

# Auditor-General's overview

## Department of Conservation: Prioritising and partnering to manage biodiversity.

This year, my Office is directing its attention quite specifically to the future. My staff will be carrying out a range of work under the theme of *Our future needs – is the public sector ready?* The focus is on how public entities prioritise work, develop necessary capabilities and skills, and use information to identify and address future needs.

This report is one of the first from this range of work. In it, we set out the findings of a performance audit that examined how well the Department of Conservation (DOC) is prioritising work, and working in partnership with other agencies and groups to manage biodiversity. It focuses on the changes that DOC is carrying out and what is needed for success in the future.

## Biodiversity – why is it important?

New Zealand is home to an exceptionally high number of indigenous species and many of them are endemic to their country – they are not found anywhere else in the world. New Zealand's lands and waterways are also internationally renowned and attract many tourists. Visitors and New Zealanders alike benefit from our natural advantages in many ways.

The Government's business growth agenda goals of economic prosperity and well-being are underpinned by the health of New Zealand's ecosystems and the "services" they provide – for which the state of biodiversity is a major indicator.

Biodiversity is important to food security, medicines, fresh air and water, and a clean and healthy environment. Biodiversity provides a wide range of important "ecosystem services" that many people are not aware of, including soil retention, water purification, improving water yield from catchments, managing carbon, and hazard reduction (such as the role wetlands play in reducing the severity of floods).

## Managing biodiversity – the big challenge

DOC is recognised for its leading conservation methods and practices, but it is not winning the battle against the threats to New Zealand's indigenous species and the habitats they live in. Recent reports show that, at best, efforts to date are merely slowing the decline of biodiversity in New Zealand, which is a cause for concern.

DOC has a difficult and complicated task in managing biodiversity. The task crosses geographical boundaries – between private and public land and waterways – and organisational boundaries at various levels of government and outside government. Ecosystems and the species within them have no regard for boundaries between public and privately owned environments or how central and local government are organised.

DOC is responsible for managing biodiversity on conservation land and waterways. Outside the conservation estate, DOC provides support, advice, and funding to others who lead biodiversity management on private land. DOC's ability to effectively

work with others in protecting indigenous biodiversity is highly dependent on its ability to engage willing partners in a variety of collaborative arrangements.

## **Changing to prioritise and partner more**

The job of managing biodiversity on conservation land is far greater than the resources available.

In 2012/13, DOC will spend about \$202 million on managing biodiversity. With the resources it has, DOC is able to actively manage only a small proportion (about one-eighth) of New Zealand's conservation land and about 200 of the 2800 threatened species.

DOC's tactic of prioritising its work and looking to other partners, community groups, and commercial enterprises for resources is logical, given the size of the responsibility and DOC's funding constraints.

## **Gathering and using information to set priorities**

DOC is aware that some aspects of the way it has worked in the past need to improve and that it needs to be more targeted in how it works. DOC has invested time and resources to put in place better ways to use the information it gathers on biodiversity and prioritise how it targets its resources to best effect.

DOC has more work to do in gathering information on biodiversity to inform its work, although it has made progress. As this information accumulates over time, its value will grow. In our view, DOC needs to make a long-term commitment to collecting this information so it can form a view of biodiversity health, monitor changes over time, and gain a better understanding of how effective its programmes are.

We heard and saw a lot of different perspectives on DOC's new structure, prioritisation tools, and increasing emphasis on establishing partnerships. The new prioritisation tools are viewed by some as one of the most important changes to conservation management since DOC was created, having long-term effects across New Zealand. The decisions made by DOC using its new prioritisation tools will have long-term effects and are therefore critical.

There are concerns about how the prioritisation tools will affect existing partnerships as implementation takes place and whether DOC's staff will be equipped to manage any resulting tensions successfully. The potential tension between DOC stopping work on some historical projects that are not ranked as a priority while it attempts to increase the proportion of resources for managing biodiversity from existing and new partners is a risk that needs to be actively managed.

## **Working with others in a more co-ordinated and integrated way**

Although there has been a lack of strategic collaboration between government agencies to tackle threats to biodiversity, we found signs of potential improvement. For example, a central government sector group is emphasising the need to integrate DOC's work on conservation land with neighbouring local authorities. Recently, DOC has been setting in place working agreements with some local authorities and for specific ecosystems to improve biodiversity management. This is encouraging and important for increasing the effectiveness of scarce resources.

DOC's regional conservation strategies have been out of date for some time. They need to be updated and then implemented to provide more clarity about how DOC intends to work with others in the regions and with communities. Local authorities have said that they want DOC to take a longer-term view of how it works with them on joint projects, to ensure that progress on biodiversity management is maintained over time.

In the regions, my staff found examples of DOC working well in collaboration with others to manage biodiversity, and examples of where improvements are needed. In my view, DOC could usefully provide more support and guidance to improve the effectiveness of collaboration initiatives in the regions, especially given its increased emphasis on working in partnerships to manage biodiversity. My staff did not find an integrated, strategic framework that the examples of regional partnerships fitted into. Such a framework is needed.

### **Staff are vital to future success**

Almost everyone my staff talked to emphasised that DOC's main strength is its people, especially specialist staff out in the field in the regions. DOC has a valuable asset to take its mandate forward. DOC needs to ensure that its staff have the support and capabilities required to succeed in their new roles because they will be establishing more partnerships while implementing new prioritisation tools. DOC needs to take others along with it, in managing biodiversity and in forming more partnerships. DOC's staff will be critical to its success.

As I noted earlier, efforts to manage biodiversity have, at best, resulted in merely slowing its decline. It is not my role to comment on the priorities that our nation chooses, but as Auditor-General I can consider whether public entities are achieving their desired outcomes. Given the current circumstances, DOC's goal to maintain and restore indigenous biodiversity is ambitious and DOC and its partners are challenged by it. Given the importance of biodiversity to our future, these challenges are real for DOC, its partners, and all New Zealanders.



Lyn Provost  
Controller and Auditor-General

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