and develop a cohesive joined up organisation that better serves hunters and anglers and the community.	High. There may be some issues while the changes take effect, but once in place, F&G will be better placed to achieve its regulatory responsibilities.
Regulators: F&G itself is the regulator. DOC has an oversight responsibility as the legislation sits under DOC.	Ongoing. No additional funds will be required for DOC.	DOC will have a clearer view of F&G operations and will be able to provide more informed advice to the Minister.	High.
Others (e.g. wider govt, consumers, etc.)	Ongoing. No additional funds required.	The Crown will have greater confidence in F&G's ability to fulfil its regulatory obligations. Licence holders will receive better value for money. The community will benefit from F&G being	High.

		responsive to other resource users' needs.	
Total monetised costs	<i>Costs covered by F&G revenue.</i>	<i>Costs covered by F&G revenue.</i>	<i>Costs covered by F&G revenue.</i>

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Section 3: Delivering an option

How will the proposal be implemented?

234. The Parliamentary Counsel Office will draft the regulatory amendments, subject to Cabinet approval. The draft will go back to Cabinet for final approval.
235. DOC anticipate enactment will be approximately June 2026, with phased implementation beginning shortly after.
236. Developing secondary legislation will be a key factor in determining the final transition period timelines.
237. Despite the reform, F&G will retain considerable autonomy from government. The Minister's powers will extend in line with similar public entities, but the Minister will remain "at arm's-length." As the Minister's advisers, DOC's role in implementing the reforms will be somewhat indirect.
238. However, DOC will ensure that F&G is aware of and implement the legislative changes. DOC will engage with the NZC to determine the support they need, and the reforms will be carried out in phases as reflected in the Bill's drafting. For example, adjustments to the number of councillors at the next election, implement budget process changes as part of secondary legislation, and considering the next budget cycle. DOC anticipates that the transition to the reformed system will be complex.

How will the proposal be monitored, evaluated, and reviewed?

239. The NZC will be responsible for implementing the changes and will engage with FGCs on how the changes will be implemented. The NZC will be expected to report to the Minister on progress with changes and any issues that arise.
240. Improvements in annual report structures in F&G will enable DOC to track performance and further changes can be made in future.
241. Recently, DOC has observed negative media coverage about F&G, along with numerous resignations from F&G councillors (sometimes due to personal reasons, but also to governance issues and tense relationships with the wider community). Changes in public perception and resignation trends will be relevant factors for DOC to assess the success of the reforms from a governance and a stakeholder relationship management perspective.

Success may not be known for a few years

242. To measure the success or failure of the reforms, several key indicators and metrics can be used. In summary, indicators will cover e.g. licence sales and revenue, cost efficiency, licence holder satisfaction, economic impact, organisational cohesion, and regulatory compliance, as per the table below.
243. Monitoring will be conducted through various channels, primarily using existing licence holder activity surveys and annual performance reports from FGCs and the NZC. By monitoring these indicators over time, the Government and F&G can assess the effectiveness of the legislative changes.

Indicators	Success	Failure
Licence sales and revenue (measured	An increase in the number of freshwater angler and game bird licences sold annually.	Continued or accelerated decline in the number of licences sold annually.

from annual performance reports)	Stabilisation or increase in revenue from licence sales despite any changes in fees.	Significant drop in revenue from licence sales.
Cost efficiency (measured from annual performance reports)	- Reduction in operational costs due to minimised duplication and waste across F&G. - Decrease in the cost per licence issued, reflecting improved efficiency.	- Rising operational costs despite efforts to minimise duplication and waste. - Increase in the cost per licence issued, indicating inefficiencies.
Licence holder satisfaction (measured from regular licence holder activity surveys)	- Positive feedback from anglers and hunters regarding their experience and perceived value for money. - Increase in the number of repeat licence purchases by satisfied anglers and game bird hunters.	- Negative feedback from licence holders regarding their experience and value for money. - Reduction in the number of repeat licence purchases.
Economic impact (measured from annual performance reports)	- Increase in the total spending by anglers on their trips, indicating higher participation and economic activity. - Growth in economic activity in regions popular for game bird hunting and fishing.	- Decrease in the total spending by anglers on their trips. - Decline in economic activity in regions popular for game bird hunting and fishing.
Organisational cohesion (measured from annual performance reports)	Fewer instances of duplicated efforts and resources across councils.	Continued or increased instances of duplicated efforts and resources.
Regulatory compliance (measured from annual performance reports)	Successful updates to provisions and powers in line with modern public entity requirements.	Failure to follow provisions in line with modern public entity requirements.
Participation in Fish and Game elections (measured using Fish and Game data on electoral turnout and candidate numbers)	- Increased voter turnout in F&G's election. - Higher number of candidates standing for F&G election.	- Continued low or decrease in voter turnout in F&G's election. - Continued low or decrease in candidates standing for F&G election.

Annex One: How do the options compare to the status quo/counterfactual?

The options below have been assessed against the objectives of the reform, which are to:

- **Ensure confidence in regulatory performance** – F&G must demonstrate the ability to undertake, and be accountable for, statutory functions and responsibilities at all levels in accordance with regulatory best practice, manage risks, avoid perverse outcomes, and improve consistency across regions.
- **Effective governance and accountability** – F&G has the right checks and balances, and oversight in place to ensure good governance over public resources while acting in the best interests of all licence holders.
- **Value-for-money for licence holders through efficient use of resources** – F&G better manages revenue collection and distribution, and resource allocation to enable effective and efficient operational effort to deliver best value for all licence holders.

Key for qualitative judgements	
++	much better than doing nothing/the status quo/counterfactual
+	better than doing nothing/the status quo/counterfactual
0	about the same as doing nothing/the status quo/counterfactual
-	worse than doing nothing/the status quo/counterfactual
--	much worse than doing nothing/the status quo/counterfactual

Proposal 1: Rebalance the functions and responsibilities between the NZC and FGCs

	Option One – Status Quo / Counterfactual	Option Two – Targeted changes – NZC sets frameworks for action – mandatory templates and standardised ways of undertaking planning activities, with a power to review FGCs. NZC would set mandatory corporate policies and a ‘minimum’ compliance policy in consultation with FGCs. FGC’s independent decision-making largely retained (including for monitoring, advocacy and budget) but using standard templates where appropriate	Option Three (preferred) – FGCs and the NZC rebalance functions (i) the NZC takes responsibility for setting binding policies in consultation with FGCs for corporate functions (ii) NZC sets strategic direction, with binding policies and templates (either minimum requirements; OR within parameters) in consultation with FGCs, for compliance AND monitoring, advocacy, planning, and reporting. FGCs have flexibility to tailor action to local conditions within these parameters or above minimum requirements (iii) NZC is also responsible for collecting and distributing the licence fee (see proposal 2), and employing specialist staff (iv) FGCs continue to have responsibility for decision making on key local hunting and angling conditions, advocacy (within parameters), and employ local staff	Option Four – All other changes carried forward, but the NZC would also have responsibility for all F&G staff and advocacy decision making. FGCs would be responsible for setting hunting and fishing licencing conditions, with the NZC having additional powers to request evidence and rationale to support such decisions.
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Ensure confidence in regulatory performance	-	+	++	+
Effective governance and accountability	-	+	++	++
Value-for-money for licence holders through efficient use of resources	--	+	++	+
Overall assessment	-4	3	6	4

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Proposal 2: Centralised licence fee and budget allocation			
	Option One – Status Quo / Counterfactual – Regional licences with fees collected going to a selected region chosen by the licence holder. This is not necessarily the region in which they hunt or fish (funds do not necessarily follow activities). A levy system is maintained to rebalance funds across the organisation. There is inefficiency from the double and triple handing of fees. Regional and uncoordinated financial strategies continue, with differing regional priorities leading to potential disagreement on approaches to issues between some neighbouring FGCs	Option Two (preferred) – The NZC issues licences and collects fees centrally. And, in consultation with FGCs, the NZC develops a financial strategy to set the direction for the purpose of and use of accumulated funds as a collective organisation. And a F&G funding model broadly sets out how funding is then allocated	
Ensure confidence in regulatory performance	--		++
Effective governance and accountability	-		++
Value-for-money for licence holders through efficient use of resources	--		++
Overall assessment	-5		6

Proposal 3: Mandate the requirement for FGCs to take account of non-hunting interests				
	Option One – Status Quo / Counterfactual – FGCs ‘have regard to’ the needs of other users and resources in SFGMPs only.	Option Two – Ensure F&G better consider other interests by (i) strengthening provisions to ‘have regard to’ the needs of other users and resources more generally (not just in SFGMPs), (ii) account for a specific list of interests in legislation that take precedence over F&G’s needs due to their conservation significance or because of people’s health and safety (e.g., protecting highly threatened fish; ensuring aviation safety), (iii) give authority to FGCs to act as required with respect to game birds causing damage or risk (e.g. to farmers crops) without needing to gain permission from DOC	Option Three – integrate NZC oversight and strengthen planning and reporting requirements through the use of mandatory templates (also part of Proposal 1), and requiring FGCs to describe how conflicts will be managed in SFGMPs	Option Four (preferred) – A combination of Options Two and Three
Ensure confidence in regulatory performance	-	++	+	++
Effective governance and accountability	--	+	++	++
Value-for-money for licence holders through	0	+	+	+

efficient use of resources				
Overall assessment	-3	4	4	5

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Proposal 4: Membership of the NZC				
	Option One – Status Quo / Counterfactual – FGCs elected. FGCs can nominate any member of their FGC to the NZC, and maintain the right to recall them at any time	Option Two (preferred) – FGCs elected. NZC is made up of the Chairs of FGCs. (i) The Chair of the NZC is appointed by members of the NZC (i.e., the Chairs of FGCs appoint the Chair of the NZC), (ii) the explicit provision providing the right to recall appointed members at any time is revoked, but maintain the right for FGCs to change their Chair (and hence representative to the NZC). For improved transparency, if a Chair (and representative to the NZC) is changed, the FGC's rationale must be set out in writing to the NZC	Option Three – FGCs elected. The Minister appoints all members of the NZC (these appointees may be independent of F&G and not necessarily F&G councillors)	
Ensure confidence in regulatory performance		--	++	+
Effective governance and accountability		-	++	+
Value-for-money for licence holders through efficient use of resources		0	+	-
Overall assessment	-3		5	2

Proposal 5 Checks and balances and transparency					
Group 1a: Adjustment of Ministerial powers (power to appoint, remove, review F&G)					
	Option One – Status Quo / Counterfactual – Ministerial powers are inconsistent when compared to other legislation, with limited powers to make appointments and removals. The Minister cannot explicitly review F&G	Option Two – General discretion for the Minister to make appointments to a FGC or the NZC to align with other like entities	Option Three – Improve Minister’s ability to remove councillors to align with similar provisions in the Crown Entities Act	Option Four – Explicit power for the Minister to review F&G	Option 5 (preferred). A balanced combination of the above. Adjust the powers of the Minister to bring F&G in line with similar public entities regarding making appointments, “just cause” removal of members, and reviewing performance of FGCs, NZC and F&G
Ensure confidence in regulatory performance	--	+	+	+	++
Effective governance and accountability	--	+	+	+	++
Value-for-money for licence holders through efficient use of resources		0	0	0	0
Overall assessment	-5	2	2	2	4

Proposal 5 Checks and balances and transparency			
Group 1b: Adjustment of Ministerial powers (approve notices, and prevent the transfer of sports fish to a location where they already exist to meet Treaty needs)			
	Option One – Status Quo / Counterfactual – The Minister cannot amend an Anglers Notice before approving it. Game Notices can only be amended within specific dates. Treaty partners' needs can be bypassed	Option Two (preferred) – Adjust the powers of the Minister to include the ability for the Minister to review notices, to correct a drafting error to allow Game Notices to be amended at any time of the year, and to prevent the transfer of sports fish to locations where they already exist.	
Ensure confidence in regulatory performance		-	+
Effective governance and accountability		0	+
Value-for-money for licence holders through efficient use of resources		-	+
Overall assessment		-2	3

Proposal 5: Membership of the NZC

Group 2: Modernising and providing for professionalism (changes to Standing Orders, retaining the option to pay councillors, changes to reporting requirements, preventing councillors also being F&G employees)

	Option One – Status Quo / Counterfactual – No additional conduct expectations of councillors, FGCs understanding that Standing Orders are voluntary remains, reporting requirements remain inconsistent, councillors can potentially also be employees of F&G	Option Two (preferred with Minister's amendment) – Make adjustments to drive up professional standards in line with the governance arrangements of other similar public entities by introducing behaviour standards similar to other entities, clarify that FGCs must follow Standing Orders, strengthening reporting requirements and conflicts of interest processes (including that a councillor cannot also be an employee of F&G)
Ensure confidence in regulatory performance	-	++
Effective governance and accountability	--	++
Value-for-money for licence holders through efficient use of resources	0	+
Overall assessment	-3	5

Proposal 6: Number of councillors			
	Option One – Status Quo / Counterfactual – ‘Up to 12’ members per FGC.		Option Two (preferred) – ‘Up to 8’ members per FGC
Ensure confidence in regulatory performance		0	+
Effective governance and accountability		-	+
Value-for-money for licence holders through efficient use of resources		0	+
Overall assessment		-1	3

Proposal 7: Voting and election standards are improved			
	Option One – Status Quo / Counterfactual – Only adult whole season licence holders can vote and stand for election, councillors removed from office can stand in the next election, there are no term restrictions, regulations don't allow for electronic voting, in general election provisions are outdated, restrictive and undemocratic.		Option Two (preferred) – Elections will meet modern democratic expectations. All adult licence holders may vote and be eligible to stand in elections. Electoral roll will be by 'opt out' rather than 'opt in'. Electronic voting will be enabled. The resignation and replacement process should be clarified. Sub-regions are removed.
Ensure confidence in regulatory performance		--	+
Effective governance and accountability		--	++
Value-for-money for licence holders through efficient use of resources		--	+
Overall assessment		-6	4

Proposal 7A: Introducing a fit and proper person test to align F&G with similar entities			
	Option One – Status Quo / Counterfactual – No fit and proper person test	Option Two (preferred) – Introduce a fit and proper person test at the pre-election stage so that a person is disqualified from standing for election to a FGC, or remaining as a FGC member, if, while in office, the member is or becomes (i) a person who is an undischarged bankrupt, (ii) a person who has been convicted of an offence involving freshwater fish or game or protected wildlife or freshwater habitat or the use of firearms, (iii) a person who has been convicted of an offence punishable by imprisonment for a term of 2 years or more, or who has been sentenced to imprisonment for any other offence, unless that person has obtained a pardon, served the sentence, or otherwise suffered the penalty imposed, (iv) a person who is disqualified under another Act	
Ensure confidence in regulatory performance	-		+
Effective governance and accountability	++		++
Value-for-money for licence holders through efficient use of resources	0		0
Overall assessment	-3		3

Proposal 8: Regions			
	Option One – Status Quo / Counterfactual – Regions can merge, but the process lacks clarity. No minimum number of regions	Option Two (preferred) – The number of regions will be refined in legislation to a range of 7 to 12. Clarification that when regions are merged, the respective FGCs may merge as well. Mergers would take effect at the time of F&G elections	
Ensure confidence in regulatory performance	-		+
Effective governance and accountability	0		+
Value-for-money for licence holders through efficient use of resources	-		+
Overall assessment	-2		3