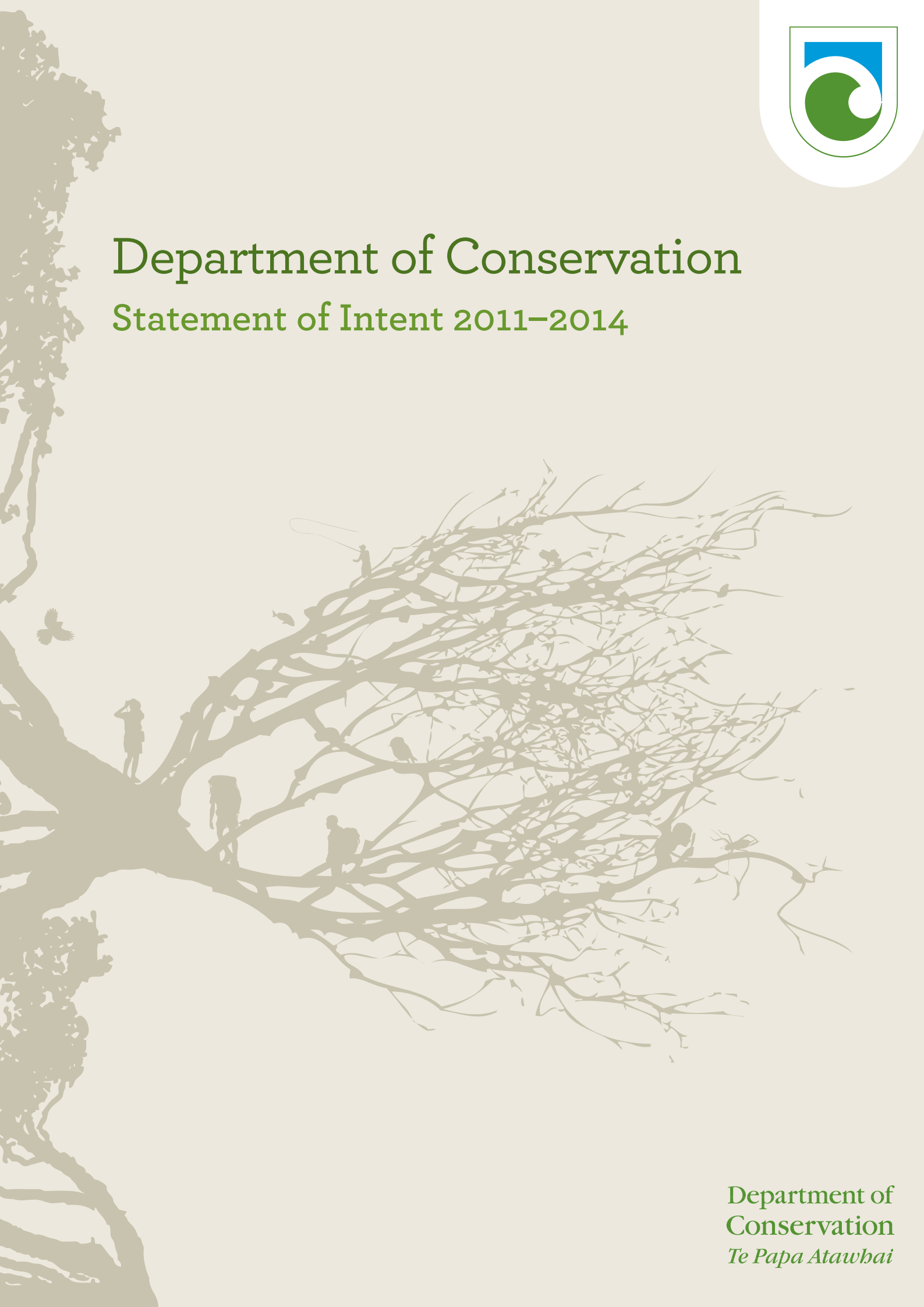




Department of Conservation

Statement of Intent 2011–2014



Department of
Conservation
Te Papa Atawhai

Department of Conservation

Statement of Intent 2011–2014

Presented to the House of Representatives pursuant to section 38 of the Public Finance Act 1989.

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Foreword:

Minister of Conservation

This Statement of Intent sets out the Department of Conservation's ongoing work to maintain and restore New Zealand's natural and historic heritage, to provide places for New Zealanders and international visitors to walk, tramp and be inspired by nature, and to provide for business opportunities that are consistent with conservation.

This work is about looking after the places in which we live, work and play, and which support our economic, social, physical, and spiritual health. Our quality of life depends on a healthy natural environment to provide services such as clean air and water, and healthy soil for growing food, flood protection and erosion control. This is the natural capital that fuels our primary production-based economy and determines our prosperity.

Conservation is the responsibility of all New Zealanders. The Department of Conservation is well placed to provide leadership, expertise, and people on the ground to do the work, but the Department cannot do it alone. For the future of our country, and of those species, places and outdoor experiences that we as New Zealanders hold dear, it is essential that the Department continues to improve the efficiency and effectiveness of what it does, and continues to increasingly engage others in conservation.

The Department's direction and priorities stem from, and reinforce, this. Three examples illustrate this point. The implementation of the Natural Heritage Management System will help to better demonstrate the link between conservation work and healthy natural ecosystems, and provide better conservation returns from within existing funding levels. The education strategy is focused on young New Zealanders as the future of conservation in this country. Enhanced engagement with business is about getting better results for conservation, and demonstrating that conservation is good for business and for New Zealand's prosperity.

I am pleased to present the Department of Conservation's Statement of Intent 2011-2014 as an investment in New Zealand's natural and historic heritage and through that, an investment for New Zealanders.



Hon. Kate Wilkinson

Responsible Minister for the Department of Conservation

Statements of responsibility

Ministerial statement of responsibility

I am satisfied that the information on future operating intentions provided by the Department of Conservation in this Statement of Intent and the Information Supporting the Estimates is in accordance with sections 38 and 40 of the Public Finance Act 1989, and is consistent with the policies and performance expectations of the Government.



Hon. Kate Wilkinson

Responsible Minister for the Department of Conservation

Director-General's statement of responsibility

In signing this statement, I acknowledge that I am responsible for the information contained in the Statement of Intent for the Department of Conservation. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations (2011-2012 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Alastair Morrison

Director-General



countersigned by

Christeen Mackenzie

Chief Financial Officer

1.

The nature and scope of the Department of Conservation's functions

The Department of Conservation (DOC) is the central government organisation charged with promoting conservation of the natural and historic heritage of New Zealand on behalf of, and for the benefit of, present and future New Zealanders.

The Minister of Conservation is the Responsible Minister, and DOC's work is funded through Vote Conservation.

DOC was established by the Conservation Act 1987, and its key functions are set out in that Act. It also has functions under a number of other Acts, including the National Parks Act 1980, the Marine Reserves Act 1971, the Reserves Act 1977, the Wild Animal Control Act 1977, the Wildlife Act 1953 and the Marine Mammals Protection Act 1978.

DOC interprets and administers the Conservation Act to give effect to the principles of the Treaty of Waitangi in accordance with section 4 of the Act.

DOC's mandate and context is also set by a statutory planning framework that sits below the legislation: the Conservation General Policy, the National Parks General Policy, and the strategies and plans that flow from these policies. A series of Conservation Management Strategies (CMSs) identify the places that DOC manages on behalf of New Zealanders, and establish 'outcomes at places' and high-level objectives that provide guidance for the management of public conservation lands and waters.

Much of DOC's work takes place over more than one-third of the country (about 8.5 million hectares of conservation land), 33 marine reserves (covering almost 1.28 million hectares), and 6 marine mammal sanctuaries (covering approximately 2.4 million hectares), which it manages on behalf of New Zealanders. Conservation areas include national parks, high country parks, forest parks, offshore and subantarctic islands, and historic sites.

DOC is responsible for encouraging recreation opportunities on the lands and waters it manages. To that end, it provides and manages historic sites and visitor facilities, including walking, biking and four-wheel-drive tracks, huts, campsites and visitor centres.

DOC works within the statutory concessions framework to authorise tourism operators and other third party activities on public conservation lands and waters. These include grazing, mining and the use of sites for telecommunication purposes.

Some of DOC's functions go beyond the boundaries of public conservation lands and waters. It protects marine mammals, preserves native freshwater fisheries, and protects recreational freshwater fisheries and freshwater fish habitats. DOC is responsible for conserving protected native wildlife wherever it occurs. It advocates generally for the conservation of natural and historic resources, provides conservation information, and promotes the economic, environmental and social benefits of conservation. DOC participates in processes to support a number of international agreements that serve to improve environmental management in New Zealand and internationally.

DOC supports the Minister of Conservation in exercising her responsibilities under the Resource Management Act 1991 for the coastal and marine environment. This includes providing advice to the Minister and input into councils' policies, plans and consent applications regarding the coastal and marine environment.

The national office in Wellington provides policy and legal advice to the Minister of Conservation, contributes to whole-of-government policy processes, and provides organisational service and support functions. It also services ministerial advisory committees and the New Zealand Conservation Authority.

Fieldwork and conservation outputs are delivered mainly from the network of 44 area offices. The 44 areas are grouped into 11 conservancies, each with a conservancy office to provide support. The conservancies are led and managed by a Deputy Director-General Operations.¹

As at 31 March 2011, DOC employed 1849.24 permanent full-time equivalent staff and 421.69 temporary full-time equivalent staff.

DOC works across the central government sector, primarily, but not exclusively, through the natural resources sector group. It works with tangata whenua; landowners; regional and local government; businesses; science providers; recreation, outdoor and conservation organisations; and community groups.

Section 3 provides further information on the main organisations and sectors with which DOC works towards its outcome and intermediate outcomes.

¹ Further information on DOC can be found on its website: www.doc.govt.nz. This includes legislation DOC administers, relevant international conventions, the organisation's structure, office locations, etc.

Strategic direction— outcomes and impacts

2.1

DOC's operating environment

2.1.1

The Government's priorities

The Department of Conservation's work is set within the context of the statutory framework as outlined in section 1 above. This core work is ongoing and is where the majority of DOC's resources are focused. DOC's role is also set by its status as a Crown department that contributes to whole-of-government exercises in response to the priorities of the Government of the day. Both the core ongoing work and the initiatives undertaken in response to government and ministerial priorities are outlined in section 3 'Operating intentions'. This section provides an overview of DOC's contributions to the Government's priorities.

The Government's driving goals are to lift New Zealand's rate of economic growth, and to ensure that this economic growth is sustainable and that the gains are widely distributed. DOC manages public conservation lands and waters, and protected species to deliver economic, social and environmental benefits, which in combination are key contributors to New Zealanders' prosperity and wellbeing.

Sound management of the natural environment delivers ecosystem services such as quality fresh water and fertile soil, and these in turn underpin New Zealand's primary production economy. Conservation contributes strongly to tourism—the destinations for both domestic and international visitors are primarily around public conservation lands and waters, and protected species. The businesses that support and complement tourism are major contributors to the national, regional and local economies.

In its totality, conservation plays a critical role in supporting the New Zealand brand—the market advantage on which the nation's producers and society rely.

The Minister of Conservation has determined that, within the context of DOC's core conservation work, there are particular policies and programmes that contribute directly to the Government's priorities

around lifting productivity, increasing employment, and delivering better public services. The areas of focus are:

1. Engaging with the business sector to realise the benefits of conservation, deliver appropriate business opportunities on public conservation lands and waters, and increase net revenue flows to DOC.
2. Increasing public engagement and awareness of the benefits and value of conservation to ensure that public conservation lands and waters remain relevant and continue to deliver high-quality recreation and tourism opportunities.
3. Improving services and increasing efficiency to achieve better conservation outcomes and deliver a greater range of recreation opportunities, while realising gains from rationalising service delivery and reducing costs.

The major programmes to deliver on these priorities are outlined in section 3 'Operating intentions' in relation to the intermediate outcomes with which they fit, and in section 5 'Organisational health and capability' when they relate to more general capability.

2.1.2

DOC's contributions to wider government objectives

As a public service department, DOC aims in all of its work to ensure that the Minister and the Government of the day are well served, and to deliver value to New Zealanders as citizens and taxpayers. DOC delivers this value in pursuit of conservation outcomes, and as outlined below, DOC has also been charged with some additional roles that build on its conservation and land management roles and strong regional presence.

DOC is required to give effect to the principles of the Treaty of Waitangi in its work. DOC's responsibilities for stewardship of many aspects of the natural world and many historic sites make it essential that DOC operates in ways that assist tangata whenua to exercise their cultural relationship with their natural and historic heritage. This means engaging with tangata whenua to protect Māori cultural values. It includes supporting Māori communities as kaitiaki of their historic and cultural heritage and taonga, and encouraging their participation in conservation delivery.

A related activity is DOC's contribution to the Government's commitment to achieve settlements of all historical Treaty of Waitangi claims by 2014. DOC works alongside the Office of Treaty Settlements in negotiations with iwi to facilitate settlements.

DOC undertakes pest management activities on lands managed by DOC to support programmes under Regional Pest Management Strategies. This work goes beyond the immediate needs of conservation and relates to DOC's role as a significant land manager.

There are instances where DOC has obligations under the Reserves Act 1977 in relation to reserves that are for non-conservation activities. Examples include administration relating to reserves held for purposes such as navigation aids, courthouses, and public halls.

In common with all government agencies, DOC engages in whole-of-government exercises and policy processes, including those relating to emergency and incident management, biosecurity, and science management. In particular, DOC works increasingly as part of the Natural Resources Sector Network (NRSN)², providing advice to support government decision-making. The NRSN was developed in response to the complex nature of some natural resource issues and the constraints—ecological, fiscal, political, or the limitations of available science—that are increasingly evident. A broad view is needed in order to understand these issues and to develop effective responses.

2.1.3 The wider context

The wider environment creates both opportunities and challenges.

The Government's accounts are in deficit and the Government is committed to returning to an operating surplus no later than 2015–2016. To support this aim, the Government is restraining new discretionary initiatives and further reprioritising spending towards higher value work. DOC, in common with the rest of the public sector, faces the challenges of delivering better, smarter public services within current resources, managing public expectations as to what it should deliver, and continuing to improve its ability to recruit, retain and develop staff. Inflationary pressures act on DOC's principal operating costs of wages, salaries and operational contractors. DOC is also susceptible to increasing fuel costs for vehicles, aircraft and helicopter hire, and flights.

In addition to resource constraints, the size of the conservation task is not diminishing. Native plants, animals and ecosystems continue to decline, and human demand continues to place pressure on natural resources and the ability of ecosystems to continue to deliver ecosystem services. Animal and plant pests are a constant pressure that will continue to cause significant declines in biodiversity and will increase pressure on

ecosystem services such as fresh water and soil fertility. Climate change will exacerbate these issues.

DOC's responses to these pressures are to increase the resources going into conservation and to work more efficiently and effectively with what it has.

The drive to increase the resources going into conservation includes anticipated revenue gains from increased commercial activities on public conservation land, and increasing sponsorship investment, as reflected in the Minister's priorities regarding the business intermediate outcome (see section 3.5).

Increasing resources for conservation also means building on the increasing public interest in conservation and willingness to do conservation work. Underlying all of DOC's work is the understanding that conservation is not done by DOC alone. Individuals, communities, tangata whenua, businesses, non-government organisations, landowners and councils all work for conservation outcomes, sometimes jointly, and sometimes with DOC. Working together is essential, as much of New Zealand's threatened biodiversity is outside public conservation lands and waters, and the conservation task is much bigger than DOC alone can manage. This means that working with others, relationship building, sharing skills and knowledge, involving others, and listening to others are integral to all of DOC's work, as outlined in section 3 'Operating intentions'.

Working more efficiently and effectively is being achieved through the application of tools from the Natural Heritage Management System (NHMS). These tools help identify the most cost-effective work that will achieve conservation outcomes. Some programmes may be reduced in size or stopped altogether to make savings and allow resources to be moved to cover a greater range of threatened species and ecosystems. This leads to a net gain in conservation outcomes at the same level of cost.

Similarly, prioritisation tools will foster investment decisions that maximise recreation and tourism outcomes through the Destination Management Framework. More effort will be put into understanding what people want from conservation destinations, and into planning, to attract more visitors overall and improve visitors' experiences.

This prioritisation work will result in changes to where DOC works and what it focuses on. As outlined above, DOC must work collaboratively with others to achieve greater conservation gains. These combined factors mean DOC must engage with communities about the places and species they value, how these intersect with

² The natural resources sector departments are the Ministry for the Environment, the Ministry of Agriculture and Forestry, the Department of Conservation, the Ministry of Fisheries, Te Puni Kōkiri, Land Information New Zealand, and the Ministry of Economic Development.

or differ from DOC's priorities, and how the resources of both DOC and communities are best used in the cause of conservation. The development of a new set of Conservation Management Strategies (CMSs) over the next few years will provide forums for these discussions.

Efficiency gains are also being achieved through the ongoing Business Improvement Programme. This continues the work of the previous Prioritising for the Future programme and focuses on a combination of cost reductions, revenue and service improvements, and new ways of operating. Cost savings have been achieved in the areas of supply of information technology, data and telephone services, extending the term of computer leases, and reducing travel. Further efficiency gains are expected from rationalising the transport fleet and fuel use, and further savings opportunities have been identified in procurement and support services.

The complexity of natural resource management issues and the interrelationship of these issues with economic development provide both challenges and opportunities. DOC's response is to continue to make a sustained and constructive contribution to the NRSN, bringing its expertise and perspectives to the table,

with a focus on developing a broader view of the issues, advancing shared NRSN goals, and realising the value to be gained from collaborative effort.

The Treaty of Waitangi settlements process is changing the governance and management of some conservation areas and creating opportunities for more joint work with iwi and hapū to achieve conservation outcomes. The practical implications of agreements will be worked through as settlements are implemented.

Demographic forecasts have implications both for staff recruitment and retention, and for the ways in which DOC interacts with New Zealanders, who are becoming increasingly diverse and urban. Section 3 'Operating intentions' and section 5 'Organisational health and capability' discuss work that is under way to respond to these issues.

The operating environment is also influenced by unpredictable and/or unmanageable events (such as fire, adverse weather, biosecurity incursions, earthquakes and volcanic eruptions), which can compromise natural heritage, create unexpected costs, and impact on DOC's ability to deliver recreation and other outdoor opportunities.

2.2

DOC's strategic direction and outcomes

2.2.1

Strategic direction

Taking account of its operating environment, DOC has set its strategic direction, which comprises the vision, outcome statement, purpose, values and strategic approaches.

Vision	New Zealand is the greatest living space on Earth <i>Kāore he wāhi i tua atu i a Aotearoa, hei wahi noho i te ao</i>
Outcome statement	New Zealanders gain environmental, social and economic benefits from healthy functioning ecosystems, from recreation opportunities, and from living our history.
Purpose	Conservation leadership for a prosperous New Zealand.
Values	<p>Performance: <i>Whakamanawatanga</i> We inspire confidence by delivering conservation outcomes that benefit New Zealanders.</p> <p>Collaboration: <i>Whakakotahitanga</i> We achieve success through relationships based on mutual respect and benefit.</p> <p>Innovation: <i>Auahatanga</i> We find new solutions by building knowledge and sharing expertise, pushing boundaries, and taking calculated risks.</p> <p>Trust: <i>Whakawhirinakitanga</i> We work as one integrated organisation that is reliable and relevant.</p> <p>Guardianship: <i>Kaitiakitanga</i> We create recreation opportunities, and take care of natural and historic heritage for the wellbeing and prosperity of all New Zealanders.</p>
Strategic approaches	Achieving increasing conservation results through: <ul style="list-style-type: none">▪ Promoting and demonstrating the value of conservation, and its links to New Zealanders' prosperity and wellbeing.▪ Collaborating, and developing and sharing knowledge, tools and techniques.▪ Working to nationwide priorities and responding to community and iwi values.▪ Working proactively with the business sector.

2.2.2

The outcome statement

New Zealanders gain environmental, social and economic benefits from healthy functioning ecosystems, from recreation opportunities, and from living our history

The outcome statement expresses the value that conservation as a whole delivers to New Zealanders and to the vision for New Zealand's future. The work of DOC is a major contribution to this outcome, both through what DOC does and through what DOC supports others in doing.

Improving the health of our natural ecosystems ensures they will continue to deliver the life-sustaining ecosystem services that are essential for wellbeing, are at the base of New Zealand's economy, and help determine New Zealanders' prosperity. These are services such as freshwater yield and storage, soil fertility and stability, carbon storage, and the natural resilience that comes from a diversity of life forms adapted over time to each other and to specific conditions.

The economic contributions of conservation, including its links to tourism and New Zealand's brand, have been outlined in section 2.1.1.

Sound management of natural and historic resources preserves these resources for their own inherent value and for the benefit of current and future generations. Natural and historic heritage form key components of New Zealanders' sense of identity and connection with places, and they provide experiences that enrich lives.

Providing recreation and other visitor opportunities contributes to the tourism industry. It also creates physical, mental and spiritual benefits, helps to improve health and wellbeing, and creates a sense of personal achievement.

DOC's work creates opportunities for Māori, as tangata whenua, to exercise kaitiakitanga with respect to natural and cultural heritage, and to maintain and revitalise cultural practices.

These combined benefits enhance the prosperity and wellbeing of individual New Zealanders, and contribute to the viability and resilience of local communities, and to New Zealand's international reputation.

Measuring progress towards the outcome

DOC tracks progress towards this outcome through monitoring the following two indicators.

Tracking trends in the benefits New Zealanders seek and receive from the natural, historic and cultural heritage managed by DOC

This indicator uses a telephone survey to assess the connections New Zealanders make between conservation and benefits. It was first reported on in the Annual Report for the year ended 30 June 2006, and was reported on again in 2008. The next report is due in the Annual Report for the year ended 30 June 2011.

The desired trend is that over time New Zealanders will cite a wider range of benefits, and that the proportions citing economic and social benefits will increase. Between 2006 and 2008, the main benefits identified remained relatively unchanged: 'to protect New Zealand's clean green image' (identified by around 60% in both surveys), and 'to protect and preserve the natural environment for future generations/for children' (around 50% in both surveys). Two new benefits were mentioned in 2008: 'protecting our economy/economic wellbeing' (6%), and 'free access to conservation land, the ability to enjoy free activities and/or natural activities' (4%).

Tracking the relative value of conservation as an indicator of support for conservation

This indicator has been developed from the 2006–2007 values survey and a conservation values monitor trial, reported on in the Annual Report for the year ended 30 June 2008.

The indicator was further reported on in 2010.

In 2010, 77% of people stated that conservation is becoming 'somewhat more important' or 'a lot more important' to them personally over time. Conversely, 2% of people stated that it is becoming 'somewhat less important' or 'a lot less important'.

While just under one-third (31%) of people stated that they are 'somewhat satisfied' or 'very satisfied' with their involvement in conservation-related activities in the last 12 months, just under one-quarter (24%) stated that they are 'somewhat dissatisfied' or 'very dissatisfied' with their involvement in such activities over that time.

2.2.3

Impacts and intermediate outcomes

DOC works towards the outcome statement through five intermediate outcomes that express the impacts DOC seeks to make through its interventions. These are:

1. The diversity of our natural heritage is maintained and restored.
2. Our history is protected and brought to life.
3. More people participate in recreation.
4. More people engage with conservation and value its benefits.
5. More business opportunities delivering increased economic prosperity and conservation gain.

Although each of the intermediate outcomes has a specific focus, they are not mutually exclusive. For example, conserving natural heritage provides opportunities for recreation and for businesses, which helps to increase engagement. Each intermediate outcome has a range of outputs that relate to delivery in the field—the work that gets done each year to achieve each intermediate outcome. All outputs are aligned to one or more intermediate outcomes.

Figure 1 sets out DOC's outcome model, showing how the underlying drivers infuse all of DOC's work towards the intermediate outcomes, which in turn contribute towards the outcome statement and ultimately DOC's vision for New Zealand.

The relationships between the intermediate outcomes and the output classes and output groups and measures are outlined in section 3 'Operating intentions'.

2.2.4 Ensuring quality in output delivery

Managing for outcomes extends from being clear about the outcomes desired and the impacts or intermediate

outcomes intended, through to choosing outputs that make the most effective use of annually assigned resources, and ensuring they are delivered to quality standards.

Ensuring output quality standards are met is managed through DOC's best practice and standard operating procedures. These practices and procedures are benchmarked externally wherever possible, and internal quality assessment processes are used where no comparable external benchmarking organisations exist. Once approved, all best practice and standard operating procedures are published on the intranet, making them available for all staff to use. They are also included in external contracts for delivery work.

Internal peer review processes are used to ensure best practice remains up to date, and is communicated and implemented. An example of this internal process is shown in Figure 2. It is used across the range of departmental operations.

Further information on the ways in which DOC ensures quality is outlined in section 3 'Operating intentions'.

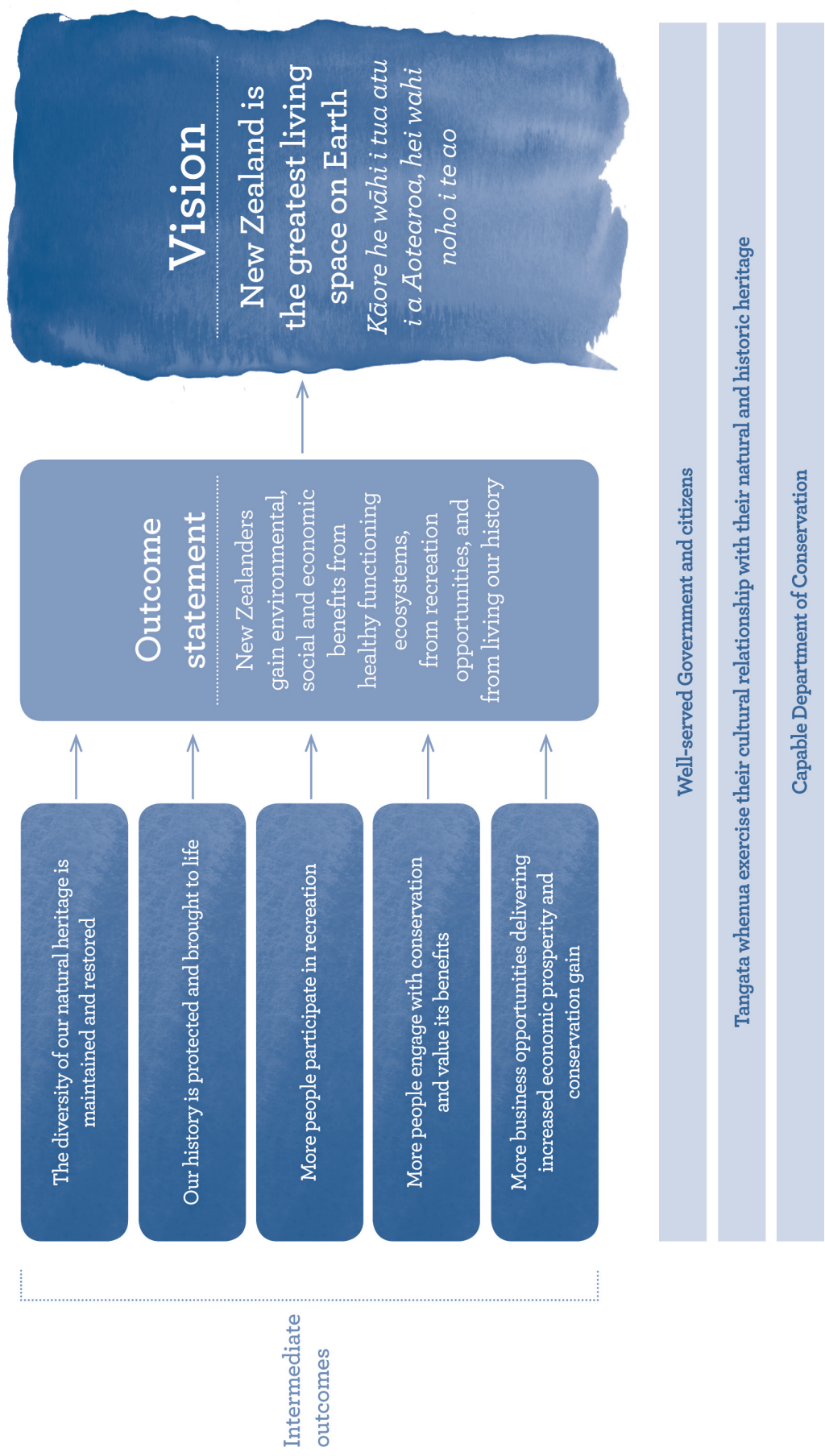


Figure 1. The Department of Conservation outcomes model.

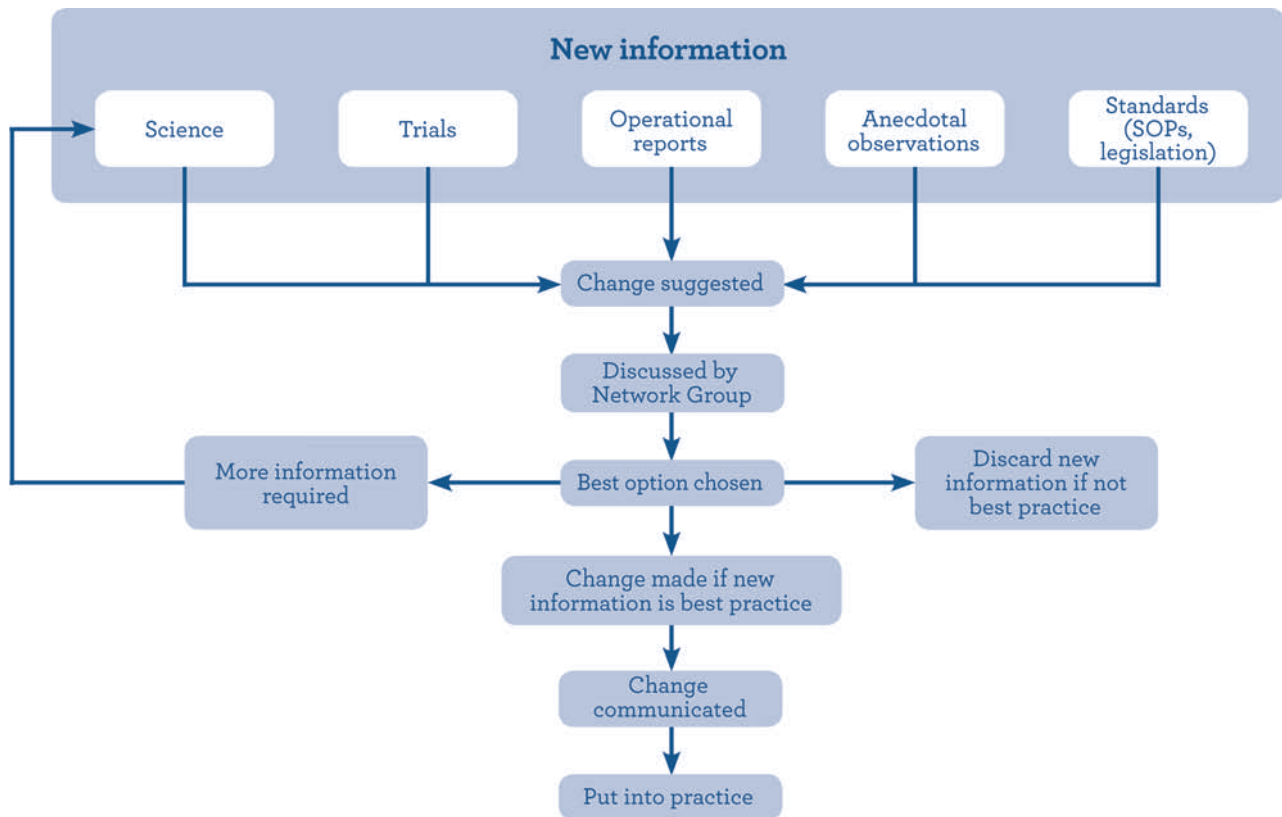


Figure 2. DOC's process for changing current best practice.

3.

Operating intentions

3.1

Natural heritage

Intermediate outcome 1:

The diversity of our natural heritage is maintained and restored

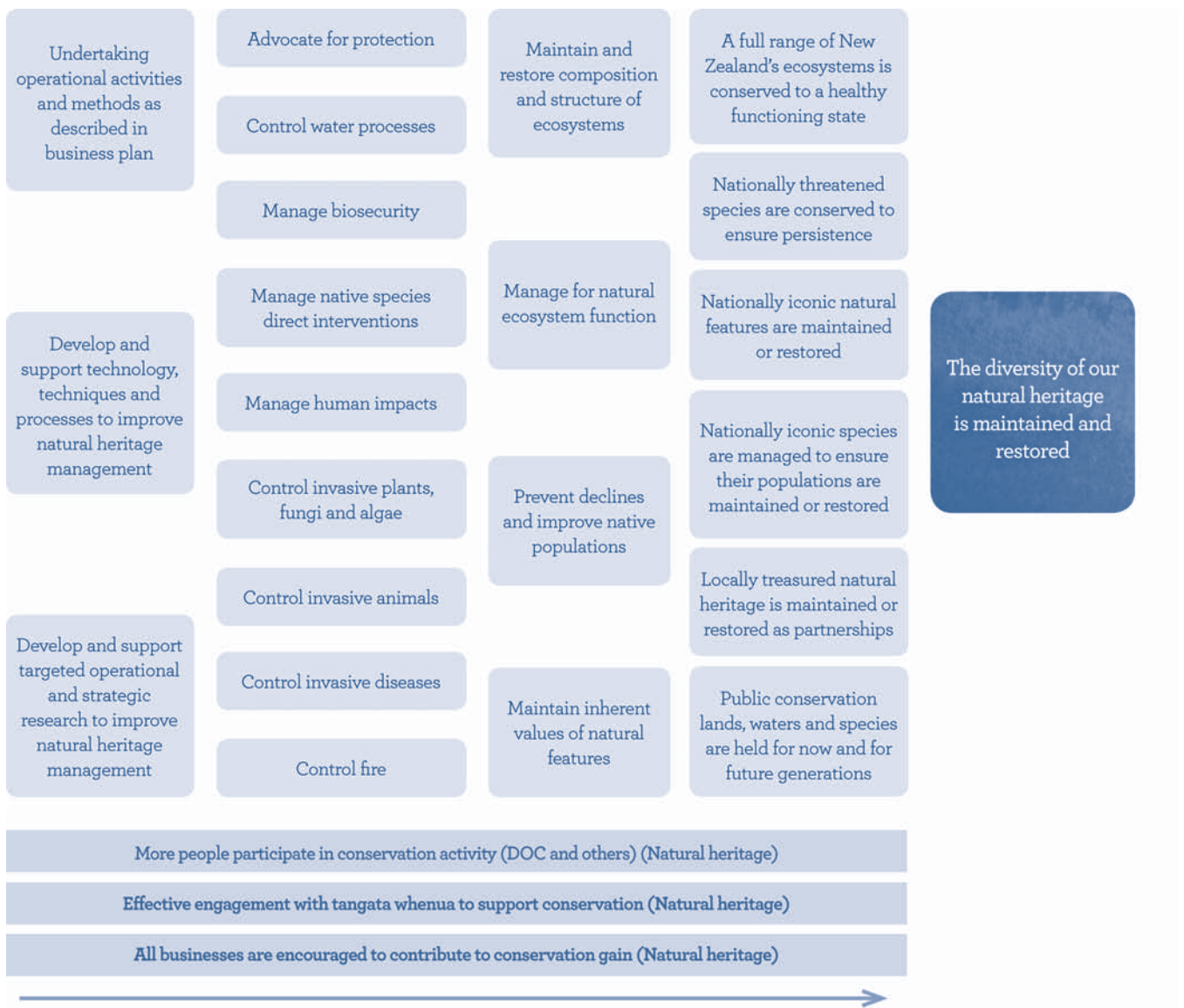


Figure 3. The intervention logic for DOC's natural heritage work.

What we are seeking to achieve and why

As shown in Figure 3, the overall aim is to improve the state of New Zealand's natural heritage. This work contributes to the New Zealand Biodiversity Strategy, and delivers benefits as outlined in sections 2.1.1 and 2.2.2. Within this broader aim, there are six specific objectives as set out below:

- Conserving a full range of ecosystems to a healthy functioning state. This means there will be a comprehensive, representative and adequate network of terrestrial, freshwater and marine ecosystems where native species, non-living parts such as sunlight, temperature and water, and natural processes such as nutrient cycling, all function together in sustainable communities, habitats and landscapes.
- Conserving nationally threatened native species to ensure their persistence. This means achieving security from extinction and longer-term recovery for threatened species that naturally occur in New Zealand.
- Maintaining and restoring the natural features (landforms, landscapes and seascapes) that the majority of New Zealanders consider nationally iconic. The focus is on retaining or improving natural heritage values.
- Maintaining and restoring the native species that the majority of New Zealanders consider nationally iconic. This is additional to the work on nationally threatened species. Management of these species is designed to maintain their populations if they are common or restore and recover their populations if necessary, with the overall aim being long-term persistence.
- Maintaining or restoring locally treasured natural heritage through working with others. The focus is on natural heritage that local people have clearly identified as important to them and where locals, be they tangata whenua, community groups, landowners or businesses, are prepared to contribute to the work.
- Holding public conservation lands, waters and species for the benefits they deliver now and for the future. This concerns the areas of public

conservation lands and waters that do not fall within any of the above areas of focus, and are therefore managed less intensively. Core management and monitoring will ensure that natural heritage is protected and benefits are delivered to New Zealanders, particularly in the form of ecosystem services (e.g. freshwater yield and storage, soil stability and fertility, and carbon storage).

How we will demonstrate our success

DOC has a suite of indicators to assess performance in relation to ecosystems and species. These indicators were developed with the assistance of Landcare Research. The core concept is measuring 'ecological integrity' or a healthy natural functioning condition. Ecological integrity is measured by focusing on three components:

- Indigenous dominance—are the ecological processes natural?
- Species occupancy—are the species present what you would expect naturally?
- Ecosystem representation—are the full range of ecosystems protected somewhere?

These components and their associated indicators and measures are set out in Table 1 below. In this table, 'improve' means either an actual increase in the indicators, or a slowing in the rate of decline. Where 'improve' refers to land cover indicators, it means better coverage of under-represented types. Text in brackets indicates that the component/indicator/measure is not currently under active consideration. All are included, however, as they are part of the complete set, which is to be considered over time by DOC in conjunction with other agencies.

These indicators apply across terrestrial, freshwater and marine ecosystems and species, although further work is under way to develop appropriate indicators for marine species and ecosystems. Implementation of the system for measurement of the indicators—the Biodiversity Monitoring and Reporting System—will start in 2011–2012, and build progressively over the next 5 years. Full trends will start to become evident in 10 years.

TABLE 1. MEASURING THE IMPACT OF NATURAL HERITAGE MANAGEMENT.

DESIRED RESULT	INDICATOR	MEASURE	STATUS OF MEASURE
1. Maintaining ecosystem processes	Improve productivity	Mast flowering* and fruit production	Under development; first report due in 2012
	Improve land cover†	Land under indigenous vegetation	Report expected 2012 and thereafter every 5 years
	Reduce ecosystem disruption	Number, extent and control of fires	To be reported in 2011 and thereafter every year
	(Soil status)	(Soil carbon status)	To be considered at a later date
	Improve water quality and yield	Water yield, water chemistry, macro invertebrate index	Under development
2. Reducing exotic spread and dominance	Reduce naturalisation of new weed and animal pest species	Occurrence of self-maintaining weed and pest populations	Under development (reporting system to be confirmed)
	Reduce exotic weed and pest dominance	Distribution and abundance of exotic weeds and animals pests considered a threat	Under development; first report due in 2012 and thereafter every year
3. (Environmental pollutants)	(Ecosystem levels of persistent toxins)	(Accidental release and chronic contamination by chemicals)	To be considered at a later date
		(Toxins in wildlife)	To be considered at a later date
Component—Species occupancy. Are the species present what you would expect naturally?			
4. Preventing declines and extinctions	Reduce extinctions	Number of extinctions	To be reported in 2011 and thereafter every 3 years
	Improve status of 'threatened' taxa, and 'at risk' taxa‡	Number of 'threatened' taxa, and 'at risk' taxa	To be reported in 2011 and thereafter every 3 years
		Number of 'threatened' taxa, and 'at risk' taxa under management	To be reported in 2011 and thereafter every 3 years
		Security of those 'threatened' taxa, and 'at risk' taxa under management	To be reported in 2011 and thereafter every 3 years
		Demographic response to management at population level for selected 'threatened' taxa, and 'at risk' taxa	First report due in 2012 and thereafter every year
	(Genetic change in critically reduced taxa)	(Changes in quantitative genetic characters)	To be considered at a later date
Component—Ecosystem representation. Are the full range of ecosystems protected somewhere?			
5. Ecosystem composition	Improve composition	Size-class structure of canopy dominants	To be reported in 2011 and thereafter every year
		Representation of plant functional types	To be reported in 2011 and thereafter every year
		Demography of widespread animal species	Under development; first report due in 2012, and thereafter every year
		Representation of animal guilds	Under development
	Improve occupancy of environmental range	Extent of potential range occupied by focal indigenous taxa	To be reported in 2012 for selected taxa and thereafter every 5 years
	(Fragmentation)	(Degree of connectivity in transformed landscapes)	To be considered at a later date

Continued on next page

Table 1. Measuring the impact of natural heritage management—continued

DESIRED RESULT	INDICATOR	MEASURE	STATUS OF MEASURE
<i>Component—Ecosystem representation. Are the full range of ecosystems protected somewhere?</i>			
6. Ecosystem representation	Improve environmental representation and protected status	% of environmental unit protected	To be reported in 2011 and thereafter every year
		% of environmental unit under indigenous cover and protected	Report expected in 2012 and thereafter every 5 years
		Change in extent and integrity of nationally uncommon, significantly reduced habitats/ecosystems that are protected	To be reported in 2011 for selected ecosystems and thereafter every 5 years
		% of environmental unit in marine protected areas	Reported annually
7. (Climate change and variability)	(Basic climate series data)	(Climate data)	To be considered at a later date
		(Biological response to climate change)	To be considered at a later date
8. (Sustainable use)	(Recreational use and its impacts)	(Number of consents and impacts)	To be considered at a later date
	(Economic use and its impacts)	(Number of consents and impacts)	To be considered at a later date

* Occasional heavy flowering resulting in more food and more predators.

† Improvement of land cover means better coverage of underrepresented types.

‡ 'Threatened' taxa or species are facing a real threat of extinction if there is no change to their current population size and trend. Threatened species have been further classified as 'nationally critical', 'nationally endangered' and 'nationally vulnerable' in decreasing order of threat. 'At risk' taxa or species are either rare or declining (but not both). 'Declining' species are still relatively common, but will become threatened in the longer term if the decline is not mitigated. 'At risk' species not currently in decline are further classified as 'recovering', 'relict' or 'naturally uncommon'. Species in these categories will quickly become threatened if new threats arise to cause decline in their populations or habitat, or in the case of some 'recovering' species, if current management stops.

What we will do to achieve this

Figure 3 sets out the main steps that contribute towards the intermediate outcome.

The work that delivers on these main steps falls into the following categories:

- Maintaining and improving ecosystems and natural features. The contributing activities include reducing fire damage, reducing impacts from invasive species, preventing biosecurity incursions, and increasing public awareness of protection needs through advocacy and law enforcement where necessary.
- Maintaining and improving target plant and animal populations, using the same activities as above, as well as active management of target species.
- Working with the Ministry of Fisheries and the commercial fishing industry to encourage a collaborative approach to avoiding, remedying or mitigating bycatch of protected marine species.
- Engaging with businesses, community groups, tangata whenua, local government, private land owners and others, to support wider participation in, and contributions to, natural heritage management. This includes:

- Working with local government as part of Resource Management Act 1991 planning processes.
- Working with businesses to address potential impacts of activities, particularly by providing common information to all parties through systems such as the Freshwater Ecosystems of New Zealand (FENZ) geodatabase.
- Supporting biodiversity protection on private land, in particular through supporting the delivery of the Ngā Whenua Rāhui, Biodiversity Condition and Advice, and Nature Heritage Funds within the framework of national priorities established under the New Zealand Biodiversity Strategy and any other government priorities.
- Providing training, information and assistance with equipment, and operating shared pest management programmes.
- Focusing on giving effect to the Marine Protected Areas Policy and Implementation Plan (MPA policy) as a means to feasibly protect examples of coastal ecosystems and habitats. This work is progressed with the Ministry of Fisheries, local authorities, tangata whenua and local communities through regional marine protection planning forums.

Natural heritage work is supported by ongoing research, technology and systems development and maintenance, and training to help improve natural heritage management. A substantial component of this work is included in the Natural Heritage Management System (NHMS) as discussed below. NHMS tools and information will be increasingly shared with other natural heritage managers.

Medium-term priorities

Within the natural heritage area, the following are being implemented as contributions to the Minister’s priority of ‘improving services, increasing efficiency and reducing costs’, as outlined in section 2.1.1:

- Achieving more effective and efficient use of resources by completing the development of and further implementing NHMS, to provide better conservation returns from the management of species and ecosystems within existing funding levels. This involves identifying optimised projects for both species and ecosystem management through rank-ordered lists. These lists rank species and ecosystems work according to the best combination of what is most urgent, most unique, most cost-effective, and has the best chance of success. Implementation of the species list will begin in 2011–2012. Implementation of the ecosystems list will begin in 2012–2013.
- Continuing to improve and innovate by testing and developing new technologies that have the potential to significantly increase the effectiveness and decrease the costs of pest control and other

programmes. Current initiatives are a major field trial of self-setting traps, a ‘multi-hook’ helicopter attachment to deliver equipment to inaccessible areas, and large-scale experimental herbicide trials to combat wilding conifers.

Other medium-term priorities:

- Progressively implementing the biodiversity monitoring and reporting system as noted above. This includes continuing to develop specific marine indicators—such as improving the indicator for ‘ecosystem representation’—to enable reporting on marine protected areas by biogeographic region and ecosystem/habitat type.
- Development of datasets to underpin marine conservation planning and decision support.
- Continued input into the Fresh Start for Freshwater programme to improve water management in New Zealand.
- Clarifying the jurisdiction for the management of freshwater fish.
- Instigating new means to protect threatened freshwater fish species.
- Making the FENZ geodatabase available to others to help describe and interpret environmental and biological patterns in New Zealand’s freshwater ecosystems.
- Disseminating the lessons from research on bycatch of protected marine species to the commercial fishing industry, and encouraging more widespread adoption of effective mitigation techniques and devices.

TABLE 2. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 1.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	MAIN OUTPUTS
The diversity of our natural heritage is maintained and restored	Management of natural heritage	<ul style="list-style-type: none"> ▪ Fire control ▪ Conservation Services Programme ▪ Restoration ▪ Pest and weed control ▪ Legal protection of areas and marine protection ▪ Species management
	Crown contribution to Regional Pest Management Strategies	<ul style="list-style-type: none"> ▪ Regional Pest Management Strategies
	Conservation with the community	<ul style="list-style-type: none"> ▪ Participation ▪ Education and communication
	Policy advice, servicing the Minister and statutory bodies, and statutory planning	<ul style="list-style-type: none"> ▪ Policy advice ▪ Ministerial servicing

DOC's performance measures for delivery of these outputs are focused on fire control, restoration, pest and weed control, legal protection, the Conservation Services Programme and species management.

Quality assurance for this work is managed through DOC's development and implementation of best practice and standard operating procedures, as outlined in section 2.2.4.

In some cases, it is possible to adopt industry standards. For instance, to achieve best practice when using herbicides for weed control, DOC relies on the relevant approved code of practice under the Hazardous Substances and New Organisms Act 1996.³

In possum control, DOC and the other main agency undertaking operations on a similar scale and

frequency, the Animal Health Board, have together developed quality standards and protocols to ensure control and monitoring meet industry best practice.

In threatened native species management work, DOC is the lead agency in New Zealand and operates at a much broader scale than any other agency, so external benchmarking of quality and standards in operations is not an option. Instead, DOC uses advisory groups, involving technical experts and scientists from within and outside DOC, to quality check the standards and techniques it uses for output delivery. This pool of external expertise is growing as the community and other agencies (such as Crown research institutes and universities) become more involved in work DOC has traditionally led.

³ The relevant code of practice is the New Zealand Standard Management of Agrichemicals (NZS 8409:2004).

3.2

Historic heritage

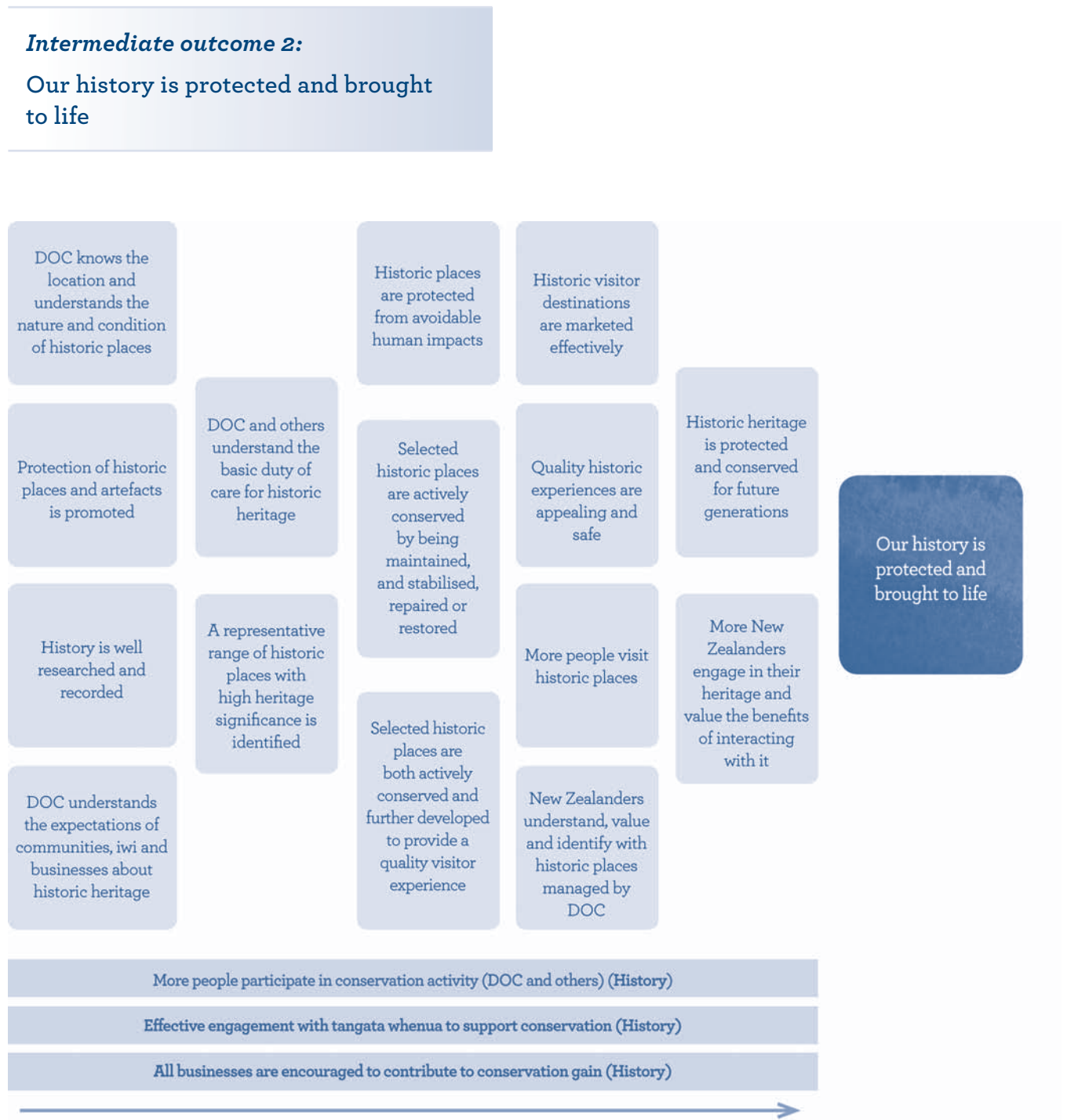


Figure 4. The intervention logic for DOC's historic heritage work.

What we are seeking to achieve and why

As shown in Figure 4, the overall aim is to protect history (the stories and the places from New Zealand’s past) for future generations, and to provide opportunities for people to know about these stories and places so they can connect to them and value them as part of their national identity.

This work delivers benefits as outlined in sections 2.1.1 and 2.2.2. Conservation of places and stories also contributes to community wellbeing through shared experiences in conserving, visiting and enjoying. Bringing historic heritage to life provides business opportunities, which result in economic benefits (as discussed under intermediate outcome 5 in section 3.5).

How we will demonstrate our success

Three interlinked elements describe historic heritage. These are stories (the history of a site), fabric (the physical substance of a site), and culture (how society interacts with a site). Monitoring of the following four indicators picks up on all three elements.

The first two indicators focus on 591 actively conserved places (key heritage sites), including 20 heritage ‘Icon’ destinations. The second two focus on the 20 heritage Icon destinations. These are developed to a higher standard as they tell an important story of the New Zealand identity and provide an outstanding visitor experience.

Increase in the number of key heritage sites at which the core history is safeguarded, the values are identified, and these values are communicated

This measure has been chosen because of the importance of investing in the history of a site and the contribution this makes to the quality of the visitor experience.

The first part of the measure concerns preparation of heritage assessment reports. These collect the key stories of a site so that they survive, and so the stories

can inform site management, and be brought to life for today’s visitors and future generations.

The second part of the measure concerns sharing the history of each key site with the public in the most cost-effective way possible by publishing it online.

The quality of heritage assessment reports is assessed against the standards of professional historians as supported by peer review.

The measure is ‘heritage assessment reports completed to standard and made available to the public on the internet’.

The goal is to complete heritage assessments for all 591 sites.

Change in the percentage of key heritage sites that are categorised as stable or deteriorating

This measure has been chosen because of the significance of heritage conservation work to protecting the fabric of the sites for the future and enhancing the quality of the visitor experience.

Each site has an annual maintenance programme and may also have an upgrade work programme, which may extend over several years. A site is assessed as stable when the annual programmed maintenance is completed to standard (as determined by the site objectives) and, where there is an upgrade programme, the entire programme has been completed to standard. In other cases, the site is assessed as deteriorating.

International best practice principles are applied to each heritage fabric stability assessment. The approach is that recommended by the International Council on Monuments and Sites, the United Nations-sponsored organisation that develops heritage conservation best practice guidance.

This indicator was introduced in 2009–2010. The results for 2009–2010 are set out in Table 3. The aim is to increase the percentage of stable sites and to decrease the percentage of deteriorating sites.

TABLE 3. THE NUMBER OF HISTORIC SITES (AND ASSETS, UP TO 2008–2009) WHERE HISTORY HAS BEEN SAFEGUARDED.

	2006–2007	2007–2008	2008–2009	2009–2010
Total sites where heritage inventories have been completed	222	299	385	165
	assets and sites	assets and sites	assets and sites	sites*
<i>Total number of sites: 591</i>				
<i>Total number of assets: 1104</i>				

* In previous years, data recorded against this indicator have been for a mix of single assets, and sites that include a number of assets. From 2009–2010, DOC is reporting against the number of sites for which heritage assessment reports have been completed to standard.

TABLE 4. THE PERCENTAGE OF KEY HERITAGE SITES CATEGORISED AS STABLE OR DETERIORATING.

TOTAL NUMBER OF SITES	SITES STABLE	SITES DETERIORATING
591	48.6% (287)	51.4% (304)

Change in visitor numbers at heritage Icon destinations in the context of departmental and whole-of-New Zealand visitor numbers

This measure has been chosen because the assumption is that there is a direct relationship between the quality of the experience that visitors enjoy, and visitor numbers. If visitor numbers are increasing—i.e. through repeat visits and personal recommendations to others—this is an indicator of the quality of the experience DOC is providing.

Recognising that visitor numbers will be impacted by wider trends, especially economic factors, the visitor numbers to heritage Icon destinations are given context by reference to wider trends in both international and domestic visitor numbers. This indicator is measured by on-site visitor counting at heritage Icon destinations, compared with visitor counting at other departmental sites and wider information from the tourism industry.

This indicator was introduced in 2009–2010. The first report covered the 10 heritage Icon destinations where development is completed or advanced, and where visitor counting processes are in place. The estimated visitor number at these destinations was 450 000.

Visitor counting at other heritage Icon destinations is being progressively phased in as the destinations are developed.

Increase in New Zealanders' aspiration to visit heritage Icon destinations

Measuring aspiration to visit a heritage Icon destination provides an indication of the extent to which New Zealanders value a site, the history it represents, and the programme of work; even if physical, time or financial constraints mean they are not necessarily able to get there. Heritage Icon destinations are targeted because they have the highest public profile and receive the highest investment.

This indicator takes as its baseline the Automobile Association's (AA's) 101 Must-Do's survey, which identifies the top 101 places that New Zealanders most aspire to visit. The current 101 Must-Do's list is based on a 2006 survey. Eight heritage sites were voted onto this

first list, six of these were historic Icon sites on public conservation lands and waters⁴. This indicator was introduced in 2009–2010. It will be measured through a survey at 5-yearly intervals, with the next survey in 2013. The desired trend is an increase in the value that the public sees in heritage Icon destinations.

What we will do to achieve this

Figure 4 sets out the main steps that contribute towards the intermediate outcome.

The work that delivers on these main steps falls into the following categories:

- Maintaining a heritage site record system that provides core information on the 12 000 heritage sites on public conservation lands and waters.
- Protecting heritage sites from avoidable harm by operating a process to assess potential effects of any planned work around these sites.
- Producing heritage assessment reports for key heritage sites, to record their history, to assess their values, and to identify key sites for management priority.
- Undertaking heritage conservation work on key sites to stabilise the condition of heritage fabric so that it survives intact.
- Effectively engaging New Zealanders in a range of ways to involve them in protecting history and bringing it to life.

DOC's work complements the work of others in historic heritage, including the Ministry for Culture and Heritage, local authorities, the New Zealand Historic Places Trust, iwi and community groups.

Medium-term priorities

- Enhancing DOC's Asset Management Information System (AMIS) to provide more efficient and effective delivery of historic site management.
- Developing and implementing a system to optimise investment in historic sites to deliver increased economic and wellbeing benefits to New Zealanders.

⁴ The six sites and their rankings were the Otago rail experience (16); Cape Reinga (30); the Chinese settlement in Arrowtown (44); Karangahake Gorge (51); the Bridge to Nowhere (64); and Devonport and North Head (89). For further information on the AA's 101 Must-Do's, see www.aatravel.co.nz/101/index.php.

- Improving historic management capability in staff and the community through ongoing development and targeted delivery of technical training.
- Improving the ways that DOC brings history to life; particularly through improvements to online communications, quality experiences at sites, and collaborations.
- Continuing to prioritise what work is done at which sites, with a focus on investment to provide an experience of outstanding quality for the visitors. This includes piloting plans that describe how the

visitor experience can be developed to optimise cost-effective investment.

DOC's performance measures for delivery of these outputs are focused on actively conserving heritage places (measured through remedial work, regular maintenance and heritage assessment reports).

Quality assurance for this work is managed through DOC's development and implementation of best practice and standard operating procedures, as outlined in section 2.2.4.

TABLE 5. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 2.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	MAIN OUTPUTS
Our history is protected and brought to life	Management of historic heritage	<ul style="list-style-type: none"> ▪ Historic and cultural heritage restoration
	Management of recreational opportunities	<ul style="list-style-type: none"> ▪ Asset management ▪ Recreation opportunities management ▪ Recreation concessions
	Conservation with the community	<ul style="list-style-type: none"> ▪ Participation ▪ Education and communication
	Policy advice, servicing the Minister and statutory bodies, and statutory planning	<ul style="list-style-type: none"> ▪ Policy advice ▪ Ministerial servicing

3.3

Recreation

Intermediate outcome 3:

More people participate in recreation

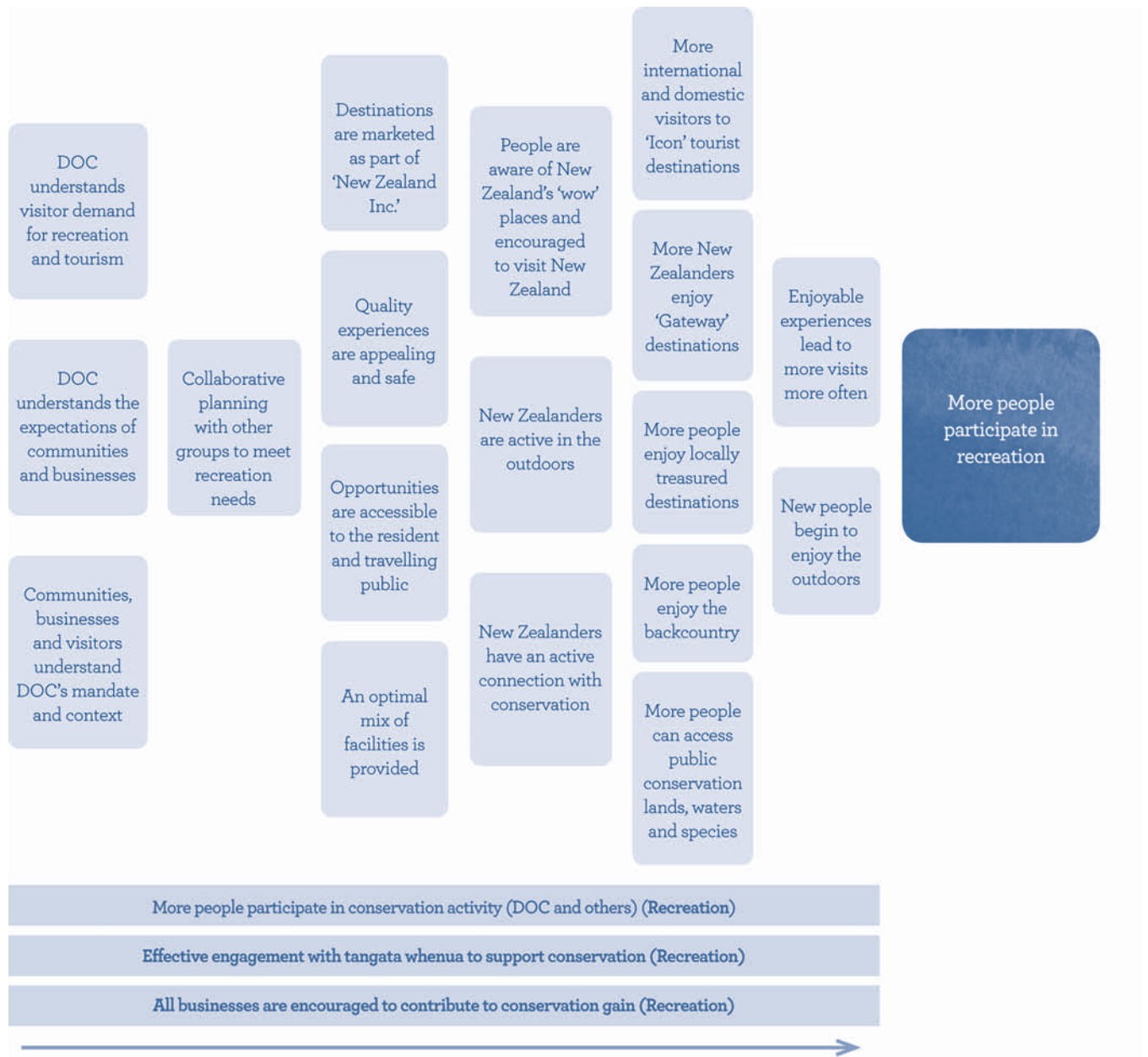


Figure 5. The intervention logic for DOC's recreation work.

What we are seeking to achieve and why

As shown in Figure 5, the overall aim is to get more people participating in recreation activities. New Zealanders and international visitors will be able to enjoy nature-based outdoor recreation activities that provide appealing experiences and meet their expectations. The key components in getting more people to participate are knowing what people want, providing and promoting experiences that match that demand, and meeting customer expectations so that people will be keen to do more and recommend the experience to others.

The range of experiences covers the spectrum of nature-based outdoor activities including sightseeing, walking, hunting, diving, tramping, mountain biking, camping, driving and picnicking.

Through more participation as a result of this work, increased benefits are delivered to participants, our communities and to New Zealand society as a whole. The range of benefits that accrue from increased participation is outlined in section 2.2.2. These include the employment and revenue that flow into communities from recreation concessions and the business opportunities they create. Nature-based outdoor recreation contributes towards the Sport and Recreation New Zealand (SPARC) Outdoor Recreation Strategy 2009–2015⁵, the vision of which is: ‘New Zealanders participate regularly in outdoor recreation because they understand and value its contribution to their quality of life’. Outdoor recreation also contributes to the New Zealand Health Strategy’s⁶ population health objective of increasing the level of physical activity and reducing obesity. Increased participation also contributes to the achievement of the objectives outlined in the New Zealand Tourism Strategy 2015⁷.

How we will demonstrate our success

There are three indicators to monitor progress towards the intermediate outcome.

Change over time in awareness of DOC as a recreation provider

If people are aware that these recreation opportunities exist, the assumption is that they are also aware that they can recreate on public conservation lands and waters, should they wish to. This is measured annually through a telephone survey that measures both unprompted and prompted awareness of DOC’s various functions.

The first results were reported in the Annual Report for the year ended 30 June 2010. Of the people surveyed,

60% declared that they were aware that DOC provides recreation services. The desired trend is an increase over time in awareness in response to DOC’s increased focus on marketing and promoting the recreation opportunities on public conservation lands and waters.

Change over time in participation in recreation on public conservation lands and waters

Participation measures the uptake of recreation opportunities. The number of people taking part, and especially the trends over time, indicate the relevance of the available opportunities. The desired trend is an increase in participation over time. The results are expressed as an estimate of the proportion of New Zealanders who have visited any place on public conservation lands and waters in the previous 12 months. This is measured annually through a telephone survey that asks about visits to both DOC-managed areas in general, and visits to national parks, which are the most popular public conservation areas.

The first results were reported in the Annual Report for the year ended 30 June 2010, with the survey indicating an estimated 33% of New Zealanders had visited a DOC-managed area and 21% had visited a national park over the past 12 months. These results suggest a downward trend when compared with the previous participation and satisfaction indicator, which showed that in 2009, 34% of New Zealanders had visited an area managed by DOC (39% for 2008).

Change over time in satisfaction with the quality of recreation opportunities provided

This indicator is developed from the satisfaction aspect of the previous recreation indicator. It is measured annually through a telephone survey that asks people who have visited public conservation lands and waters about their satisfaction with the facilities and services provided at the last visited location. The degree of reported satisfaction indicates whether the participant had a good experience and is consequently likely to do more in the future, and/or recommend the experience to others, encouraging them to visit. The desired trend is to maintain current high levels of reported satisfaction.

This indicator will be reviewed during 2011–2012 to ascertain whether reported satisfaction is the most effective measure of the quality of people’s experiences.

The first results were reported in the Annual Report for the year ended 30 June 2010, with the survey indicating 89% of visitors were either ‘satisfied’ or ‘very satisfied’. These results suggest an improvement when compared

⁵ See <http://www.sparc.org.nz/en-nz/resources-and-publications/Research-reports/Outdoor-Recreation-Strategy-2009-15/>.

⁶ Ministry of Health. 2000: New Zealand Health Strategy. Ministry of Health, Wellington. 54 p. Available at: www.moh.govt.nz.

⁷ See www.tourismnewzealand.com/delivering-the-promise/about-the-tourism-industry/the-nz-tourism-strategy-2015.

with the previous participation and satisfaction indicator, which showed 82% in 2009 and 84% in 2008.

What we will do to achieve this

Figure 5 sets out the main steps that contribute towards the intermediate outcome.

The work that delivers on these main steps falls into the following categories:

- Providing recreation facilities and services to the public. Different types of services and facilities are provided:
 - ‘Icon’ facilities and services that underpin the New Zealand tourism product.
 - ‘Gateway’ facilities and services that encourage people to start recreating in the outdoors and learn about conservation.
 - ‘Locally treasured’ facilities and services that support regional outdoor recreation needs.
 - ‘Backcountry’ facilities and services that provide challenging adventures in natural settings.
 - Opportunities for people to hunt, tramp and wander on public conservation lands even where there are few or no facilities.
- Managing the concessions system, under which businesses provide opportunities for recreation on public conservation lands and waters that are additional to the facilities and services provided by DOC.
- Providing information and promotional material about recreation services and facilities. A particular area of focus is online visitor communications.
- Engaging with communities, tangata whenua and businesses to assist collaborative planning, and working together to provide recreation facilities and services. Continuing to foster DOC’s relationships with the tourism sector is critical.

Ongoing work that supports the provision of recreation facilities and services includes maintaining and improving risk management and asset management systems, maintaining and improving concessions processing, and providing guidance, tools and training for effective on-the-ground management.

Medium-term priorities

Within the recreation area, the following are being progressed as part of the Minister’s priority of ‘increasing public engagement and awareness’, as outlined in section 2.1.1:

- Progressing the proposal for a Kauri National Park, to provide additional recreation and tourism opportunities on public conservation land close to the most populous part of the country.
- Continuing to create new recreational opportunities, including cycleways to contribute to the national network, and affordable campsites.
- Working collaboratively with businesses, the Walking Access Commission, the Te Araroa Trust and the Ministry of Economic Development to increase and diversify the range of recreational opportunities available in New Zealand.
- Establishing a Game Animal Council.

Other medium-term priorities are:

- Improving DOC’s understanding of both current and potential customer needs so that this information can be used by managers to achieve greater participation.
- Prioritising funding to ensure that locations with the highest visitor demand are funded over those with the lowest use and potential. The focus for additional development of facilities and services will be at recreation Icon and Gateway destinations and at the most popular Local Treasure and Backcountry destinations.
- Improving the ability for other stakeholders (individuals, communities, clubs, businesses, other organisations) to contribute to the delivery of recreation-related facilities and services on public conservation lands and waters.
- Improving marketing to ensure that people are aware of the options available to them and are encouraged to visit.
- Further developing monitoring and evaluation capability so that DOC can better understand the effectiveness of any changes made in response to changing community and customer needs.

TABLE 6. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 3.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	MAIN OUTPUTS
More people participate in recreation	Management of recreational opportunities	<ul style="list-style-type: none"> ▪ Asset management ▪ Recreation opportunities management ▪ Recreation concessions
	Conservation with the community	<ul style="list-style-type: none"> ▪ Participation ▪ Education and communication
	Policy advice, servicing the Minister and statutory bodies, and statutory planning	<ul style="list-style-type: none"> ▪ Policy advice ▪ Ministerial services

DOC's performance measures for delivery of these outputs are focused on management of visitor facilities (measured through huts, tracks and structures that meet required standards), information provision (measured through publications), and management of recreation concessions.

Quality assurance for this work is managed through DOC's development and implementation of best practice and standard operating procedures, as outlined in section 2.2.4. Particular examples are outlined below.

Quality assurance for recreation publications is managed through the internal standard developed by DOC's publications experts. This helps ensure publications meet a consistent quality standard and are easily identifiable as belonging to DOC.

Track and structure quality standards are managed to the standards set out in the New Zealand Standards

Association Handbook, *Tracks and Outdoor Visitor Structures*.⁸

Quality standards also support the level of service provided at different visitor facilities. For example, huts are managed according to the *Huts Service Standard*, which sets out the level of service to be provided at all backcountry huts open to visitors on lands managed by DOC. These standards are built around the visitor groups that participate in recreational activities and the facilities and services they require. They were developed in consultation with external user groups.

DOC's Asset Management Information System (AMIS) is used to ensure the standards for huts, tracks and structures are actively managed, with regular reports throughout the year. All recreation standards are communicated to staff and are available on the intranet.

⁸ Standards New Zealand. 2004: SNZ HB 8630:2004—Tracks and Outdoor Visitor Structures. Standards New Zealand, Wellington. DOC worked with the New Zealand Standards Association to lead the development of this handbook.

3.4 Engagement

Intermediate outcome 4:
More people engage with conservation and value its benefits

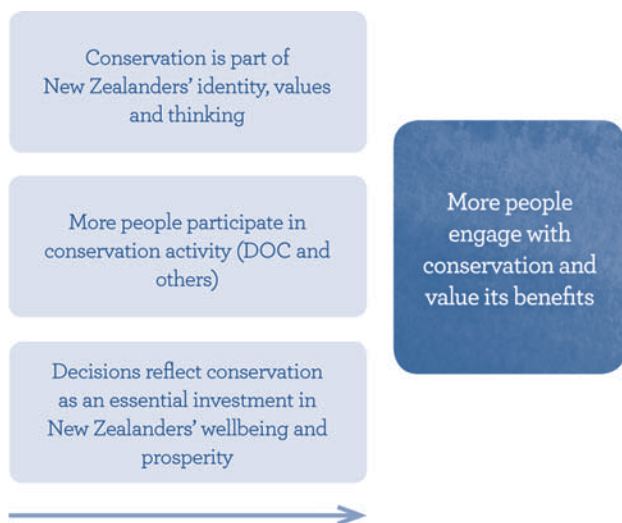


Figure 6. The three main components of DOC's engagement work.

What we are seeking to achieve and why

As shown in Figure 6, the overall aim is for more people to engage with conservation and value its benefits. The three main components to this work—engaging hearts and minds, helping more people and organisations actively participate in conservation, and embedding conservation values into New Zealand's decision-making frameworks—are, of course, interrelated.

Engagement delivers benefits as outlined in section 2.2.2. Engagement can also extend opportunities for conservation-based businesses. The combined impact is stronger and more prosperous communities, and better results for natural and historic heritage.

How we will demonstrate our success

There are three indicators to monitor progress towards the intermediate outcome.

Change in New Zealanders' understanding of important conservation issues

The impact of DOC's efforts to increase awareness of conservation is tracked through quantitative surveys that show trends from year to year. This indicator was reported on for the first time in the Annual Report for the year ended 30 June 2006, and is reported on annually. The desired trend is an increase in awareness over time.

Figure 7 provides an overview of the results for the past 4 years.

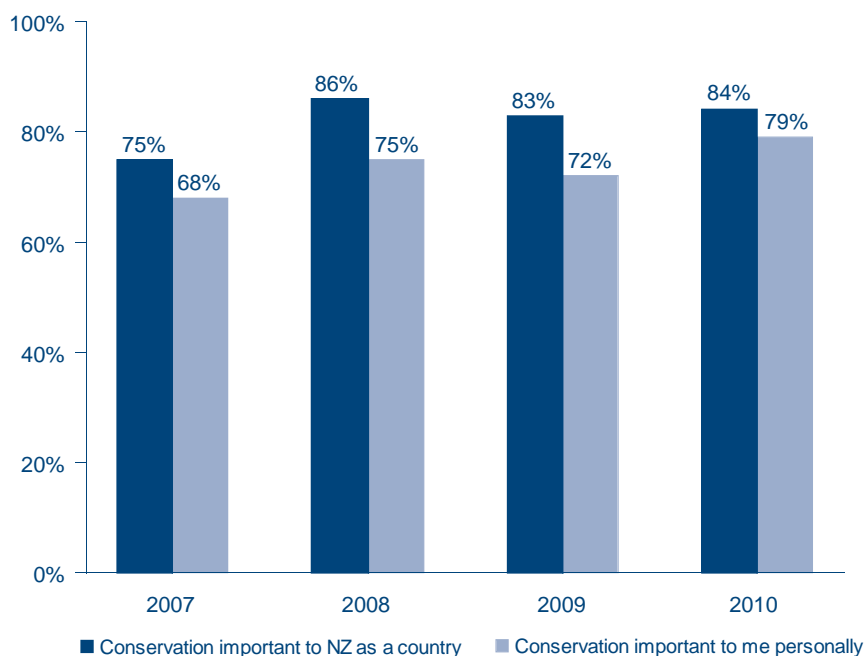


Figure 7. Yearly comparison of the percentage of people who believe conservation is 'important' or 'very important'.

Change in the quality of DOC's engagement with key associates

This indicator uses surveys to seek feedback. It was reported on for the first time in the Annual Report for the year ended 30 June 2006, and is reported on annually. The desired trend is an improved level of engagement over time.

In 2009, this indicator was measured through in-depth interviews with senior staff of 36 key stakeholder organisations. Most stakeholders interviewed believed that DOC has significantly improved the quality of its engagement over the last 3–5 years. Many stakeholders believe that improvements must continue to be made for DOC to be aligned with its strategic direction.

The findings informed and influenced several significant change initiatives within DOC during 2009–2010. It is planned to survey key associates again in 2011.

Change in the satisfaction of tangata whenua with DOC's activities to assist them to maintain their cultural relationships with taonga

This indicator uses surveys to seek feedback. It was reported on for the first time in the Annual Report for the year ended 30 June 2006, and has been reported on annually.

In mid-2010, 52% of tangata whenua surveyed reported that they are 'very satisfied' or 'somewhat satisfied' with DOC's activities to assist them to maintain their cultural relationships with taonga. This is a decrease of 21% from mid-2009. The desired trend is for increased satisfaction levels.

What we will do to achieve this

The work that delivers on the three components outlined in Figure 6 falls into the following categories:

- Communicating and promoting the value and benefits of conservation, including through education programmes.
- Building and maintaining quality relationships for shared conservation gains.
- Helping more people to participate in conservation through working with others to identify and promote a range of activities in which people and

organisations can get involved; providing advice and skills training; supporting the allocation of conservation funds; and facilitating opportunities.

- Working with local government and working within central government policy processes to provide information on New Zealand's environment, its management, and the contributions of conservation to New Zealanders' prosperity and wellbeing.
- Participating in the processes to support a number of international agreements that serve to improve environmental management in New Zealand and internationally.

This work is supported by tools, systems and internal culture building to integrate these ways of working into DOC's ongoing operations.

Medium-term priorities

Within the engagement area, the following is being progressed in response to the Minister's priority of 'increasing public engagement and awareness', as outlined in section 2.1.1.

- Implementing the conservation education strategy for the purpose of increasing New Zealanders' sense of conservation as a fundamental contribution to our lifestyle, prosperity and wellbeing. This includes developing a web application for primary teachers, and creating an external expert reference group to assist with this work.

Other medium-term priorities are:

- Developing communication and engagement approaches that encourage a wider range of New Zealanders to actively participate in conservation and gain from the economic, environmental and social benefits that conservation delivers.
- Improving the cost-effectiveness of DOC's communications by carefully scrutinising the need for printed material for internal and external use.
- Improving service to the public by providing information and services through electronic channels. This work is informed by research findings on how the public prefer to interact with DOC.

TABLE 7. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 4.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	MAIN OUTPUTS
More people engage with conservation and value its benefits	Conservation with the community	<ul style="list-style-type: none"> ▪ Participation ▪ Education and communication
	Policy advice, servicing the Minister and statutory bodies, and statutory planning	<ul style="list-style-type: none"> ▪ Policy advice ▪ Ministerial services

DOC's performance measures for delivery of these outputs are focused on promotion activities (measured through numbers of education and communication initiatives, and participants' responses to these), and on collaboration and participation (measured through volunteer participation, partnerships and partners' responses to working with DOC).

Quality assurance for this work is managed through DOC's development and implementation of best practice and standard operating procedures, as outlined in section 2.2.4.

3.5

Business opportunities

Intermediate outcome 5:

More business opportunities delivering increased economic prosperity and conservation gain

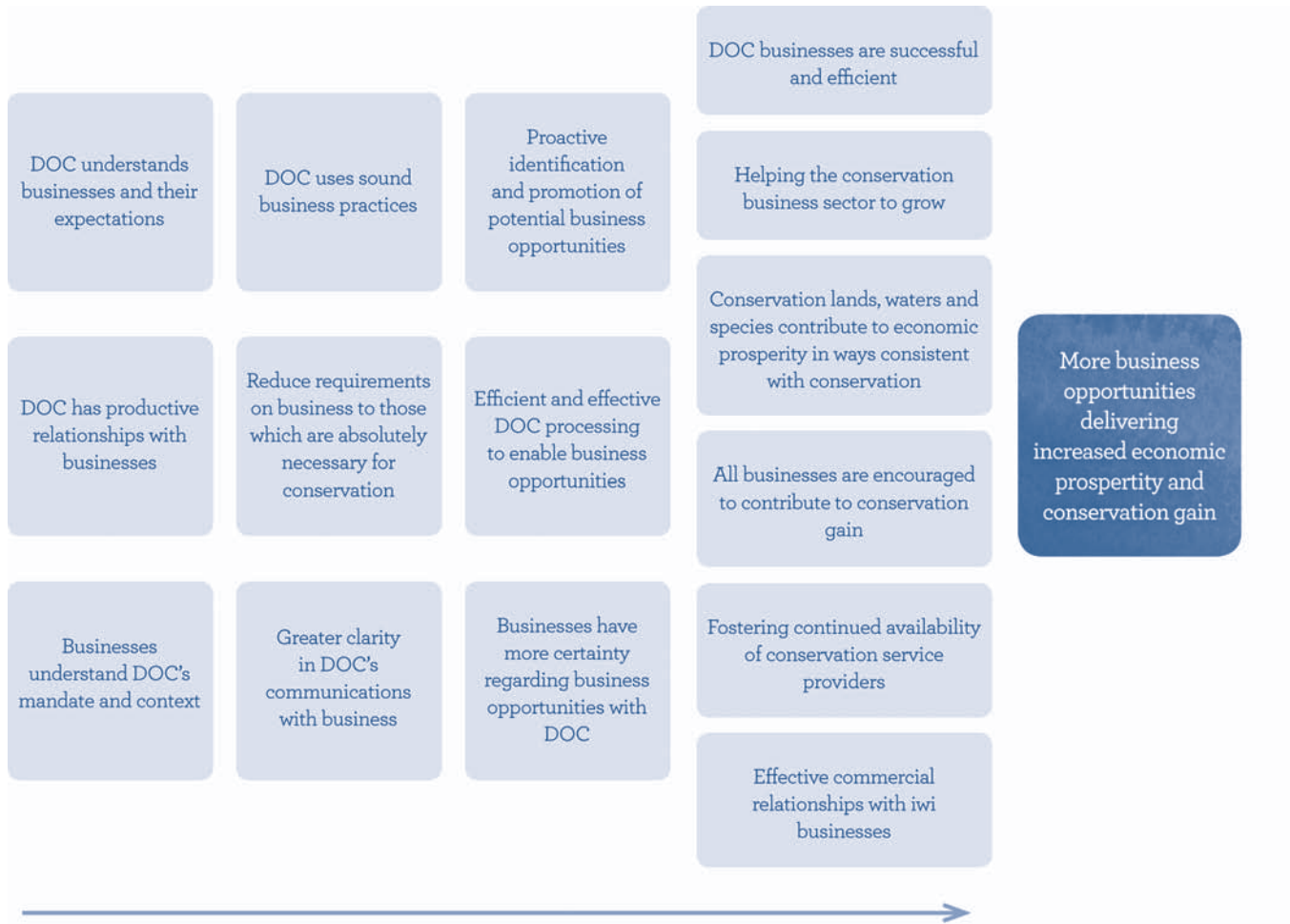


Figure 8. The intervention logic for DOC's business opportunities work.

What we are seeking to achieve and why

As shown in Figure 8, the overall aim is to achieve more business opportunities that deliver increased economic prosperity and economic gain. The business opportunities cover a broad range, including opportunities relating to:

- Businesses that operate within DOC (primarily the visitor centres).
- Businesses that operate on public conservation lands and waters (be they conservation-related businesses, such as those in the eco-tourism field, or businesses such as mining and telecommunications, which are located on public conservation lands and waters).
- Businesses that provide vital conservation-related services, such as pest management and helicopter services.
- Opportunities that are focused on sponsorship and other avenues to contribute resources to conservation efforts.

This work delivers environmental, social and economic benefits to New Zealanders as outlined in section 2.2.2. These include the employment and revenue that flow into communities, and the revenue, carbon credits and branding benefits that businesses receive. Net revenue to the Crown and DOC will be increased, and DOC will contribute to the increased prosperity of New Zealand through wise use of conservation assets.

Additional environmental benefits include the contributions to conservation that come from resources generated by business opportunities and from wider recognition of the links between conservation and successful businesses, and of the economic value that flows from conservation-based business. A wider range of people will have a stake in conservation. Conservation management will benefit from the different ideas and initiatives likely to come from interactions with the commercial sector.

How we will demonstrate our success

Two new indicators have been developed. These will be reported on annually, with the first report in 2012.

Change in the level of investment from the commercial sector in conservation

This indicator will measure changes in investment received from sponsorships, donations, concessions revenue and other payments from commercial sector third parties. The desired trend is an increase in investment over time.

The initial focus will be on increases in sponsorship and concessions revenue from a baseline set in 2010–2011.

Improvement in the level of return on investment for key DOC products and services

This indicator will use financial measures to show improvements in the performance of key DOC products and services.

The initial focus will be on overall performance of the visitor centre network, and sales of bed nights at backcountry huts, campsites, and Great Walks, with improvements measured from a baseline set in 2010–2011.

What we will do to achieve this

Figure 8 sets out the main steps that contribute towards the intermediate outcome.

The work that delivers on these main steps falls into the following categories:

- Developing and maintaining productive relationships with businesses. This includes enhancing mutual understanding between DOC and businesses, enhancing the quality of communications, ensuring that the requirements DOC has in place are no more than is necessary, and that DOC processes in relation to businesses are as efficient and effective as possible and create certainty.
- Applying sound business practices within DOC's own businesses.
- Identifying and promoting potential business opportunities.

This work is led by DOC's commercial business unit. In addition, the work to encourage more people to participate in recreation (see section 3.3) is focused on engaging increasingly with the commercial sector to help deliver those experiences.

Medium-term priorities

Within the business opportunities area, the following are being implemented as contributions to the Minister's priority of 'engaging with the business sector', as outlined in section 2.1.1.

- Developing new business opportunities with key business sectors, including renewable energy, commercial camping and species tourism.
- Increasing investment from the private sector in conservation, with a focus on sponsorships and concessions revenue.
- Improving returns on investment for key DOC businesses, with a focus on the visitor centre network and revenues from Great Walk, camping, hut and other user fees.
- Demonstrating gains in effectiveness and performance by establishing base satisfaction

levels for customers of DOC's products and services, and monitoring progress.

- Realising value from carbon through working with the Ministry for the Environment (the lead agency) and the Ministry of Agriculture and Forestry to implement the Government's agreement around the Five Iwi Afforestation Programme, and where otherwise possible, enabling investors to implement appropriate afforestation projects on public conservation lands.
- Developing the methodology to support biodiversity offsets⁹, and promoting the methodology and guidelines to business and other interested parties for wider application and adoption as appropriate.
- Working with the Ministry of Economic Development to identify mineral prospects to ensure that conservation values and mineral values on public conservation lands and waters are balanced to give maximum possible benefits to New Zealanders.
- Working with the Fish & Game Council to develop differential fishing licenses for New Zealand residents and overseas visitors.

The following is being implemented as a contribution to the Minister's priority of 'improving services,

increasing efficiency and reducing costs', as outlined in section 2.1.1.

- Reducing red tape, with a focus on aligning concession and resource consent processes, where relevant, on public conservation lands and waters.

Other medium-term priorities are:

- Ongoing improvements to the concessions processing system, in particular through improving the speed of processing, increasing transparency and certainty, and reducing compliance costs for businesses.
- Ongoing development of tools, systems and internal culture building to support DOC's relationships with the business sector and DOC's capability to work with businesses.
- Ongoing development of DOC's capability to run successful and efficient businesses.

DOC's performance measures for delivery of these outputs are focused on managing and monitoring concessions for both recreation and other resource use.

Quality assurance for this work is managed through DOC's development and implementation of best practice and standard operating procedures, as outlined in section 2.2.4.

TABLE 8. THE OUTPUT CLASSES AND OUTPUT GROUPS THAT CONTRIBUTE TO INTERMEDIATE OUTCOME 5.

INTERMEDIATE OUTCOME	OUTPUT CLASSES	MAIN OUTPUTS
More business opportunities delivering increased economic prosperity and conservation gain	Management of natural heritage	<ul style="list-style-type: none"> ▪ Fire control ▪ Conservation Services Programme ▪ Restoration ▪ Pest and weed control ▪ Legal protection of areas and marine protection ▪ Species management
	Management of recreational opportunities	<ul style="list-style-type: none"> ▪ Asset management ▪ Recreation opportunities management ▪ Recreation concessions ▪ Other resource use concessions
	Conservation with the community	<ul style="list-style-type: none"> ▪ Participation ▪ Education and communication
	Policy advice, servicing the Minister and statutory bodies, and statutory planning	<ul style="list-style-type: none"> ▪ Policy advice ▪ Ministerial services

⁹ Biodiversity offsets are conservation activities intended to compensate for the residual, unavoidable harm to biodiversity caused by development projects. The goal is to achieve no net loss and preferably a net gain of biodiversity on the ground.

3.6

Policy advice

DOC contributes to government priorities and the intermediate outcomes through effective policy advice on major initiatives. This includes policy advice and practical and scientific expertise to whole-of-government policy processes for natural resources, particularly those relating to freshwater, climate change, bioprospecting, biosecurity, and aquaculture. These contributions are often made within the context of the Natural Resources Sector Network.

DOC provides ongoing advice to the Minister of Conservation to support the Minister's coastal responsibilities under the Resource Management Act 1991 and the Marine and Coastal Area (Takutai Moana) Act 2011. Advice is provided on proposals for amending legislation and regulations.

In support of the Government's commitment to achieving just and durable settlements of all historical Treaty of Waitangi claims by 2014, DOC contributes to Treaty of Waitangi settlement negotiations. DOC also contributes to Foreshore and Seabed Act agreements.

The preceding discussion on each of the intermediate outcomes includes policy initiatives that contribute to the Minister's priorities and other initiatives in these areas. These include:

- Working with the Ministry for the Environment (the lead agency) and the Ministry of Agriculture and Forestry to implement the Five Iwi Afforestation Programme, and where otherwise possible, enabling investors to implement appropriate afforestation projects on public conservation land in order to realise the value from carbon and to reduce greenhouse gas emissions.
- Ongoing work with the Ministry of Economic Development to maximise benefits to New Zealanders by balancing conservation values and mineral values on public conservation lands and waters.
- Contributing to the Government's Fresh Start for Freshwater programme to improve water management in New Zealand.
- Clarifying the jurisdiction for the management of freshwater fish, and instigating new measures to protect threatened freshwater fish species.
- Establishing a Game Animal Council.

Other forthcoming policy work includes the following:

- Developing an implementation programme for the New Zealand Coastal Policy Statement 2010.

- Implementing decisions arising from the review of the schedules to the Wildlife Act 1953.
- Progressing amendments to marine reserves legislation.

3.7

Ministerial services, management planning, and servicing statutory and ministerial bodies

Ministerial services

Providing effective services to the Minister of Conservation includes writing submissions, drafting replies to ministerial correspondence and parliamentary questions, and responding to ministerial requests for information.

Statutory and ministerially appointed bodies

The New Zealand Conservation Authority (NZCA) and the regional Conservation Boards are independent bodies established under the Conservation Act 1987.¹⁰

The NZCA advises the Minister and the Director-General, and approves statements of general policy for national parks, Conservation Management Strategies and Plans, and National Park Management Plans.

There are 13 Conservation Boards, each with a defined geographical area and up to 12 members. The boards are involved in conservation planning, and policy and management advice.

DOC provides services to two ministerially appointed advisory committees: Ngā Whenua Rāhui and the Nature Heritage Fund. DOC also services a number of other statutory bodies with local responsibilities, such as the Guardians of Lakes Manapouri, Monowai and Te Anau, the Taupo Fishery Advisory Committee, and the Joint Management Committee established under the Ngāti Awa Claims Settlement Act 2005.

Management planning

DOC prepares reviews and amends National Park Management Plans, Conservation Management Strategies (CMSs) and Conservation Management Plans before their approval by either a Conservation Board or the NZCA.

New guidelines on CMSs have been prepared to ensure a consistent approach to content and simpler, shorter documents. All but one CMS will be reviewed between 2011 and 2014. By mid-2014 these CMSs will all be with the NZCA for approval.

¹⁰ The NZCA is established under section 6A, and the Conservation Boards under section 6L.

Work will continue on at least five National Park Management Plans and several Conservation Management Plans.

3.8

Cost-effectiveness

The cost-effectiveness work is aimed at comparing the costs of alternative ways of producing the same or similar outputs or benefits. This will enable DOC to find the option that meets its outcome objectives at minimum cost and develop a measure of the relative effectiveness of alternative interventions in achieving the objective.

Initial work to assess and report on the cost-effectiveness of the interventions DOC delivers began with identifying the main interventions delivered across the main output classes and linking these into the intermediate outcome work streams that they support.

A further step has been taken in the natural heritage area to identify objectives and a measurable suite of indicators so that the long-term impact of these interventions can be measured, as discussed in section 3.1. These are being progressively implemented from 2011-2012.

The natural heritage area has been chosen as the priority area as this represents more than half of DOC's overall budget. The lessons learnt here will be assessed before any decision is made on applying the cost-effectiveness approach more widely to the rest of the work. This is a long-term development programme and is dependant on implementing NHMS as discussed in section 3.1.

The next step of the cost-effectiveness programme involves identifying the most important interventions used in the natural heritage area, and gathering data on the full cost of implementing them in the field. While some budget data is currently held on these interventions, actual cost data is not currently collected.

Once the costing step is completed, the impact data collected as a result of the natural heritage monitoring programme can then be applied to the range of interventions undertaken. The aim is to develop cost-effectiveness ratios for these interventions so that the relative effectiveness of alternatives can be assessed and built into future management decisions. The initial application of this is under way in natural heritage through the implementation of optimised species and ecosystems lists, as discussed in section 3.1.

4.

Managing in a changeable operating environment

4.1

External drivers, current risks and mitigation strategies

An assessment of the main external drivers, the risks and the opportunities of the operating environment, and DOC's responses to these are outlined in sections 2.1.1 and 2.1.2.

4.2

Corporate governance

DOC's corporate governance structure provides the direction, oversight, and checks and balances necessary to retain high performance, manage risks and maximise opportunities. During late 2010, the Director-General announced a changed leadership structure designed to better support the transformational change that DOC requires in order to respond to the opportunities and challenges of its current context. Implementation began in early 2011.

Key aspects of the governance structure are outlined below:

- The Executive Leadership Team (ELT) is made up of the Director-General and six Deputy Directors-General. The team's purpose is to set strategy and culture and provide cohesive leadership for DOC. The team meets weekly, and several times each year meets for extended periods to address high-level planning issues.
- The Business Management Team (BMT) is chaired by the Deputy Director-General Business Services, and includes a range of tier III managers. The purpose of the BMT is to provide a business perspective to all proposed business and commercial initiatives and innovations against the context of the strategic directions set by ELT. BMT will prioritise these proposals, consider the change management needed to integrate them, and make recommendations to ELT. It will also identify whole-of-organisation business issues and risks, and actions to address them, and monitor progress towards achieving the outcomes. BMT meets twice

each month, with one of these meetings being with ELT.

- The Risk and Assurance Committee is an independent committee of two external experts and meets quarterly. It receives reports from the Chief Internal Auditor and provides advice to the Director-General to help him exercise oversight of the integrity of the financial, operational, internal control, risk management, and legislative compliance systems.
- The Finance Committee is chaired by the Deputy Director-General Business Services, and includes two other Deputy Directors-General, the Chief Financial Officer and the Director, Commercial Business Unit. The Committee provides advice to ELT on financial and business issues, such as expenditure, long-term financial plans and strategy, and reporting against performance.

4.3

Risk management framework

Risk management is part of the accountability of all managers and staff, and is embedded in departmental systems, primarily through the monthly operating reviews held between staff and managers. These reviews are an established management practice, and regularly cover results achieved, and risks encountered and mitigated in programme delivery.

The risk management system built into business planning specifies categories of risk relating to DOC's operating environment. Managers are required to identify potential risks, and assess both the likelihood of the risk materialising and the possible consequences if it does. Risks are managed by selecting the best option, considering the potential cost of the risks involved, and the aim of achieving work plan outcomes. Identifying and measuring risks, and developing mitigation options are also part of the life cycle of any

work plan, particularly when there is a major change in circumstances that will affect the work.

Each Deputy Director-General runs a risk register for his or her own functional areas, and any critical risks are brought to the ELT meetings and, if appropriate, placed on the ELT risk register.

The Legislative Compliance Register identifies key legal risks that would have high consequences and a high likelihood of occurring. Deputy Directors-General, Conservators, and managers in the Research and Development Group must annually attest through a 'letter of representation' that the key legislative requirements within their areas of accountability have been complied with.

ELT meetings include a joint environmental scan. This focuses both on key issues relating to each Deputy Directors-General functional area, and on issues relevant or potentially relevant to DOC overall. A more comprehensive environmental scan is undertaken at the high-level planning days held three times each year.

4.4

Health and safety management

The nature of DOC's work is inherently hazardous, both in the tasks undertaken and in the locations. To manage these risks, accountability for health and safety is placed with line management. This allows line managers to exercise personal judgement within the procedures and guidelines of the health and safety management system. Health and safety management is further assisted by monitoring work units against management standards.

DOC is intending to participate in the ACC Accredited Employers Programme, which will provide significant benefits, including reducing the cost of accident compensation, earlier intervention by employees following injuries, and in the longer term, reducing injury through targeted prevention programmes.

Organisational health and capability

Organisational health and capability lies at the foundation of all of DOC's work towards achievement of the outcome and the five intermediate outcomes. This means that DOC needs skilled and motivated people, quality leadership, organisational culture, and relationships; quality information, communication, internal management and asset management systems; and appropriate structures.

As part of responding to the Minister's priority of 'improving services, increasing efficiency and reducing costs', DOC is continuing to implement NHMS to improve and innovate through new technologies. It is also continuing to identify opportunities within the natural resources sector and the wider public sector to collaborate with other agencies to deliver products and services at lower cost without reducing quality.

A further initiative is the changed leadership structure implemented by the Director-General, as outlined in section 4.2.

DOC continues to pursue efficiency gains through its Business Improvement Programme, as discussed in section 2.1.3.

DOC is also focused on building its organisational culture to support conservation achievements over the longer term. The vision developed during 2009—New Zealand is the greatest living space on Earth—provides a focus for this development. Resources are being built to support and enable staff to engage effectively with communities and businesses, and to build the style and behaviours necessary to ensure DOC is a credible and relevant player in helping increase New Zealand's wellbeing and prosperity.

DOC continues to ensure that financial management systems are fit for purpose and foster continued improvements in efficiency and effectiveness. DOC continues to build internal biosecurity awareness and capability.

This section focuses on the main capability development initiatives that have not already been addressed in discussion of the intermediate outcomes (see section 3). It includes a report on equal employment opportunities. The context is set by the current operating environment and likely changes in

the future. All of this work has been carefully designed to assist DOC to work more effectively towards the outcome and intermediate outcomes, including enhancing DOC's effectiveness in working with others, in the wider context of contributions to conservation.

5.1

A well-coordinated natural resources sector

The chief executives of the Natural Resources Sector Network (NRSN) have identified that a priority area for capability development is in improving the ability of agencies to work together in order to deliver a considered, coordinated and integrated approach to the management of natural resources.

The aim is to support government decision-making with high-quality advice that provides an integrated NRSN understanding of key issues. In order to do this, all seven agencies in the natural resources sector actively participate in the work of the NRSN, adopting a collaborative ethos that focuses on forming a common understanding of strategic issues and delivering on shared goals.

Measures of this commitment to working better together are as follows:

- Each agency contributes to the work, which develops a shared understanding of strategic natural resources issues.
- Each agency participates in the training programme on how to apply the 'economy and environment principles'¹¹ in policy development.
- Each agency contributes to the resourcing of the Natural Resources Sector Secretariat.

5.2

Leadership, people and culture

The People Strategy 2020 outlines four main areas of focus for the development of DOC's organisational culture and capability. These are:

- Development of a connection culture—enhanced ability to connect internally and externally to more effectively harness knowledge and skills for greater conservation gains.
- Development of leaders and leadership capability—to enable DOC to achieve its objectives, to achieve more for conservation, to engage New Zealanders,

¹¹ The economy and environment principles are not government policy. They are a tool to help agencies to consider the linkages between the economy and the environment, and to approach natural resource issues in a consistent and integrated way.

and to lead DOC through periods of significant change.

- Development of staff capability—both for now and for the long-term to meet anticipated needs for new thinking and more joint work across agencies and communities, as well as continuing to build on conservation gains already achieved.
- Effective operation and improvement of processes and systems to support DOC's people—simplifying, streamlining and 'decluttering' processes and systems in the interests of effectiveness and efficiency.

Work in these areas will be increased in 2011–2012.

Development of DOC's culture will continue, with a focus on playing to strengths, developing high levels of team-effectiveness, understanding choices around behaviour, and eliminating silos. Consistent with DOC's values¹², there is an emphasis on agility, innovation, building rapport (internally and externally) and being credible through continuing to work effectively for conservation.

DOC's work is highly connected with the work of many others and this level of connectivity and complexity is likely to increase. All staff need to understand the bigger picture, the wider 'system' in which DOC operates. Work is under way to develop these skills, and DOC is working collaboratively with other agencies to share this thinking.

The focus on engaging with others is likely to increase and engagement is required across a wide range of areas. This requires developing and strengthening skills and expertise in engagement, and different ways of thinking about how conservation work gets done.

The Conservation Leadership Programme will continue to develop senior leaders, with the approach evolving on the basis of experience. The need for two additional types of leadership programme was identified: a professional specialist leadership programme, and a future leaders programme. The focus on developing interpersonal and behavioural skills continues, and is likely to increase in the next 18 months, given the growing emphasis on engagement and working with others.

The performance management system has been reviewed and adapted to strengthen the focus on development. Conversations about ability, aspiration and engagement are now included in development

planning and objective-setting processes for every staff member. The Executive Leadership Team and the Director-General will be leading a talent process for tier II and tier III managers to identify leadership potential.

DOC will continue to use the staff engagement survey (Q12) from the Gallup organisation as a key measure of engagement and culture. The survey results are used to inform decision-making on projects, development and leadership opportunities. The next survey is planned for late 2011.

5.3

Equal employment opportunities (EEO)

There are three pieces of work under way that have a focus on improving the diversity of DOC's workforce and improving equality of opportunity.

The Future of Work project, due to be completed in 2011, will provide a rich body of knowledge and analysis, which can then be used to inform decisions about the recruitment, retention and deployment of staff. One focus is on how to realise the potential of staff from minority cultures and how to engage them in decision-making. Another focus is on identifying the best options for managing the needs of older workers.

Work is progressing on building Māori capability in DOC. The aim is to both build the capability of Māori staff, and to build the capability of non-Māori staff to work more effectively with Māori. The pilot Māori cadetship programme ran in 2010, and following an evaluation confirming the value of the programme, a second intake commenced in April 2011.

Work under way in leadership development, talent management, succession planning, and the introduction of a learning management system to enable centralised booking and tracking of training, are all helping to identify and develop staff in the EEO target groups. An internship programme has been developed, and the interns have proven a valuable source of knowledge on how to improve DOC's ability to attract and retain younger people.

DOC will continue to integrate equality and diversity into its planning and processes, and to monitor performance through human resources statistical reporting and the analysis of trends obtained through exit data.

¹² See section 2.2.1 for the values.

5.4

Knowledge and its application

DOC continues to improve natural heritage management by supporting research to add to the stock of relevant knowledge, and by developing technology, techniques and processes to use this knowledge wisely and effectively. Investment and knowledge generation are maximised through strong strategic alliances with other science providers and with the international science and conservation community. In particular, DOC has been closely involved in the official process to support the Crown Research Institute Taskforce Review implementation. On an international level, DOC has been involved with the new Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.¹³ These initiatives build capability both within DOC and in the wider science and conservation sectors.

A Science Capability Development Plan is to be rolled out over the next 5 years with the aim of enhancing and supporting DOC's science staff, systems, infrastructure and investment capabilities. In addition, the science and research strategy Science Counts is being updated to provide a clear framework for DOC's research directions and needs, and promote investment synergies with external research providers.

5.5

Information and communication technologies (ICT)

DOC is ensuring that ICT is planned strategically across multiple years to enhance DOC's capability. This is done within the context of the Government Common ICT Capability Roadmap, and DOC's contributions to the NRSN. ICT developments are designed to improve cost-effectiveness, increase staff productivity, improve financial and investment controls, support decision-making, and increase public and stakeholder access to services and information.

The focus is on the following specific areas:

- Providing enhanced services more efficiently and cost-effectively, both within DOC and for use by business and the community. A minimum of three existing paper-based services will be replaced with online services. The aim is to decrease the cost of providing these services by \$150,000 per year.

- Reducing the cost of information and technology infrastructure while retaining or improving its reliability and robustness. The aim is to reduce the cost of providing desktop services and associated infrastructure by 5% per year over the next 3 years.
- Enhancing operations through the use of quality geospatial data. The newly implemented GIS technology enables the collection of field data electronically at the source, then transmission of the data to a centralised data warehouse for checking and publishing. Additional functionality to be added in 2011–2012 includes:
 - Five extra datasets to the Geoportal (Spatial Data Infrastructure) for the public and other agencies to access and reuse as they see fit.
 - Ten extra datasets added to the internal data infrastructure.
 - A minimum of three applications enabling data capture on mobile devices.
 - A public-facing web application that will enable users to interact with DOC based on geospatial-specific information.
- Continuing to develop technical capability and skills (particularly in data warehousing, business analytics, geospatial information and data visualisation) to support conservation outcomes. The aim for 2011–2012 is to continue to work with other natural resource agencies and the New Zealand Geospatial Office to determine geospatial capability needs, and to develop and implement a sector-wide plan to fill skill gaps.

5.6

Efficiency through sustainability

The overall aim is to identify and implement initiatives that reduce the cost of conservation management by reducing resource use. In so doing, the initiatives can also improve service delivery, reduce adverse environmental impacts of resource use by DOC, and improve health and wellbeing for staff. A primary focus is on reducing the use of non-renewable energy sources for DOC buildings, and reducing energy use overall.

Initiatives under way are:

- Continuing to replace diesel generators as the energy source for facilities on islands. This includes installing solar energy on Great Barrier Island (Aotea Island) and Raoul Island.

¹³ Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) was created by the United Nations 65th General Assembly (UNGA) to undertake regular assessments of the status and trends of the Earth's biodiversity, and the condition of its ecosystem services. For more information see www.ipbes.net.

- Installing solar hot water heaters in areas of high solar radiation such as the Nelson/Marlborough and Canterbury regions.
- Installing wind turbines in areas of high wind energy, including Maiti/Somes Island and Palmerston North.
- Implementing recommendations from audits of DOC buildings to reduce energy use in these buildings.
- Continuing to install insulation in houses in cold areas and on islands.
- Minimising waste to landfill through resource reduction, re-use and recycling.
- Improving water efficiency through greater collection and re-use of rainwater, and adopting water-saving technologies.
- Strengthening partnerships with other government agencies and businesses to deliver sustainable business outcomes.
- Ensuring that DOC's facilities and equipment are consistent with New Zealand's brand; that is, DOC demonstrates best practice in relation to energy efficiency and recycling/waste management.
- Ongoing implementation of Envirostep action plans by DOC offices.¹⁴

Measuring the changes

The baseline for our overall monitored energy programme use in DOC was established in 2006–2007 for all energy sources, except for diesel, which is based on the 2007–2008 results. DOC's goal is to achieve a 15% reduction on this baseline by the end of 2011–2012.

For the period from 2007–2008 to 2009–2010 there was, however, a 17% increase in diesel usage. This means that

DOC's overall energy use has increased by 0.7% against the 2006–2007 baseline.

For the period to 30 June 2010, DOC had achieved reductions against the baseline in individual categories of energy use as set out below:

- 6% reduction in electricity use.
- 39% reduction in petrol.
- 18% reduction in domestic air travel.
- 4% reduction in international air travel.
- 57% reduction in fuel oil.

There is a range of possible reasons for the 17% diesel increase, including moving away from petrol vehicles to more fuel-efficient diesel vehicles and switching from air travel to vehicle travel. Further work is being carried out to identify the reasons for the diesel increase and how our usage can be reduced.

5.7

Procurement strategy

During 2010–2011, DOC established a national procurement team to help meet the Government's requirements for procurement, and to achieve the best possible value for money from the goods and services it buys.

The team is focusing on building procurement capability in DOC and establishing a coordinated programme to deliver the most promising savings opportunities. This includes transitioning to all-of-government contracts where these will deliver significant savings. This work considers procurement in the context of the overall capability that DOC requires to work towards its outcome and intermediate outcomes.

¹⁴ Envirostep is a joint government and business initiative that provides a free entry-level, web-based management tool to help small to medium-sized businesses manage their environmental impact through assessment, reporting and action plans. For more information see www.eco-verification.med.govt.nz/envirostep/Home/About.

6.

Departmental capital and asset management intentions

6.1

Asset management capability

This section outlines the work DOC is doing to strengthen its asset management. This is undertaken in the context of the Government's Capital Asset Management (CAM) initiative.

DOC's revised Asset Management Strategy was approved in October 2010. It clarifies accountabilities and sets the preferred approach for achieving enhanced asset management.

The initial focus is on the highly critical Visitor Assets class in order to prove the benefits of enhanced asset management. The objective is to promote a shift in asset management capability from 'core' to 'moderate' for this asset class by producing a multi-year Asset Management Plan.

The Asset Management Plan will collectively address all nine attributes of CAM in one place.¹⁵ It will be significantly informed by the Destination Management Framework, which supports DOC's work towards the recreation intermediate outcome (see section 3.3). Once the benefits of such a plan are proven, other critical asset classes could be considered for enhancement.

6.2

Performance of physical assets

CAM has four predefined, non-financial performance measures: availability, utilisation, functionality and condition. A high-level assessment of these measures was made in 2010–2011 in relation to DOC's two most critical assets—the Public Conservation Estate (asset

class: Land) and Visitor Assets (asset class: Specified cultural and heritage).

The Public Conservation Estate assets have been classified on the basis of their relative value for delivering biodiversity. All but the most threatened categories of land are judged to be available for their intended purpose and moderately well utilised for providing a range of ecosystem services.

'Acutely threatened', 'chronically threatened' and 'critically under-protected' classes are fragile in nature and are therefore in 'very poor' or 'poor' condition, with 'unfit' or 'partial' functionality. Active pest management focused in these areas will improve standards over time. The balance of classes has 'average' condition and 'moderate' functionality. As they are not being actively managed this deteriorates over time.

The condition and functionality of asset groups for Visitor Assets are considered to be 'average' and 'moderate' respectively by CAM standards, and are predicted to decline to 'poor' over the next 10 years. For the majority of the assets, their availability and utilisation is considered to be 70–80% currently, but this will also decline as they will not meet the needs of the population in the medium-term future. The Destination Management Framework and resulting Asset Management Plan will assist in addressing these issues.

The standard indicators for the intermediate outcomes provide further measures for the performance of physical assets. The most relevant are the indicators for intermediate outcome 1, which relates to the Public Conservation Estate asset group (see section 3.1); and the indicators for intermediate outcome 3, which relate to the Visitor Assets group (see section 3.3).

6.3

Capital expenditure intentions

The forecast period represented in Tables 9–11 is for the years 2011–2012 through to 2013–2014 (Crown and departmental assets combined). The data are from DOC's October 2010 annual capital intentions report to The Treasury as part of the CAM initiative.

¹⁵ These attributes are planning assumptions and confidence levels; managing growth; description of assets; levels of service of assets; optimised decision-making; financial forecasts; risk management; preliminary strategic choices; and organisational commitment.

TABLE 9. FORECAST CAPITAL EXPENDITURE.

Asset class	FORECAST (\$m)		
	2011–2012	2012–2013	2013–2014
Computer hardware	0.8	0.3	0.2
Computer software	5.6	3.6	3.6
Infrastructure assets	2.0	3.1	2.6
Land	1.0	1.5	2.7
Motor vehicles	3.9	3.9	3.9
Non-residential buildings	1.2	2.7	3.1
Plant and equipment	2.9	3.6	4.6
Residential buildings	0.1	0.2	0.2
Specified cultural and heritage	31.4	31.4	31.4
Vessels	0.2	0.3	0.2
Total capital intentions	49.1	50.6	52.5

TABLE 10. FORECAST DEPRECIATION EXPENDITURE.

FORECAST (\$m)		
2011–2012	2012–2013	2013–2014
27.6	27.7	27.8

TABLE 11. FORECAST ASSET-RELATED OPERATING EXPENDITURE.

FORECAST (\$m)		
2011–2012	2012–2013	2013–2014
141.5	141.5	141.7

