

# pce

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## **STATEMENT OF INTENT**

### **2008–2013**



PARLIAMENTARY COMMISSIONER FOR THE ENVIRONMENT  
Te Kaitiaki Taiao a Te Whare Pāremata

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

**The Speaker of the House of Representatives is the Responsible Minister for the Parliamentary Commissioner for the Environment.**

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## Commissioner's introduction

I recently completed my first year as Commissioner and have found myself both overwhelmed and excited by the challenges and potential. Meetings with a range of environmental experts and researchers throughout New Zealand have been enormously useful in clarifying where my staff and I may be able to help find solutions to complex environmental problems.

Their input has helped shape this strategic plan and statement of intent. I am grateful for the generosity with which people share their knowledge and insights with us. I am also grateful for the thoughtful work that my staff, both past and current, have put into our planning.

As an Officer of Parliament, I am very aware of the necessity to retain independence and the unique opportunity this gives to assist parliamentarians in their understanding and consideration of environmental issues. In our planning we have placed a high priority on this work.

In the years ahead, my staff and I look forward to meeting with many more people and organisations around the country, and together developing and testing ideas on how we might maintain and improve our special environment.

Dr Jan Wright  
Parliamentary Commissioner for the Environment

## About the Parliamentary Commissioner for the Environment

The Environment Act 1986 establishes the Parliamentary Commissioner for the Environment as an Officer of Parliament and lays out the Commissioner's functions and powers. The Commissioner is appointed for a five-year term by the Governor-General on the recommendation of the House of Representatives.

As an Officer of Parliament, the Commissioner is independent of the Executive Government. The Commissioner has power to obtain information from any person, but must not release this information except for purposes connected with the administration of the Environment Act or the carrying out of the provisions of the Act. The Commissioner does not have the power to make any binding rulings and is unable to reverse decisions made by public authorities or the Courts. The Commissioner engages with Parliament, Ministers of the Crown and public authorities to encourage them to respond to her advice.

The independence, quality, and timing of the Commissioner's advice are critical to its uptake and effectiveness.

## Key roles of the Commissioner

The functions of the Commissioner are given in section 16 of the Environment Act 1986. They are to:

- review the system of agencies and processes established by the government to manage the allocation, use, and preservation of natural and physical resources, and report to the House of Representatives
- investigate the effectiveness of environmental planning and environmental management carried out by public authorities, and advise them on remedial action
- investigate any matter where the environment may be or has been adversely affected, advise on preventive measures or remedial action, and report to the House of Representatives
- at the request of the House of Representatives or any select committee, report on any petition, bill, or other matter which may have a significant effect on the environment
- on the direction of the House of Representatives, inquire into any matter that has had or may have a substantial and damaging effect on the environment and report to the House
- undertake and encourage the collection and dissemination of information relating to the environment
- encourage preventive measures and remedial actions for the protection of the environment.

## Our mission

*To maintain or improve the quality of the environment by providing robust independent advice that influences decisions*

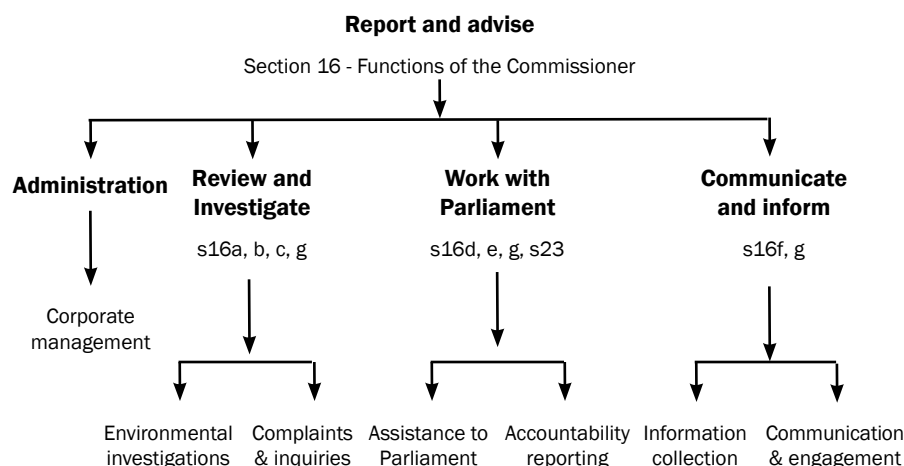
The goal of the Commissioner and her staff is to contribute toward the maintenance and improvement of the natural and physical environment. Many agencies and individuals share this goal. It is the way in which we seek to achieve this goal that defines our mission; that is, through influencing decisions.

The Commissioner's role as an Officer of Parliament gives us a unique opportunity to provide Parliament with independent advice in its consideration of any matters that may impact on the quality of the environment. Members of Parliament are the primary group of decision makers we aim to influence.

## Our values

Excellence	The questions we raise and the solutions we propose are based on sound science and reasoned argument. We are accountable to the people of New Zealand and deliver value for the funding we receive.
Determination	We bravely and constructively question the status quo. We persist in communicating the results of our work in different ways to maximise its usefulness.
Generosity of spirit	We work together in an open collegial way, sharing our expertise, listening carefully and not rushing to judgement. We actively acknowledge decisions and actions that benefit the environment.
Innovation	Our independence empowers us to think freely and creatively. We strive to get beyond describing problems to proposing solutions.
Effectiveness	Others trust and respond to our advice. Our work has a lasting and tangible impact on the New Zealand environment.

**Figure 1: Business structure for output class: reports and advice, based on PCE's legal mandate**



## What we do

Our business model has been designed to align with the statutory functions of the Commissioner. The alignment is shown in Figure 1 above.

The Commissioner is required to deliver one output, Reports and Advice. This output is produced through four activities.

The first activity — Administration — provides the support necessary for the other three activities. These three activities are derived directly from the functions of the Commissioner given in s16 of the Environment Act 1986.

### Review and Investigate

The second activity — Review and Investigate — encompasses the functions in s16 (a), (b) and (c). We undertake two kinds of reviews and investigations — *Environmental investigations* and *Complaints and inquiries*.

*Environmental investigations* are projects initiated within the office in response to a perceived need. These investigations contain recommendations from the Commissioner and are tabled in Parliament.

Under the Electricity Act, the Commissioner is required to assess the environmental performance of the Electricity Commission every year. The selection of other investigations requires careful prioritisation.

We use several criteria for choosing among the many potential investigations we might undertake. We are most concerned about environmental impacts where they are irreversible, significant in scale, accelerating and cumulative. Then we design and prioritise projects based on considerations that include timeliness, capability and whether we can add value.

*Complaints and inquiries* are initiated externally by concerned citizens and groups. This ‘Environmental Ombudsman’ function has diminished over the years as other avenues for addressing environmental concerns have opened up. It remains, however, an important part of our work.

### **Work with Parliament**

The third activity – Work with Parliament – also has two components: *Assistance to Parliament* and *Accountability reporting*.

*Assistance to Parliament* encompasses the functions in s16 (d) and (e), and primarily involves providing advice to select committees. This activity is our highest work priority, which is appropriate because the Commissioner is an Officer of Parliament. Legislation that is not explicitly targeted at dealing with environmental issues can have long-lived and far-reaching environmental impacts, and so we value highly the opportunity to advise Members of Parliament.

The bills or inquiries being considered by select committees are obviously not within our control. We monitor policy development and track proposed legislation so that we are ready to make a useful contribution at the right time.

*Accountability reporting* involves all the statutory reporting required under s23 and other legislation. We are accountable to Parliament through the Officers of Parliament Committee.

### **Communicate and Inform**

The fourth activity – Communicate and Inform – is based on the function in s16 (f), and again has two components.

The first – *Information collection* – includes both the support provided to the research team and the monitoring of environmental issues. The second – *Communication and engagement* – includes engagement with stakeholders other than Parliament, presentation of the results of investigations, the dissemination of information relating to the environment, and interaction with the media.

### **Encourage**

The last function of the Commissioner, s16 (g), is shown in Figure 1 as present in all our productive activities. We encourage preventive measures and remedial actions for the protection of the environment, through reviewing and investigating, through working with Parliament, and through communicating and informing.

## **Our environment**

Assessing the state of our natural environment is a huge challenge. It is impossible to put environmental issues into tidy boxes because everything is connected to everything else.

In 2008, the Ministry for the Environment released its second report on the state of our environment, *Environment New Zealand 2007*. We recognise the immense effort from many New Zealanders that contributed to this report. Assessing the state of our environment is far from trivial. The choice of 'measuring sticks' (indicators) is challenging. Moreover, there are many different ways of presenting the same data.

In this section, there is no need for us to summarise or supplement the Ministry's work. Rather we present very brief descriptions of environmental issues and impacts, and show the links to our work programme.

### **Air quality**

Air quality in New Zealand is relatively good, despite incidents of quite high concentrations of air pollution — notably in some urban areas with high traffic density and where open fires or wood burners are used for heating. As an island nation with a low population density, our comparative isolation means we have little contact with overseas sources of pollution.

There is some concern that clean air standards are a driver of the electrification of space heating, and therefore add significantly to peak electricity supply challenges. This will be considered in our work on residential energy demand.

### **Biodiversity**

Our unique biodiversity sustains important ecosystems, provides valuable ecosystem services, and is closely linked to natural landscapes and our national identity. The habitat range of six key indicator bird and plant species has declined by an average of 40 percent in the past 30 years (*Environment New Zealand 2007*).

We will continue to monitor biodiversity and biosecurity policy and look for opportunities to assist Parliament in its consideration of relevant legislation.

In our medium-term work programme, we will investigate whether a review of the development of conservation priorities could be of value.

### **Cities and urban environments**

The way we plan our cities is under pressure. Traffic congestion and urban sprawl are particular concerns. The establishment of the Royal Commission on Auckland Governance signals the strength of the concern, and problems are increasing in other cities like Tauranga, Queenstown and Christchurch.

Environmental effects on the increase are carbon dioxide emissions, deteriorating local air quality, the loss of valuable productive soils, storm water contamination and water shortages.



Urban form is a key work area for the office. We aim to share learnt lessons about the barriers to densification, and how low-energy urban form might be incentivised. This will inevitably link in with work on environmental governance.

### **Climate change**

New Zealand's emissions of greenhouse gases have grown by 25 percent since the 1990 Kyoto base year. Although our contribution to global emissions of greenhouse gases is very small, collective action is essential for reducing the risk and extent of human-induced climate change.

The proposed Emissions Trading Scheme is an extremely important initiative. Its basis is domestic collective action — “I will if you will” — through the pioneering inclusion of all sectors of the economy and all greenhouse gases. In 2007-08, we were invited by the Finance and Expenditure Committee to act as an adviser on the enabling legislation. We will use this experience to maintain an involvement in the implementation of the scheme, should it be established.

Most of our planned projects and priority areas of interest are connected in some way with climate change. The connection with energy projects is obvious. It is less obvious that methods to reduce nitrate contamination of fresh water also reduce emissions of the greenhouse gas nitric oxide.

### **Coasts and oceans**

The ocean environment is a large, complex system with many overlapping and conflicting interests, agencies, processes and legislation. There are ongoing tensions between the legislative responsibilities of various agencies, and a growing realisation of the impact that land-based activities are having on coastal waters, fishing stocks and amenity.

We understand that amendments to legislation governing the management of fisheries and the Exclusive Economic Zone may proceed, and will be alert for the opportunity to assist Parliament in this area. Otherwise, we will continue to monitor developments.

### **Land use and water management**

Land use changes are driven mainly by economics and have very direct impacts on landscapes, water quality and water availability. A shift to more integrated approaches to land and water management has taken place at a regional level.

The protection of iconic landscapes in the South Island high country is a major theme of our 2008 report on Tenure Review. This may lead to further work.

Our water quality is good in many places and a large proportion of our water resources are free of land-use stresses. However, we are facing increasing pressures on our water resources from more intensive land use. The rapidity and scale of dairy farm conversions has led to a polarised urban-rural water debate, particularly in Canterbury.

Environment New Zealand 2007 shows clearly that there has been significant progress in reducing point-source pollution, with a marked decline in phosphorus concentrations in rivers. Non-point-sources, such as diffuse run-off from pasture and from paved surfaces in urban areas, are a greater challenge.

Although New Zealand is comparatively water-rich, we do not always have water where and when we want it; there are scarcity problems in some areas and at some times. Climate change models consistently predict that the dry regions of our country will become drier. We expect that allocation through water pricing will become increasingly acceptable.

We will begin work on water allocation and water quality in 2008-09, and expect this to be ongoing.

## **Waste**

The management and environmental performance of both landfills and waste-water treatment plants has also improved significantly over the last decade. Good progress is also occurring in community recycling and 'green waste' schemes.

However, less progress has been made in diverting commercial waste from landfills, improving the management of clean-fills, and identifying and managing contaminated sites.

In 2006-07 and 2007-08, we acted as an adviser to the Local Government and Environment Committee on the Waste Minimisation Bill, and developed capacity in this area. We will take an interest in the effectiveness of this legislation and may initiate some further work.

In mid 2008, we will release a report on the remediation of the contaminated site at Mapua. That report does not contain our complete review because of the need to wait for the site auditor's report. On receipt of the auditor's report, we will complete our review and release a second report on the Mapua site.

## Work programme

### Review and Investigate

#### Environmental investigations

Environmental investigations are currently grouped into five workstreams: Environmental governance, Energy, Freshwater and land uses, Urban form, and Climate change. Projects are located within workstreams. New workstreams may be added in response to monitoring environmental developments and re-evaluation of priorities.

Researchers work mainly within one workstream building up knowledge, while bringing their expertise and experience to projects in other workstreams.

Table 1 shows the environmental investigations planned for 2008-09 and the potential areas for consideration in 2009-2013.

Environmental investigations must be managed flexibly for two reasons. First, their timing is not as critical as that of, say, assistance to select committees where timing is key to effectiveness. Second, the response to one report may generate the need for a related project.

There is, of course, one review that must be done each year – the annual assessment of the environmental performance of the Electricity Commission, required under s172ZP of the Electricity Act 1992.

An investigation may occasionally be triggered by an employee of an external organisation making a protected disclosure ('whistle-blowing') about environmental wrongdoing to the Commissioner. The Commissioner is an 'appropriate authority' under the Public Disclosures Act 2000.

Complaints and inquiries form a small part of the work programme. The office receives a steady stream of letters and phone calls from members of the public. Most these are complaints about how local authorities are managing specific environmental matters under the Resource Management Act. Our aim is to respond quickly, often directing the complainant to a more appropriate authority. However, the potential exists for our investigation of some of these complaints to become major reviews.

**Table 1: Environmental investigations planned for 2008-09 and potential areas for consideration in 2009-13**

<b>Environmental governance</b>	
2008-09	Remediation of Mapua contaminated site – 2nd report Regional variation in implementation of the RMA
2009-13	Cumulative effects under the RMA Responsibilities for environmental governance in New Zealand Review of conservation priorities Eco-labelling and verification
<b>Energy</b>	
2008-09	Annual assessment of the Electricity Commission International experience with smart meters Tariff structures for incentivising demand management Residential energy demand
2009-13	Annual assessments of the Electricity Commission Environmental aspects of the electricity market structure Use of natural gas
<b>Freshwater and land uses</b>	
2008-09	Management of water scarcity and quality
2009-13	Management of water scarcity and quality Water capture and storage Impact of different land uses on water quality
<b>Urban form</b>	
2008-09	Barriers to increasing urban population density
2009-13	Incentivising low energy urban form Road pricing and transport funding
<b>Climate change</b>	
2008-09	Conversion of lignite to transport fuel
2009-13	Implementation of the Emissions Trading Scheme Future transport fuels

## Work with Parliament

Our *Assistance to Parliament* is governed by a Code of Practice developed through the Officers of Parliament Committee and updated in August 2007.

This part of our work programme is necessarily largely reactive. An opportunity to assist select committees arises when a bill or inquiry could lead to significant environmental impacts, positive or negative. In 2007-08, we have assisted four select committees – Finance and Expenditure, Local Government and Environment, Commerce, and Primary Production.

Some important environmental areas are not listed in Table 1, such as marine biodiversity and fisheries management. We expect to undertake work in such areas when an opportunity arises to assist Parliament with a relevant bill or inquiry.

Another way in which we assist Parliament is through briefings to select committees or by open invitation to members of Parliament. Such a briefing will always be offered when an investigation is complete and the report has been tabled in the House.

*Accountability Reporting* is the second part of our work programme focused on Parliament. The annual preparation of our Statement of Intent and Annual Report focus us on developing our work programme and reporting on our achievements.

## Communicate and Inform

*Information collection* is partly the collection of resources to support projects and advice in the work programme. But it also encompasses active monitoring of environmental issues, which both develops the capability of the staff and feeds back into project selection and design.

While all staff have some information collection responsibility, the Commissioner has also developed a new position called 'environment adviser' to scan and monitor developments in the policy and environment world. Such developments could be bills soon to reach the select committee stage, policy under development and international and national environmental science news. The ability of the office to prepare for and respond to such developments is vital to our effectiveness.

*Communication and engagement* is the two-way exchange of information, insights and views that takes place between us and stakeholders other than members of Parliament. We place a high priority on getting out of the office and interacting with people and organisations whose work affects the environment.

## Measuring our performance and managing risks

The Public Finance Act 1989 requires that we measure our performance along three dimensions:

- impact
- cost-effectiveness
- organisational health.

It also requires that we effectively manage our functions and operations within a changeable operating environment such as by identifying risks to our business.

To do this, we have set three objectives against which to assess our performance and frame our risk management. Each can be mapped to one of the required dimensions of performance, although there is some overlap. For example, aspects of organisational health are contained in all three objectives.

- We are influential Impact
- We deliver value for money Cost-effectiveness
- We are known as a great place to work Organisational health

Measuring our performance against these objectives is challenging. For example, the impact we seek to make is one of influence, as expressed in our mission statement.

First, establishing direct causal links between our advice and decisions that are taken is often not possible. Second, the Commissioner will sometimes make recommendations that are clearly unlikely to be taken up. However, such recommendations can be very valuable because they change the nature of the debate and may have an impact on decisions in the long term.

We have chosen some indirect indicators to measure our performance against the three objectives. These critical success factors are measures of internal strategies, systems, processes and capability. If these factors are high quality, they will logically support the attainment of our performance objectives.

For example, relationship management is essential for being influential. Therefore, a best-practice relationship management strategy, and active recruitment and training of staff in communication and negotiation skills will lead to increasing influence.

***We are influential***

Outcome evaluations will be undertaken for major reports.

The adoption of recommendations from the Commissioner in advice to select committees and in reports will be measured. Quantitative targets for peer review and timeliness have been set.

The value of our advice to Parliament will be assessed by surveying members of relevant select committees.

If we are to be influential, our reports and advice must be of high quality, be timely and communicated in a compelling way. The critical success factors underpinning our ability to be influential are as follows.

Staff need to have skills in:

- research and analysis
- project management
- relationship management
- written and verbal communication.

The necessary internal procedures are:

- project management
- quality assurance
- external peer review and expert assistance
- monitoring and scanning environment and policy development
- relationship management
- office culture support.

Two corporate plans to implement the critical success factors into the business are under development.

The Capability Plan will cover the development of staff skills, knowledge and experience, systems and knowledge sources. The Internal Procedures manual will cover the internal procedures that will support the production and dissemination of reports and advice. These documents should be complete, implemented, meet best practice, and be regularly reviewed and updated. They will be externally reviewed over time.

**Table 2: Performance measures and targets for assessing impact**

Measure	Target
Evaluate outcomes from projects	100% for major projects
Proportion of recommendations adopted	60% rising to 70% over next two years
Advice to Parliament delivered within the agreed timeframes	100%
Two yearly survey of MPs on quality of advice: Was the Commissioner's advice easy to understand? Was the Commissioner's advice useful to your considerations? Did the Commissioner's advice influence your views?	70% positive response on returned surveys
Internal peer review	100% of all reports, briefings and letters
External peer review	100% for major projects
All types of queries given an initial response within 10 working days	100%
Capability and Internal Processes Plans in place	December 2008
Capability Plan externally reviewed and improved	June 2009
Project management procedures externally reviewed and improved	December 2009
Internal Procedures manual externally reviewed and improved	June 2010

***We deliver value for money***

Underpinning good value for money is whether our internal procedures and overheads are best practice in terms of efficiency. To measure this for 2008/09 we propose to carry out a benchmarking exercise of outputs versus overheads, then improve our efficiency in the subsequent two years.

Other performance measures that reflect whether we deliver value for money are:

- 100 percent supplier contracts in accordance with procurement policy
- 99 percent 'uptime' for IT systems.

**Table 3: Performance measures and targets for assessing value for money**

Measure	Target
Benchmark of outputs to overheads and then increase ratio over next two years	2008/09 Benchmark then increase each year for two years.
% of supplier contracts consistent with procurement policy	100%
'Uptime' for IT systems	99%



***We are known as a great place to work***

Capability is clearly key to our effectiveness and, in a tight labour market, loss of capability is a major risk. Therefore we want to be known as a great place to work to both attract and retain excellent staff.

A key performance measure for this objective is staff turnover.

Beyond turnover, a 'great place to work' has several dimensions for staff.

The satisfaction that comes from producing high quality reports and advice and experiencing a positive response will develop if we are achieving our mission.

Performance management and upskilling through training will be measured. The Capability Plan to be developed to assist with achieving our impact objective obviously underpins the achievement of this objective.

Job satisfaction for staff will also require:

- clear direction from managers
- a collegial professional culture
- a physical environment and systems that support our values.

In 2009/10, we will undertake a staff engagement survey to assess how well management has communicated the office's direction for staff and how well office processes and physical assets support the culture.

**Table 4: Performance measures and targets for assessing whether the office is a great place to work**

Measure	Target
Annual unplanned staff turnover	Equal or better than public service average as reported by the State Services in their most recent "Human Resource Capability Survey of Public Service Departments"
Performance management plans in place and annual performance reviews undertaken	100%
Personal development plans in place and uptake of budgeted training and development activities	100%
Staff engagement survey	Undertaken in 2009/10 with a 75% overall positive response

## **General information**

### **Location of Office**

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