



Report of the

**Parliamentary Commissioner
for the Environment**

**Te Kaitiaki Taiao a
Te Whare Pāremata**

for the year ended
30 June 2002

*Presented to the House of Representatives pursuant to Section 23 of the
Environment Act 1986.*



Office of the
PARLIAMENTARY COMMISSIONER FOR THE ENVIRONMENT
Te Kaitiaki Taiao a Te Whare Pāremata

Rt Hon Jonathan Hunt
Speaker of the House of Representatives
Parliament Buildings
WELLINGTON

Mr Speaker

I have the honour to submit, pursuant to section 23 of the Environment Act 1986 and section 39 of the Public Finance Act 1989, the annual report and financial statements of the Parliamentary Commissioner for the Environment for the year ended 30 June 2002.

Yours faithfully

A handwritten signature in black ink, reading "J Morgan Williams".

Dr J Morgan Williams
Parliamentary Commissioner for the Environment

Contents	Page
<i>Directory</i>	5
<i>Role and purpose</i>	6
<i>Outcomes</i>	6
<i>Commissioner's preface</i>	7
- Tangata whenua and environmental management	11
<i>National systems issues investigations</i>	12
♦ Weaving resilience into our working lands: summary of submissions	12
♦ Weaving resilience into our working lands: recommendations for the future roles of native plants	12
♦ He rangahau ki te aria ko te Tiriti te putake e whakatuturutia ai nga tikanga mo te taiao. Exploring the concept of a Treaty based environmental audit framework.	13
♦ Creating our future: sustainable development for New Zealand	14
<i>Environmental management audits</i>	17
♦ Electricity audit framework	17
<i>Environmental management initiatives</i>	18
♦ Showing the way: Curitiba: citizen city	18
<i>Assistance to select committees</i>	20
♦ Scrutinising annual reports and estimates	20
♦ Asbestos in Manukau City – Manakau City Council response	20
♦ Role of local government in climate change	21
♦ Local Government Bill	22
<i>Citizens' concerns investigations</i>	23
♦ Boggy patch or ecological heritage? Valuing wetlands in Tasman	23
♦ Nelson City Council planning for environment affected by venture tourism proposal	24
♦ Other concerns investigated	25
♦ Investigations under action	26
<i>Information dissemination</i>	27
♦ Provision of reports and information	30
♦ Presentations – communication of advice	30

<i>Outcome evaluations</i>	31
♦ The cities and their people	31
♦ Getting more from less	34
♦ Citizens' concerns outcome evaluations	36
♦ Matamata-Piako poultry odour	36
♦ The management of CO ₂ emissions in the Taranaki region	37
♦ The management of urban vegetation in North Shore City	37
 <i>Financial statements for the year ended 30 June 2002</i>	 39
♦ Statement of responsibility	39
♦ Report of the Audit Office	40
♦ Statement of objectives and service performance	42
♦ Statement of accounting policies	45
♦ Statement of financial performance	48
♦ Statement of movement in taxpayers' funds	49
♦ Statement of financial position	50
♦ Statement of cash flows	51
♦ Reconciliation of net surplus to net cash flow from operating activities	52
♦ Statement of commitments	53
♦ Statement of contingent liabilities	53
♦ Statement of unappropriated expenditure	53
♦ Statement of departmental expenditure and annual appropriations	54
♦ Notes to the financial statements	55
♦ Statement of financial performance objectives	60
 <i>Office organisation and management</i>	 61
♦ Legal responsibilities	61
♦ Management and structure	61
♦ Operational effectiveness	62
♦ Employment policy	63
♦ Access and promotion	63
♦ Publications and papers	64
♦ Presentations	64
 <i>Triple bottom line reporting</i>	 69
♦ Introduction	69
♦ Carbon footprint	69
♦ Electricity consumption	70
♦ Staff travel	71
♦ Paper consumption	71
♦ Paper waste	72
♦ Web site statistics	72
♦ Wellness	72
♦ Employment policy	73
♦ Where to from here?	73

Directory

Physical address

Office of the Parliamentary Commissioner
for the Environment
Level 11
Reserve Bank Building
No. 2 The Terrace
Wellington

Postal address

PO Box 10-241
Wellington

Electronic addresses

pce@pce.govt.nz
Website: www.pce.govt.nz

Auditor

Audit New Zealand
Wellington
On behalf of the Auditor-General

Bankers

Westpac Trust, a division of Westpac Banking Corporation

Role and purpose

The Parliamentary Commissioner for the Environment (PCE) is an Officer of Parliament appointed under section 4 of the Environment Act 1986 and has a five year term of appointment. The Environment Act establishes the office of the Parliamentary Commissioner for the Environment and details the Commissioner's powers and functions.

The purpose of the Parliamentary Commissioner for the Environment is to provide an independent check on the capability of the New Zealand system of environmental management and the performance of public authorities in maintaining and improving the quality of the environment.

Outcomes

Parliament and the public will be confident that the advice provided by the Commissioner will lead to:

- improved public authority accountability for decisions affecting the environment
- improved public authority environmental management
- improved capability of the New Zealand system for environmental management to deliver sound decisions
- improved quality of the environment in New Zealand.

Commissioner's preface

During 2001/2002 our studies built very strongly on work of the previous two years and in particular focussed on progress with advancement of environmental sustainability. My major study was a review of New Zealand's progress on sustainable development since the United Nations Conference on Environment and Development in 1992. Other investigations examining elements of sustainability included the role of native plants on private lands, the management of wetlands in the Tasman District Council region, an exploration of a Treaty based environmental audit framework and urban sustainability via a study tour to Curitiba, a Brazilian city that has earned global recognition for its sustainable development thinking and action.

This year's work has highlighted that while New Zealand has many of the building blocks to be sustainable, 10 years after implementing the Resource Management Act 1991 (RMA) and signing up to Agenda 21, we are still struggling to think, design and turn sustainable development into a reality at national level.

Six 'sustainability dimensions' that present challenges and opportunities for New Zealand are:

1. The need to move beyond 'environmentalism', which has been the dominant paradigm of resource management over the last 40 years. Environmentalism is primarily a response to the need to protect nature and people from the ravages of human activities, while sustainability is a movement towards redesigning the ways we meet societies' needs and wants within the environment's capacity to do so. Most of our current legislation is focused on managing environmental effects. This has been a necessary phase but one we must now look beyond if we are to meet the broad challenges of sustainable development. To do so will involve ongoing legislative changes, but more importantly the development of policies, economic instruments and other tools that incentivise efficient use of resources and connect environmental, social and economic strategies.
2. In my review of sustainable development in NZ since 1992 it was pleasing to report that in the last three years there have been a number of strategies developed, that are potential contributors to sustainable development. However, a notable weakness of these strategies is how few of them are interlinked with others where there are opportunities to advance sustainability. Advancing sustainable development necessitates

an integrated systems approach to the way we do things. Sector strategies (e.g. for energy, transport, health, tourism, etc.) are clearly desirable but they must be consciously interlinked.

The potential to make these linkages is via a national sustainable development strategy, such as has been proposed by the Government. This can be an over-arching 'glue' for all other strategies but will require ongoing effort to ensure its effectiveness.

3. Several of this year's studies revealed that while the public, local government and businesses may desire to do things in more sustainable ways, there can be significant disincentives to do so. One example that emerged from the investigation of the place of native plants on private lands showed that current taxation policies favour the planting of exotic trees over indigenous ones. Other examples are evident in the electricity sector where RMA resource consent processes focus on managing effects on the local environment, while taking less account of environmental effects at a national or international level. This has the potential to lead to more thermal electricity generation being established rather than renewable energy sources such as hydro or wind.

It is important that such impediments are identified and addressed. Major shapers of our economy and society, such as the RMA and taxation, need to be rigorously examined to determine how they can influence a change to more sustainable behaviour, investment and production. For example, further research and pilot study work on environmental taxes is needed which draws from an already rapidly growing body of international experience.

4. Becoming more sustainable, as a family, community, business or a nation, necessitates means of measuring progress, i.e. indicators. My sustainable development review identified that the failure to develop sustainable development indicators during the 1990s has made it difficult to assess progress towards implementing sustainable development. Statistics New Zealand has recently identified potential sustainability development indicators. However there is also an opportunity to develop a composite indicator such as the Genuine Progress Indicator (GPI) or the Human Development Index (HDI). The great value of composite indicators is that they provide a national sustainability measure to use alongside the dominant but narrow economic indicator, Gross Domestic Product (GDP). In

contrast to GDP, indicators such as GPI and HDI measure both environmental and social 'goods' and 'bads'. However, they deduct the bads, such as crime, pollution and depletion of non-renewable energy resources, from the goods instead of including them all in the total as GDP does.

5. My study tour to Curitiba, building on my major urban investigation in 1998, highlighted again the importance of focusing on the environmental sustainability of our cities and settlements. The success of settlements (particularly larger cities) in getting to grips with sustainability is a key to the successful development of an urbanised nation such as New Zealand. City sustainability starts with good design, which must be within a long-term planning framework. The key ingredients of the sustainability 'cake' are landuse, corridors to connect and maintaining efficient mobility. These ingredients are the building blocks to developing and maintaining a quality human habitat: safe open spaces, adequate vegetation, good air quality, low noise levels, clean waters, etc.

In comparison to cities like Curitiba, New Zealand has a limited capacity to design and develop more sustainable and habitable towns and cities. A major gap is our urban research and planning capacity (now recognised by the Foundation for Research Science and Technology (FRST)) and mechanisms for incorporating research knowledge into local government short and long term planning.

6. Finally my review of sustainable development, exploration of the concept of a Treaty based environmental audit, wetlands study and native plants study all indicated that we have many examples of people, businesses, communities and councils trying to do things in more environmentally sustainable ways. However, the many small actions will not weld into an enduring nationwide sustainability trend unless there is sound leadership at all levels of government and in all sectors of society. All leaders have to pay more attention to future needs and pressures, while better integrating the policies and actions of today. Hopefully a willingness to tackle these matters will flow from New Zealand's involvement in the World Summit on Sustainable Development (WSSD).

During the year citizens' concerns work has concentrated on an increasing number of requests to investigate the adequacy of council decision making on resource management matters. Many of the complaints have originated from smaller territorial or unitary

authorities. This reinforces my ongoing concern about the capacity of smaller councils to deal with increasingly complex environmental management matters and, in some cases, for councillors to be truly objective in their decision making.

My decision to investigate the management of wetlands by the Tasman District Council was partly motivated by my concern that councillors were failing to adequately separate their own, or ratepayers', personal development goals from their statutory responsibilities under the RMA. My investigation of such conflicts in other districts is ongoing.

As in past years I have conducted a series of evaluations of actions taken on recommendations from investigations two to three years ago. This year I have evaluated five former studies, two national systems issues: *The cities and their people: New Zealand's urban environment* and *Getting more from less: a review of progress on energy efficiency and renewable energy initiatives in New Zealand*, and three citizens' concerns: odour emissions from poultry broiler sheds in the Matamata–Piako district, management of CO₂ emissions in the Taranaki region and the management of urban vegetation in North Shore City.

Evaluation of my *Cities* investigation is of particular interest. *The cities and their people* study was the first of the major systems investigations that arose out of my 1997 strategic plan. It was a review of the sustainability of urban development, which was proving difficult to facilitate under the RMA. The report did not include specific recommendations but instead proposed areas for action. The report received wide interest but was not well received by the Minister for the Environment in 1998. However, it is now clear that the report played a significant role in raising awareness of urban development, research and planning shortcomings, which has led to a number of central and local government initiatives, plus research portfolio development by FRST. Although several of the actions proposed in the report have not been implemented, it is clear that since my report's release in 1998, there has been increased focus on urban sustainability matters and greater recognition that it needs specific policies and research efforts.

My review of energy efficiency, *Getting more from less*, made 14 recommendations and I am pleased to report that the majority of these have been actioned or are being actioned. My current work developing an environmental assessment of the electricity industry will provide an opportunity to build on this and address a number of areas where additional progress is desirable.

My 2001/2002 financial baseline was unchanged from the previous year with the exception of an additional investment via supplementary

estimates of \$87,000 (GST exclusive) made to allow me to begin an environmental assessment of the electricity industry mandated by the Electricity Amendment Act 2001. An increase of \$109,000 (GST exclusive) has been approved for the baseline funding for 2002/2003 for development of the environmental audit framework.

This year my staff consisted of 17 full time and one part time positions. At the end of the year a secondee from the Australian Productivity Commission joined us to assist with the environmental assessment of the electricity industry.

This year I have included a preliminary triple bottom line report. It focuses of the Office's major resource flows and documents the Office's carbon footprint, electricity consumption, travel modes and paper consumption. Use of our web site is also detailed showing 75,000 downloads of reports, speeches and presentations.

Tangata whenua and environmental management

The Environment Act 1986 includes provisions to ensure that, in the management of natural and physical resources, full and balanced account is taken of the principles of the Treaty of Waitangi. The Act also recognises other matters of importance for tangata whenua, in that my investigations may have regard to any land, water, sites, fishing grounds, or physical or cultural resources, or interests associated with such areas, which are part of the heritage of tangata whenua and which contribute to their wellbeing (s 17(c)).

During the 2001/2002 year, I undertook a range of activities to give recognition to the interests, values and concerns of tangata whenua in the natural environment and environmental management. This included:

- providing information and advice to iwi, hapu, other Maori groups and various individuals and organisations
- participating in hui and contributing presentations and advice on environmental management issues
- providing information and advice to local authorities and other organisations with environmental management responsibilities
- consulting with iwi, hapu, other Maori groups and individuals to recognise and report appropriately on tangata whenua concerns and priorities in my investigation reports.

National systems issues investigations

This category allows me to undertake investigations on broad topic areas within which there is a plethora of environmental management challenges. The intention is to undertake overview studies of these areas to better define critical environmental management needs. Some of these needs will then be addressed by some specific investigations.

Weaving resilience into our working lands ***summary of submissions***

The *Summary of submissions* report completed in May 2002 provides a comprehensive review of the 58 submissions received on the discussion document published during the last financial year. The submissions were generally in agreement with my contention that native plants could and should have a greater range of roles within the working landscape. Two conservation groups expressed concern about the extractive use of existing areas of native plants but were open to a range of uses for newly established areas of native plants.

Weaving resilience into our working lands ***recommendations for future roles of native plants***

The final report *Weaving resilience into our working lands: recommendations for future roles of native plants* was launched at the June 2002 Mystery Creek Field Days. The key issues it explored were:

- the values and mindsets about native plants
- what constitutes the sustainable management of native plants
- the economic values and potential roles for native plants
- the need for research on sustainable management
- barriers in legislation and policy.

I made a number of recommendations to the Ministers of Research Science and Technology, Environment, Finance and Revenue. These recommendations aim to assist in the development of a more favourable policy, market and social 'environment' for a wider range of uses for native plants. The need for further research and tax reform were specifically addressed.

***He rangahau ki te aria ko te Tiriti te putake e
whakatuturutia ai nga tikanga mo te taiao
Exploring the concept of a Treaty based environmental audit
framework***

This investigation addressed the critical issues in my Forecast Report of:

- the ability of tangata whenua to participate effectively in environmental management processes in order to achieve sound environmental outcomes
- the ability of New Zealand's public authorities and their environmental management systems to ensure a sustainable future through, in particular:
 - the provision of evidence based information for environmental and resource management policy development and decision making, and
 - the provision of adequate information for environmental and resource managers in the private and public sectors.

The concept of a Treaty based environmental audit framework was raised and discussed by the Maori participants in the 1999 review of my 1997-2001 Strategic Plan. The investigation linked to a number of the issues identified in the strategic plan, including:

- inadequate monitoring of the implementation of the principles of the Treaty of Waitangi at local government level
- the requirements of sections 6(e), 7(a) and 8 RMA
- degradation and loss of taonga
- co-management potentials
- consultation and participation issues.

Local and central government agencies with responsibilities for environmental management have various obligations under law and policy to the principles of the Treaty and must involve tangata whenua and provide for Maori values and interests in their environmental work. However New Zealand has few formal accountability systems in these areas. The audit framework concept was proposed to me as a mechanism that could assess the performance, effectiveness and progress of tangata whenua and local and central government agencies in relation to these obligations. My approach was to undertake a scoping study to evaluate the concept, its potential applications in environmental management and the principles and processes by which such an audit framework could most effectively and most appropriately be developed.

Key messages

There is wide support for improving the accountability of tangata whenua and local and central government agencies in relation to their responsibilities under the Treaty in the context of environmental management. However there is no clear consensus about the concept of a Treaty based environmental audit framework, its potential uses or usefulness, its desirability, or the processes for its development. Based on the findings of my scoping study, it would not be appropriate or productive, at this point in time, for me to undertake the development of such a framework.

It is clear nevertheless that there would be greater relevance and feasibility of an audit framework at local and regional levels, compared to a possible over-arching nation-wide system. My scoping study showed that any effective audit framework will need to be based on the experience and practical requirements of the people who will be using it, with active participation of all the relevant parties and a clear focus on kaitiakitanga and environmental outcomes. Where agencies, iwi and hapu do decide to explore or develop a local framework, I will contribute suggestions and advice.

***Creating our future:
sustainable development for New Zealand***

During 2001/02 I decided to undertake a review of New Zealand's progress on sustainable development. This was consistent with one of the critical issues identified in my Forecast Report for 2001/02, which was to examine 'the ability of New Zealand's public authorities and their environmental management systems to ensure a sustainable future'.

It is ten years since the United Nations Conference on Environment and Development (the 'Earth Summit') took place in Rio de Janeiro. Back in June 1992 many countries, including New Zealand, agreed to adopt 27 principles that underpin a number of programmes, which constitute 'Agenda 21' and form the basis for implementing the concept of sustainable development – maintaining a healthy environment, social well-being and a strong economy.

With the World Summit on Sustainable Development (WSSD) taking place in Johannesburg during August/September 2002, I considered that a useful contribution to the debate on sustainable development would be to undertake a review of New Zealand's progress on

sustainable development. The review consisted of a look back at what had been achieved since the Earth Summit and a look forward at opportunities and challenges for the future, with a particular focus on environmental sustainability. My report: *Creating our future: sustainable development for New Zealand* was completed by June 2002 but I decided not to release it until after the 2002 general election. The report was released on 5 August 2002. Among the key findings of the report, were:

- New Zealand could be a world leader on sustainable development, but trends so far in consumption of energy and natural resources, waste production, urban growth, biodiversity losses, biosecurity threats, land-use and water issues and urban air quality, indicate that we are not functioning in a sustainable manner.
- Successive governments have largely ignored the Agenda 21 commitments made in 1992 and have not provided the necessary leadership. It is only in recent years that central government has made any significant commitment to developing a New Zealand Strategy on Sustainable Development.
- Other sectors, including individual local authorities, business organisations and community groups have made progress with their own initiatives. They have endeavoured to incorporate sustainable development principles into their policies and activities and have encouraged others to do likewise. It is the 'local initiatives' dimension of sustainability thinking and action that has made the biggest contribution to awareness of sustainable development in New Zealand.
- The concept of sustainable development has to be supported by a strong vision and clear goals established through effective public participation. Sustainable development needs to be relevant to, and demonstrate benefits for, all sectors of society as well as the ecosystems we value and rely upon.
- Leadership in all sectors is critical for any significant progress to be made. Small groups working in isolation can achieve a lot in their own particular areas of interest. However, a more meaningful and overall shift towards sustainability is more likely to occur when there is a combined effort led by sustainability 'champions'.
- Sustainability is not something that a government department, local authority or other public agency has sole responsibility for making happen. Sustainability is achieved when organisations, businesses, communities and individuals all take responsibility for the resources they use, the energy they consume, the waste they produce and the impacts they may have on biodiversity.

- Values, cultural and ethical frameworks are critical to the implementation of sustainable development. Tangata whenua have strong cultural and spiritual connections with the environment, natural resources and places that need to be respected and provided for.
- Good information is needed to monitor and review progress. Work is already underway to develop a set of sustainable development indicators for New Zealand. Such indicators must be meaningful and useful to local authorities, businesses and communities.

The report includes a number of recommendations to the Prime Minister, the Ministers of Local Government and State Services and Local Government New Zealand to support the establishment of a vision, framework and means of overseeing the implementation of sustainable development in New Zealand.

I intend to continue monitoring progress on sustainable development after the WSSD, and I have signalled that I will undertake a further review of progress on sustainable development during 2006/07.

Environmental management audits

This category allows me to assess or check the performance of central or local government agencies with environmental management responsibilities and offer advice on remedial action.

Electricity audit framework

The Electricity Amendment Act (EAA) 2001 requires that I audit the Electricity Governance Organisation (EGO) with respect to the environmental objectives and outcomes in the Government Policy Statement released in December 2000.

During 2001/02 my staff, with the assistance of electricity industry consultants, began to develop the draft environmental audit framework for the electricity market. Work has been undertaken on two areas:

- defining the objectives, scope and proposed methodology
- development of a set of indicators to assess the performance of the electricity sector and its impact on the environment.

Work is now proceeding on developing a conceptual framework to assess the impact of the market rules and other institutional arrangements on environmental outcomes from the electricity sector.

During 2002/03 my team will meet with various sector and other interested groups to discuss issues surrounding the project and assess the workability of some of the concepts being developed. It is expected that the draft framework will be available for wider public comment early in 2003.

Environmental management initiatives

This category has been established to allow me to report on a variety of proactive work undertaken during the year. The purpose of these initiatives is to add value to particular issues in a very targeted way.

Showing the way: Curitiba: citizen city

In April I led an 18-person study tour to the city of Curitiba in southern Brazil. Why? During my urban study *The cities and their people*, Curitiba came to our attention through World Bank and urban development studies as a city that has coped very well with rapid growth since the 1960s in nearly every respect. Despite the fact that it is a long established city (310 years), has had limited money and considerable national political instability, it has developed world standard public transport, urban research capacities, urban amenities, cultural facilities, new industries, health centers and an outstanding Open University for the Environment, a centre that delivers sustainability education to all sectors of society.

The New Zealand team, from local and central government, CRIs, universities, NGO and business backgrounds, set out to examine such aspects as leadership, urban research, environmental management and education, governance and delivery, public/private partnerships, urban design, infrastructure provision systems and growth and public transport.

The city lived up to its reputation. Its success in delivering steadily rising qualities of life to its rapidly growing population (now 1.6 million) is clearly a product of such things as:

- good leadership
- a well developed and evolving master plan for the city
- a very well resourced urban research and planning institute (a LATE-like entity of the city council that makes the final infrastructure investment decisions in each year's annual plan)
- proactive development of private sector job growth
- a bus based public transport system which is publicly coordinated and planned, but privately delivered with no subsidy of operations.

A systems thinking approach has dominated the city's development for over 30 years, with every challenge turned into an opportunity. City leaders are also action orientated with a constant focus on the future and very people focused, with an accent on high quality public spaces

and considerable use of public/private models that seemed to give greater value than similar ones in New Zealand.

The team concluded there were many 'points of reference' in Curitiba for New Zealand city leaders. Some are simple transferable 'do ables' such as uses for old quarries, or designs for public spaces, while others are about the approach to city development and service delivery. Ideas that could improve our urban planning and hence the 'liveability' and functionality of our cities and towns, were:

- shifting the balance away from an over-emphasis on process and consultation, particularly at the individual consents stage, towards better participation in the policy and district/regional planning phase
- developing a more strategic approach to urban planning. The new Local Government Act may assist, as would the development of greater urban research and planning capacity. This is an integral part of council capacity, particularly in major metropolitan regions.
- ensuring that proper understanding of the inter-relationship between transport access (mobility) and urban growth is reflected in the implementation plan
- promoting incremental steps to move New Zealand cities towards an attractive and integrated public transport network—comprising buses, trains, and ferries, with integrated ticketing and standardised fares
- promoting much stronger regional planning and management of core infrastructure, for example, transport, water and wastewater, major facilities and heritage. This may require involving structural change and re-regulating such things as public transport.

Assistance to select committees

Scrutinising annual reports and estimates

I assisted the Local Government and Environment Committee in its scrutiny of annual reports of the Ministry for the Environment, the Department of Conservation, the Environmental Risk Management Authority and the Energy Efficiency and Conservation Authority. I assisted the same committee in examining the estimates for Vote: Environment and Vote: Conservation.

Asbestos in Manukau City

In my annual report for the year ended 30 June 2001 I outlined, on page 22, how my office assisted the Local Government and Environment Committee in its inquiries into the management of waste asbestos-containing material contaminating soil in the Flat Bush residential area of Manukau City. The Committee's report included a number of recommendations to the Ministry for the Environment and the Manukau City Council.

Both the Manukau City Council and the Government provided responses to the Committee's recommendations.

The Manukau City Council, although not obliged to respond to the recommendations, chose to do so pointing out that it had implemented five of the seven recommendations made to the Council. In its response to the Manukau City Council's comments, the Committee stated that it stood by all of its recommendations. Among other things, the Committee pointed out that the underlying intention of the recommendations was not to attribute blame for the situation, but that the recommendations formed a package of measures or actions towards a long-term solution to the situation at Flat Bush.

The Government's response to the report of the Committee¹ generally supported the recommendations that were consistent with existing Government policy on contaminated sites. However, recommendations

¹ Government Response to Report of Local Government and Environment Committee on Parliamentary Petition 1996/1628 of Rosemary Godwin and others. House of Representatives, Wellington.

to develop site-specific guidance, where site investigations are more cost-effective in assessing clean-up requirements, were not supported.

Role of local government in climate change

I have assisted the Local Government and Environment Committee with its inquiry into the role of local government in meeting New Zealand's climate change target which was completed in November 2001. The key points in the report include:

- encouragement for individuals, groups, businesses and community sectors and local government to respond to the current process of consultation on the ratification of the Kyoto Protocol
- every endeavour should be made to encourage the United States of America, as the single largest emitter of greenhouse gases, to join the global effort to reduce emissions
- there is a need to develop agreements that will facilitate the involvement of developing countries in reducing global greenhouse gas emissions.

The Committee made recommendations to Government with respect to:

- the need for research into sources of greenhouse gases and a regional breakdown
- full and detailed disclosure of funding, programmes and outcomes from the National Energy Efficiency and Conservation Strategy.

The report also made recommendations on the potential contribution of local government in areas such as:

- education and information
- transport strategies
- public transport and alternatives to roading
- planning functions
- agricultural emissions
- afforestation and conservation
- adaptive responses.

Local Government Bill

I have been assisting the Local Government and Environment Committee with its examination of the Local Government Bill and consideration of submissions. I have provided comment on the broader environmental sustainability issues raised by the Bill, particularly the need for longer term strategic planning by local government.

Citizens' concerns investigations

During the year ended 30 June 2002 I responded to 162 communications from private individuals and groups requesting my assistance on an environmental issue. Seven of these were the subject of citizens' concerns investigations. Reports of two investigations that were completed during the year are summarised below.

Boggy patch or ecological heritage? Valuing wetlands in Tasman

In November 2001, I received some complaints about the provisions of Variation 15 to the Proposed Tasman Resource Management Plan, in particular the proposed permitted activity rule for the diversion and discharge of water from wetlands. The concerns were:

- the adequacy of the process used for the permitted activity rule for the diversion and discharge of water from wetlands
- the potential for significant adverse effects on wetlands and the wider environment

The investigation reviewed the international and national context for the sustainable management of wetlands and assessed the Tasman District Council (TDC) approach. This included consideration of: international conventions (Ramsar), national initiatives, Resource Management Act 1991 (RMA) requirements, regional approaches (other regional plans and non-regulatory programmes) and the contribution of wetlands to sustainable land use.

The investigation addressed a critical issue in my Forecast Report with respect to the capacity of small councils to deliver on environmental management.

My key findings were:

- Most of New Zealand's wetlands have been drained and many of those remaining are small and degraded. Lowland wetlands are under-represented and most at risk. Drainage and modification of wetlands continues.
- The variable understanding and appreciation of wetlands values within the community is at the crux of the issue in the Tasman District. These values need to be identified and understood in order to move forwards.

- National policy direction and assistance with implementation is required. This assistance may take a variety of forms, such as research and information, funding and purchase of wetlands for the public estate.
- There are some critical gaps in the TDC policy package for the sustainable management of wetlands:
 - insufficient knowledge about the wetland resource
 - the proposed permitted activity rule for the diversion and drainage of water from wetlands

I also recommended that TDC should:

- Provide for a precautionary approach to the diversion and discharge of water from wetlands until more information is available.
- Identify the extent and significance of the district's wetlands, produce a baseline inventory and establish a monitoring programme.
- Take action to build relationships with stakeholders particularly with iwi.

I recommended that the Ministers for the Environment and Conservation should define national wetland priorities to assist regional and local authorities to implement wetland conservation and protection.

Nelson City Council planning for environment affected by venture tourism proposal

In October 2000, two Cable Bay residents wrote to my office to express concern about actions taken by Nelson City Council (NCC) in relation to a proposal to build an aerial 'Skywire' on an adjoining property. The proposal comprised a four-person chair travelling freely along a steel cable suspended between two towers 1560 metres apart. The two residents were adversely affected by the proposal and considered that the Council had followed poor practice in regard to implementation of functions under the Resource Management Act 1991. My Director, Citizens' Concerns decided to investigate the concern after preliminary enquiries showed that the proposal had been the subject of five separate applications for resource consents and certificates of compliance.

The Director's investigation found that:

- proceedings relating to the third application for resource consent had advanced to the stage of public notification and receipt of submissions, but had then been discontinued when NCC received legal advice that the proposal qualified as a permitted activity under the Proposed Nelson Resource Management Plan
- the two residents had previously had an opportunity through the submission process (which they had not taken up) to seek protection in the proposed plan for the environmental qualities they valued at their Cable Bay property
- the effectiveness of the NCC planning would have been improved if the Skywire proponents, their advisers and NCC staff dealing with the third application for resource consent, had more comprehensively assessed the effects of the proposal against the provisions of the proposed plan.

The Director's overall assessment was that the shortcomings of NCC planning were of only minor significance and did not indicate that the environment had been adversely affected to an extent justifying further investigation under Part II of the Environment Act 1986.

Other concerns investigated

The following list sets out other concerns investigated by my staff during the year ended 30 June 2002:

- capacity of Kapiti Coast District Council to undertake effective planning for coastal erosion strategy
- adequacy of investigations carried out by Waitakere City Council for decision that subdivision consent application for Hobsonville Airbase need not be notified
- adequacy of investigations carried out by Environment Waikato into complaints relating to odour emissions from asphalt plant
- adequacy of investigations carried out by Marlborough District Council into complaints relating to odour emissions from café/food takeaway shop
- responsiveness of Rodney District Council to information showing unauthorised work on listed historic heritage building
- adequacy of investigations carried out by Auckland City Council into complaints relating to noise emissions from sports club premises
- adequacy of Government policy on the removal of exhaust emission control devices from imported motor vehicles

- adequacy of investigations carried out by Auckland City Council before approving demolition of Onehunga Chambers building
- capacity of Southland Regional Council committee conducting hearings on application to modify conditions on resource consent regulating formaldehyde emissions from medium density fibreboard plant
- adequacy of investigations carried out by Taupo District Council into complaints relating to spectator noise at adventure tourism activity
- adequacy of Buller District Council management of landfills and waste transfer stations
- adequacy of Gisborne District Council management of landfill site investigation and consent application hearing processes
- adequacy of investigations carried out by Gisborne District Council for decision not to allocate funds for sealing of road affected by forestry traffic.

Investigations under action

At 30 June 2002 seven studies of concerns were in progress, relating to:

- consultations carried out by Auckland City Council for changes to the Auckland District Plan permitting night events at Eden Park
- consultations carried out by the Mackenzie District Council with landowners and occupiers affected by district plan proposals for protecting sites of natural significance
- Otago Regional Council management of the environment affected by tannery effluent discharged through a coastal cliff-top outfall at Pukeuri, North Otago
- Waipa District Council environmental planning for the subdivision and development of land at Pirongia affecting the site of a New Zealand Wars redoubt
- Department of Conservation management of 1080 waste disposal sites in the West Coast conservancy
- Waitakere City Council management of RMA functions in relation to a consent application for the development of a house and driveway not complying with the Waitakere City District Plan
- Wellington City Council and Wellington Regional Council management of RMA functions in relation to the management of Wellington wastewater treatment plant odours.

Information dissemination

During the year ended 30 June 2002, my office received 199 communications and provided 203 responses to stakeholders requesting an investigation, information or other service from the Parliamentary Commissioner for the Environment.

The following tables provide an analysis of this work in terms of:

- the sources of requests for assistance
- the responses given to requests for assistance
- an analysis of the requests for assistance within the categories of public authority environmental management performance (central and local government) and environmental management systems.

Sources of requests for assistance

Source of request	Under action at 1/7/01	Received 2001-02	Actioned 2001-02	Service no longer required 2001-02	Under action at 30/6/02
Citizens	42	192	175	2	57
Public authorities	4	22	23	-	3
Other	3	15	18	-	-
TOTAL	49	229	216	2	60

Responses given to requests for assistance

Output	Under action at 1/7/01	Received 2001-02*	Actioned 2001-02	Service no longer required 2001-02	Under action at 30/6/02
Citizens' concerns investigation	8	31	17	-	22
Information for stakeholders	24	97	112	1	8
Advice to select committees	1	4	5	-	-
Communication of advice	16	65	68	-	13
TOTAL	49	197	202	1	43

* These figures exclude items initiated from within the Office

Focus of investigation and information requests

Issue category	Under action at 1/7/01	Received 2001-02	Actioned 2001-02	Service no longer required 2001-02	Under action at 30/6/02
Public authority management	14	48	46	-	16
Environmental management systems	15	68	69	-	14
Other	3	12	14	1	-
TOTAL	32	128	129	1	30

Focus of public authority management issues

	Strategies, plans and policies	Consent application processes	Compliance and enforcement	Treaty of Waitangi	Total
Central govt.	17	-	-	1	18
Local govt.	15	14	4	1	40
Generic	3	-	-	1	4
TOTAL	35	14	10	3	62

Focus of environmental management system issues

	1999-2000	2000-01	2001-02
Air quality and noise	10	18	7
Biota	26	18	16
Coastal and marine environment	15	10	4
Energy and mining	7	10	5
Fresh water allocation and quality	3	6	11
Hazards and hazardous substances	6	14	5
Land use and protection	19	18	16
Transport and communications	9	14	5
Solid waste, sewage and stormwater	18	18	14
TOTAL	113	126	83

Provision of reports and information

In addition to the provision of information noted above, my office responds to numerous requests for reports and information to support academic studies of school and university students. Reports, report summaries, news sheets and other information are provided in electronic form on my website.

Presentations – communication of advice

The year saw a large number of requests to address a wide range of organisations and conferences, mostly within New Zealand and some in Australia (overseas requests maybe accepted if costs are met). The 41 addresses to industry associations, conferences, universities, community groups and professional bodies have drawn on my investigations but have also been used to raise a wide range of environmental issues and sustainable development matters. I have particularly focused on evidence of New Zealand's capacity to become a more ecologically sustainable nation. This may be inferred from how well we manage complex systems such as our marine resources, biosecurity, energy and urban waters.

Outcome evaluations

It is my policy to check on the actions taken by public authorities two to three years after advice has been given. The responses of public authorities are used to assist in evaluating the effectiveness of my office in improving public authority accountability for decisions affecting the environment.

I decided this year to check on two major investigations: one carried out in 1998 regarding New Zealand's urban environment and my 2000 study on energy efficiency and renewable energy initiatives in New Zealand.

I also looked at progress on issues arising from three citizens' concerns.

The cities and their people ***New Zealand's urban environment***

In June 1998 I released my report *The cities and their people: New Zealand's urban environment*. The key message was a 'wake-up call' to improve the management of urban New Zealand and progress sustainable development. With a few local exceptions, the sustainability of urban development was largely being ignored. As our urban population has become more affluent, there have been:

- increasing per capita demands for land, water, energy, and transport
- increasing air pollution and discharges of sewage and stormwater
- losses of heritage and amenity values and taonga
- adverse effects on the health, wealth and well-being of people and communities.

This report suggested a wide range of possible initiatives in the following areas:

- sustainable development
- central government and urban sustainability
- local government
- sustainable urban communities
- liveability and environmental health
- information, monitoring and research
- infrastructural issues and eco-efficiency.

Responses

The initial response from the Minister for the Environment was not favourable. The Minister felt central government was addressing urban issues already. He favoured an approach that emphasised tackling biophysical issues such as biodiversity loss, climate change and waste management across the board rather than in an urban context.

However, since 2000 there has been an increased level of activity in central government on urban sustainability issues and sustainable development in general. The Government has prepared or is preparing a number of strategies that will influence the sustainability of urban areas and indicate that it intends to provide more leadership:

- Regional Development Strategy (2000)
- National Energy Efficiency and Conservation Strategy (2001)
- New Zealand Waste Strategy (2002)
- Local Government Act 1974 review (in development from March 2000)
- NZ Transport Strategy (in development from 2000)
- New Zealand Climate Change Programme (in development from 2001)
- New Zealand Sustainable Development Strategy (in development from August 2001)
- The Towards More Sustainable Settlements Project sponsored by the Ministry of Transport (MOT), Ministry for the Environment (MFE) and the Energy Efficiency Conservation Authority (EECA) and project managed by MOT (on-going)
- The FRST review of its sustainability portfolios, in particular the Sustainable Cities and Settlements component (on-going)
- MFE projects related to Triple Bottom Line reporting for departments, agencies, local authorities and businesses (a key priority area for 2002/03).

The relative lack of research and information about urban sustainability was a key concern identified in this report. The Minister of Research, Science and Technology advises that FRST prepared an investment strategy for urban sustainability in 1999 and the *Cities* report was used as a reference document for that strategy. The strategy aims to facilitate integration of the social, economic and environmental components of urban sustainability and has resulted in a consolidation of existing research. The strategy for sustainability research in general is currently under review.

However, no national science strategy for sustainable development has been prepared. No government agency has been tasked with coordinating research on urban sustainability. No regular state of the urban environment report has been prepared. The MFE environmental indicators programme does not include a set of indicators that specifically address urban issues though it does include a number of relevant categories including air, waste, transport and energy.

Despite this activity, no central government agency has as yet been tasked with focusing on the management of the urban environment including the provision of information to local government, businesses and communities on actions to progress urban sustainability. However, the previous Government established the ministerial portfolio of minister assisting the Prime Minister on Auckland issues and the current Government has established a new ministerial portfolio for urban affairs. The Minister for the Environment is tasked with coordinating a whole of government approach to a range of sustainable development issues.

Central government has provided some assistance to local government with respect to urban sustainability:

- the Innovation for Urban Sustainability and Eco-efficiency workshop (April 2002)
- the NZ Standards handbook *Subdivision for people and the environment* (December 2001)
- the urban design guide *People+places+spaces* (2002) produced by MFE
- Projects funded under the Sustainable Management Fund Sustainable Communities.

The Local Government Bill clearly sets out sustainable development as the core of the purpose of local government.

Local government's response to the messages in this report has varied, ranging from councils that have fully incorporated the principles of sustainable development into their governance through to those that consider sustainable development is not the core business of local government. The proposed requirement for long-term community plans under the Local Government Bill may address this. Examples of urban sustainability initiatives include:

- *The quality of life in NZ's six largest cities* report
- the Auckland Regional Growth Strategy and subsequent implementation by Auckland Regional Council and territorial authorities

- the Auckland Regional Council big clean-up programme
- growth of interest in new urbanism approaches to designing urban settlements
- various triple bottom line reporting initiatives.

Overall, it is clear that there has been an increasing level of interest and discussion around urban sustainability, particularly within central government. MFE and FRST have significantly increased their efforts in policy development and research into urban sustainability issues. However, a number of basic indicators show the trends towards unsustainability increasing and as yet there seem to be few outcomes, which indicate a change to the overall trends in urban sustainability. The Government does not yet have a comprehensive strategy for urban sustainability.

Getting more from less

A review of progress on energy efficiency and renewable energy initiatives in New Zealand

I released *Getting more from less* in 2000 to examine progress with the implementation of energy efficiency and renewable energy initiatives as a contribution to sustainable development in New Zealand. My report highlighted the significant potential to improve energy efficiency in the transport, residential, commercial, industrial and agricultural sectors. It also emphasised the importance of fostering new renewable energy initiatives.

I made 14 recommendations in this report to the Ministers of Energy, Transport, Environment and Revenue. These focused on the need to:

- establish a Government energy efficiency and renewable energy agency
- develop a new energy efficiency and renewable energy strategy
- audit the effectiveness of departmental and inter-departmental processes for reporting on the environmental impacts of energy and transport sector policy proposals
- review the adequacy of electricity and gas markets to address energy demand management and the impacts of fixed line pricing on energy efficiency
- investigate and report on opportunities for addressing the environmental effects of transport patterns and the energy efficiency of the transport sector
- investigate and report on the use of consumption and pollution-based taxes.

I have been pleased to see that the Government has accepted the vast majority of my recommendations. Considerable progress has also been made to implement many of these since 2000. The Energy Efficiency and Conservation Authority has been established with a strong mandate and the first comprehensive National Energy Efficiency and Conservation Strategy was released in 2001. Reviews have also been conducted of the electricity and gas markets. In addition, Mandatory Energy Performance Standards have been introduced with a labelling regime for domestic appliances.

I believe that New Zealand is now in a much stronger position than before my report was published to work towards a sustainable energy future. Nonetheless, considerable progress is still needed in several areas. In particular, emphasis needs to be placed on improving the energy efficiency and sustainability of the transport sector. One of my key conclusions in *Getting more from less* was that strong government leadership is needed to fully address energy efficiency, renewable energy and demand management issues in the energy and transport sectors. Although strong leadership has been evident in many parts of the energy sector, this leadership is still somewhat lacking in the transport area. I am eager to see what sort of impact the New Zealand Transport Strategy, which was scheduled to be released in August 2002, could have.

I also believe that additional progress is needed to:

- develop a framework (or a series of frameworks) to monitor the environmental, social and economic sustainability of the energy sector *in its entirety*
- develop energy efficiency labelling for houses and vehicles
- foster the application of research into renewable energy sources
- implement guidelines for local authorities for the management of environmental effects of renewable energy projects
- review the use of environmental taxes for issues that are of national significance
- address broader resource efficiency issues (especially for water and waste)
- continue providing government leadership by increasing the energy efficiency of government agencies.

Citizens' concerns outcome evaluations

Odour emissions from poultry broiler sheds in Matamata-Piako District

In 1998 I received a complaint about dust and odour emissions from a broiler chicken farm in the Matamata-Piako District and about the failure by Matamata-Piako District Council (MPDC) and Environment Waikato (EW) to enforce resource consent conditions.

The final assessment recommended that:

- the Councils improve the communication of their findings of complaint investigations
- the chicken growers and the poultry meat processor establish a formal agreement, regarding the commitment of the processor to address odour problems due to the chicken feed, which they supply
- a member of the affected community be added to the Rural Amenity Group, which was established by the processor to provide a forum to discuss and address any environmental management problems
- consent authorities investigate incentives such as reduced consent renewal fees for chicken growers who had not been the subject of complaints.

A meeting was held a month after the release of the report, with MPDC, EW, my staff, chicken growers, the processor and members of the community. Odour had improved, due the composition of the chickens' feed being changed, but was still a concern to some residents. Other issues which were still of concern were dust and use of chemicals, adequacy of the councils' enforcement and lack of communication of monitoring results by the councils. Two of my recommendations that had been adopted were a new system for MPDC to monitor and assess complaints and the addition of a member of the affected community to the Rural Amenity Group.

The Councils have received few complaints in the last two years and communication between all parties is now much better. The growers also now have a written agreement with the processor regarding the company's responsibility to address odour problems due to the feed composition.

The management of CO₂ emissions in the Taranaki region

In 1998 I received a concern from a complainant who believed that Taranaki Regional Council (TRC) was not accepting its obligation under the Resource Management Act 1991 (RMA) to address the issue of carbon dioxide (CO₂) emissions in the region.

My report noted that the lack of direction given by central government to regional councils regarding control of CO₂ emissions needed to be addressed. The report concluded that due to the global nature of the climate change issue, action by an individual regional council would have little influence on overall emissions. Therefore the issue needed to be addressed at the national level before effective action at the regional level could be decided.

TRC advises that it intends to change the way it assesses consents and conditions imposed to agree with government policy once this is formalised and it would also use this to guide its assessment of the Regional Air Quality plan when this is reviewed in 2007.

The Government has not yet clarified the role of local government in management of greenhouse gas emissions. Therefore it is too soon to assess if councils are giving effect to advice from the Government on this issue. The Government intends to amend the RMA to remove the ability of councils to manage greenhouse gas emissions through the Act. This will remove the inconsistency of implementation by councils, due to the current confusion about their current responsibilities under the RMA to address CO₂ emissions.

The management of urban vegetation in North Shore City

In 1997 I received numerous complaints relating to both the management, generally, of urban vegetation and the protection of significant urban vegetation (including mature pohutukawa) by the North Shore City Council. After investigating this matter I published a report in 1998 entitled *The management of urban vegetation in North Shore City*. This report focussed on the adequacy of understanding of North Shore's vegetation assets and the monitoring of them, the protection of significant urban vegetation and the focus on individual trees as opposed to an ecosystem approach.

The report recommended that the Council:

- conduct a detailed survey and assessment of urban vegetation and biodiversity
- review the provisions of the proposed district plan to ensure that the natural environment objectives can be achieved with or without general tree protection
- improve the processing and evaluation of resource consent applications and audit a selection of consent applications and council evaluations to assist quality improvement
- establish a comprehensive monitoring programme of the state of urban vegetation and improve the level of compliance monitoring
- streamline decision-making in respect of enforcement action and commit to using enforcement measures as a means of improving public confidence in plan provisions and consent conditions
- undertake a further series of education initiatives
- develop an urban vegetation plan to integrate all policies and programmes for the management of urban vegetation.

The response of the North Shore City Council to most of my 1998 recommendations has been good. However, development of an integrated urban vegetation plan, taking into consideration the report's ecological focus as opposed to a tree-by-tree approach, has not been taken up.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

STATEMENT OF RESPONSIBILITY

In my opinion the financial information presented in these statements and notes fairly reflects the position and operations of the Parliamentary Commissioner for the Environment.

A system of internal control has been established which provides reasonable assurance that public money and assets entrusted to the Commissioner are being efficiently and economically managed.

In terms of sections 35 and 37 of the Public Finance Act 1989 I accept responsibility, as Parliamentary Commissioner for the Environment, for the preparation of the financial statements and the associated judgements.



Dr J. Morgan Williams
Parliamentary Commissioner
for the Environment



Countersigned by:
Rodney Farrant
Manager, Corporate Systems



Audit New Zealand

REPORT OF THE AUDITOR-GENERAL

**TO THE READERS OF THE FINANCIAL STATEMENTS OF THE
PARLIAMENTARY COMMISSIONER
FOR THE ENVIRONMENT
FOR THE YEAR ENDED 30 JUNE 2002**

We have audited the financial statements on pages 42 to 59. The financial statements provide information about the past financial and service performance of the Parliamentary Commissioner for the Environment and its financial position as at 30 June 2002. This information is stated in accordance with the accounting policies set out on pages 45 to 47.

Responsibilities of the Parliamentary Commissioner

The Public Finance Act 1989 requires the Parliamentary Commissioner to prepare financial statements in accordance with generally accepted accounting practice in New Zealand that fairly reflect the financial position of the Parliamentary Commissioner for the Environment as at 30 June 2002, the results of its operations and cash flows and service performance achievements for the year ended on that date.

Auditor's responsibilities

Section 15 of the Public Audit Act 2001 and section 38(1) of the Public Finance Act 1989 require the Auditor-General to audit the financial statements presented by the Parliamentary Commissioner. It is the responsibility of the Auditor-General to express an independent opinion on the financial statements and report that opinion to you.

The Auditor-General has appointed John O'Connell of Audit New Zealand to undertake the audit.

Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- ▲ the significant estimates and judgements made by the Parliamentary Commissioner in the preparation of the financial statements; and
- ▲ whether the accounting policies are appropriate to the Parliamentary Commissioner for the Environment's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with the Auditing Standards published by the Auditor-General, which incorporate the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditor acting on behalf of the Auditor-General, we have no relationship with or interests in the Parliamentary Commissioner for the Environment.

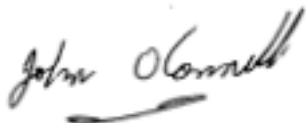
Unqualified opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements of the Parliamentary Commissioner for the Environment on pages 42 to 59:

- ▲ comply with generally accepted accounting practice in New Zealand; and
- ▲ fairly reflect:
 - the Parliamentary Commissioner for the Environment's financial position as at 30 June 2002;
 - the results of its operations and cash flows for the year ended on that date; and
 - its service performance achievements in relation to the performance targets and other measures set out in the forecast financial statements for the year ended on that date.

Our audit was completed on 27 September 2002 and our unqualified opinion is expressed as at that date.



John O'Connell
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE
For the Year Ended 30 June 2002

Output: Reports and advice

Under this output class, reports and advice are provided on the capability of the Government system for managing the environment. This includes independent advice on the performance of central and local government agencies with statutory and administrative responsibilities relating to the maintenance and improvement of environmental quality. Information is provided to the general public in response to enquiries and concerns about environmental management issues. The reports and advice arise from the exercise of functions under the Environment Act 1986.

Outcome

Outputs produced by the Commissioner contribute to:

- improved public authority accountability for decisions affecting the environment
- improved public authority environmental management
- improved capability of the New Zealand system of environmental management to deliver sound decisions
- improved quality of the environment in New Zealand.

An outcome evaluation is an enquiry (or investigation) to ascertain the response(s) of public authorities to the findings and/or recommendations from a particular environmental management investigation undertaken by the PCE, usually two or three years earlier.

Resources employed

30/06/2001 Actual \$		30/06/2002 Actual \$	30/06/2002 Main Est \$	30/06/2002 Supp Est \$
1,686,000	Crown Revenue	1,772,000	1,685,000	1,772,000
33	Other Revenue	147	3,000	3,000
1,686,033	Total Revenue	1,772,147	1,688,000	1,775,000
1,682,597	Total Expenses	1,762,985	1,688,000	1,775,000
3,436	Net Surplus	9,162	0	0

Explanation of major variations

Financial performance

The appropriation for this output class was increased by \$87,000 (GST exclusive) in the Supplementary Estimates. This provided for an increase in the Permanent Legislative Authority of \$10,000 and an increase in the Annual Appropriation of \$77,000.

Service performance

Quantity and cost

Output	Target		Performance Achieved		
	No.	Budget \$000	No.	Under Action	Cost \$000
Investigation Reports					
- Environmental Mgmt Audits	2	370	0	2	150
- National Systems Issues	2-3	511	3	1	802
- Citizens' Concern Investigations	20-25	212	17	24	162
- Outcome Evaluation Reports	5	31	8	1	23
- Environmental Mgmt Initiatives	Up to 5	201	1	4	101
- Select Committee Assistance	Up to 15	89	6	1	81
	29-55	1,414	35	33	1,319
Information Dissemination					
- Information for Stakeholders	300-350	181	114	8	152
- Communication of Advice	35-40	111	70	14	244
- Information for Parliament	5-8	69	5	0	48
	340-398	361	189	22	444
Totals	369-453	1,775	224	55	1,763

Explanation of major variations

Non-financial performance

In the area of 'Information for stakeholders', performance was less than forecast because fewer than anticipated requests were received.

Timeliness

Target	Performance Achieved
Provide a response to external requests for services and indicate action to be taken by Commissioner.	External requests received: 197
- Within 15 working days in 80% of cases.	Responses within 15 days: 83%
Provide a response to external requests for services and indicate action to be taken by Commissioner.	Responses within 25 days: 93%

Quality

All project reports of investigations and reviews and all documents providing advice from the Parliamentary Commissioner for the Environment included a preface or letter of transmission signed by the Commissioner, the Assistant Commissioner and/ or the Director, Citizens' Concerns. A designated member of the Commissioner's staff prepared each document (or part of a report) in draft in accordance with terms of reference or guidelines approved by the Commissioner. For some investigations additional expert advice was purchased from both the public and private sectors. Drafts were peer reviewed, either internally or by an external reviewer, before being released for publication and/or dispatch to the House of Representatives and public authorities.

STATEMENT OF ACCOUNTING POLICIES
For the Year Ended 30 June 2002

Reporting entity

The Parliamentary Commissioner for the Environment was established under the Environment Act 1986 and is designated as an Officer of Parliament by section 2 of the Public Finance Act 1989.

The financial statements of the Parliamentary Commissioner for the Environment are prepared pursuant to sections 35 and 40 of the Public Finance Act 1989.

Measurement system

The measurement base adopted is that of historical cost unless otherwise stated.

Accounting policies

The following particular accounting policies which materially affect the measurement of financial results and financial position have been applied:

Budget figures

The Budget figures are those presented in the Budget Night Estimates (Main Estimates) and those amended by the Supplementary Estimates.

Revenue

The Parliamentary Commissioner for the Environment derives revenue through provision of outputs to Parliament and from sale of publications. Such revenue is recognised when earned and is reported in the financial period to which it relates.

Cost allocation policy

The Parliamentary Commissioner for the Environment has one output only. All costs are allocated directly to that output.

Debtors and receivables

Receivables are recorded at estimated realisable value after providing for doubtful and uncollectable debts.

Operating lease

The Parliamentary Commissioner for the Environment leases its office premises. As all the risks and benefits of ownership are retained by the lessor, this lease is classified as an operating lease.

Operating lease costs are expensed in the period in which they are incurred.

Fixed assets

All fixed assets, or groups of assets forming part of a network or which are material in aggregate, costing more than \$1,000 are recorded at historical cost less accumulated depreciation.

Depreciation

Depreciation is provided on a straight line basis so as to write off the cost or valuation of fixed assets over their expected useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Estimated useful lives adopted are as follows:

Furniture, fittings and fixtures	5 years	(20%)
Computer equipment	4 years	(25%)
Other office equipment	5 years	(20%)

Employee entitlements

Provision is made in respect of liability for annual, long service and retirement leave. Annual leave has been calculated on an actual entitlement based at current rates of pay while other provisions have been calculated on an actuarial basis based on the present value of expected future entitlements.

Statement of cash flows

Cash means cash balances on hand and held in bank accounts.

Operating activities include cash received from all income sources of the Parliamentary Commissioner for the Environment and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non current assets.

Financing activities comprise capital injections by, or repayment of capital to, the Crown.

Financial instruments

The Parliamentary Commissioner for the Environment is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, debtors and creditors.

All financial instruments are recorded in the Statement of financial position. Revenues and expenses in relation to all financial instruments are recognised in the Statement of financial performance. All financial instruments are shown at their estimated fair value.

Goods and services tax (GST)

The Statement of departmental expenditure and appropriations is inclusive of GST. The Statement of financial position is exclusive of GST except for creditors and payables and debtors and receivables. All other statements are GST exclusive. The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between output GST and input GST is included in creditors and payables, or debtors and receivables (as appropriate).

Taxation

The Parliamentary Commissioner for the Environment is not liable for the payment of income tax in terms of the Income Tax Act 1994. Accordingly no charge for income tax has been provided for.

Commitments

Future expenses and liabilities to be incurred or contracts that have been entered into at balance date are disclosed as commitments to the extent that they are equally unperformed obligations.

Contingent liabilities

Contingent liabilities are disclosed at the point at which the contingency is evident.

Taxpayers' funds

This is the Crown's net investment in the Parliamentary Commissioner for the Environment.

Changes in accounting policies

There have been no material changes in accounting policies since the date of the last audited financial statements. All policies have been applied on a basis consistent with other years.

STATEMENT OF FINANCIAL PERFORMANCE
For the Year Ended 30 June 2002

30/06/2001			30/06/2002	30/06/2002	30/06/2002
Actual		(Note)	Actual	Main Est	Supp Est
\$			\$	\$	\$
REVENUE					
1,686,000	Crown	(1)	1,772,000	1,685,000	1,772,000
33	Other	(2)	147	3,000	3,000
0	Interest	(3)	0	0	0
1,686,033	Total revenue		1,772,147	1,688,000	1,775,000
EXPENDITURE					
1,055,587	Personnel costs	(4)	1,101,321	1,050,000	1,101,000
567,682	Operating costs	(5)	605,172	582,000	618,000
53,428	Depreciation	(6)	51,182	50,000	50,000
5,900	Capital charge	(7)	5,310	6,000	6,000
1,682,597	Total expenses		1,762,985	1,688,000	1,775,000
3,436	Net surplus		9,162	0	0

The accompanying accounting policies and notes form part of these financial statements.

For information on major variances against budget, refer to Note 15 (page 65).

STATEMENT OF MOVEMENT IN TAXPAYERS' FUNDS
For the Year Ended 30 June 2002

30/06/2001		30/06/2002	30/06/2002	30/06/2002
Actual		Actual	Main Est	Supp Est
\$		\$	\$	\$
59,491	<i>Taxpayers' funds as at 1 July</i>	59,491	59,000	59,000
3,436	Net surplus	9,162	0	0
3,436	<i>Total recognised revenue and expenses for the year</i>	9,162	0	0
(3,436)	Provision for repayment of surplus to the Crown	(9,162)	0	0
59,491	<i>Taxpayers' funds as at 30 June</i>	59,491	59,000	59,000

The accompanying accounting policies and notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 30 June 2002

30/06/2001 Actual \$		(Note)	30/06/2002 Actual \$	30/06/2002 Main Est \$	30/06/2002 Supp Est \$
TAXPAYERS' FUNDS					
59,491	General funds		59,491	59,000	59,000
59,491	Total taxpayers' funds		59,491	59,000	59,000
Represented by:					
CURRENT ASSETS					
218,880	Cash		232,987	179,000	156,000
5,437	Prepayments		9,621	0	0
(765)	Debtors and receivables	(8)	1,834	0	0
223,552	Total current assets		244,442	179,000	156,000
NON CURRENT ASSETS					
93,148	Fixed assets	(9)	99,585	80,000	81,000
93,148	Total non current assets		99,585	80,000	81,000
316,700	Total assets		344,027	259,000	237,000
CURRENT LIABILITIES					
160,294	Creditors and payables	(10)	176,416	74,000	75,000
3,436	Provision for repayment of surplus to the Crown		9,162	0	0
53,384	Provision for employee entitlements	(11)	55,545	52,000	53,000
217,114	Total current liabilities		241,123	126,000	128,000
NON CURRENT LIABILITIES					
40,095	Provision for employee entitlements	(11)	43,413	74,000	50,000
40,095	Total non current liabilities		43,413	74,000	50,000
257,209	Total liabilities		284,536	200,000	178,000
59,491	NET ASSETS		59,491	59,000	59,000

The accompanying accounting policies and notes form part of these financial statements.

STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2002

30/06/2001 Actual \$		30/06/2002 Actual \$	30/06/2002 Main Est \$	30/06/2002 Supp Est \$
CASH FLOWS - OPERATING ACTIVITIES				
Cash provided from:				
1,685,376	Supply of Outputs to Parliament	1,771,750	1,685,000	1,771,000
33	Sale of Publications	0	3,000	3,000
0	Interest	0	0	0
1,685,409		1,771,750	1,688,000	1,774,000
Cash disbursed to Produce outputs				
(1,082,019)	- Personnel	(1,096,936)	(1,624,000) *	(1,086,000)
(555,420)	- Operating	(608,164)	0	(703,000)
(360)	- Net GST paid	(8,204)	0	0
(5,900)	- Capital Charge	(5,310)	(6,000)	(6,000)
(1,643,699)		(1,718,614)	(1,630,000)	(1,795,000)
41,710	Operating activities net cash flows	53,136	58,000	(21,000)
CASH FLOWS - INVESTING ACTIVITIES				
Cash provided from:				
0	Sale of fixed assets	147	0	0
Cash disbursed for:				
(34,353)	Purchase of fixed assets	(35,740)	(38,000)	(38,000)
(34,353)	Investing activities net cash flows	(35,593)	(38,000)	(38,000)
CASH FLOWS - FINANCING ACTIVITIES				
Cash disbursed for:				
(5,345)	Repayment of Net Surplus	(3,436)	0	(3,000)
(5,345)	Financing activities net cash flows	(3,436)	0	(3,000)
2,012	Net Increase in cash held	14,107	20,000	(62,000)
216,868	Add opening cash	218,880	159,000	218,000
218,880	Closing cash	232,987	179,000	156,000
Cash comprises				
218,880	Cash	232,987	179,000	156,000

The accompanying accounting policies and notes form part of these financial statements.

* Main estimate figure for cash disbursed to produce outputs – personnel, includes operating.

**RECONCILIATION OF NET SURPLUS TO NET CASH FLOW FROM
OPERATING ACTIVITIES**
For the Year Ended 30 June 2002

30/06/2001		30/06/2002	30/06/2002	30/06/2002
Actual		Actual	Main Est	Supp Est
\$		\$	\$	\$
3,436	Net surplus	9,162	0	0
	Add/ Less non-cash items			
53,428	Depreciation	51,182	50,000	50,000
0	Other non-cash items	0	0	0
	Inc/(Dec) in non-current employee			
(15,278)	entitlements	3,318	0	10,000
38,150	Total non-cash items	54,500	50,000	60,000
	Add/ Less Working Capital Movements			
(624)	(Inc)/Dec in debtors and receivables	(2,599)	0	(1,000)
(903)	(Inc)/Dec in prepayments	(4,184)	0	6,000
150	Inc/(Dec) in creditors and payables	(5,657)	(1,000)	(86,000)
1,501	Inc/(Dec) in current employee entitlements	2,061	9,000	0
124	Working capital movements-net	(10,379)	8,000	(81,000)
	Add/ less investing activities			
0	Net loss/ (gain) on sale of fixed assets	(147)	0	0
0	Total Investing activities	(147)	0	0
41,710	Net cash flow from operating activities	53,136	58,000	(21,000)

The accompanying accounting policies and notes form part of these financial statements.

STATEMENT OF COMMITMENTS
As at 30 June 2002

As at 30 June 2002 the Parliamentary Commissioner for the Environment had no capital commitments (2001: Nil).

The Parliamentary Commissioner for the Environment has recently negotiated a five-year lease of its long-term lease on Wellington premises, with a right of renewal for a further two years. The annual lease payments are subject to review at the end of the renewal period. The amounts disclosed below as future commitments are based on the current rental rate.

<i>30/06/2001</i>		<i>30/06/2002</i>
<i>Actual</i>		<i>Actual</i>
\$		\$
<hr/>		
	Operating lease commitments	
93,279	Less than one year	101,112
0	One to two years	101,112
0	Two to five years	303,336
0	Over five years	0
<u>93,279</u>	Total operating lease commitments	<u>505,560</u>

STATEMENT OF CONTINGENT LIABILITIES
As at 30 June 2002

As at 30 June 2002 the Parliamentary Commissioner for the Environment had no contingent liabilities (2001: Nil).

STATEMENT OF UNAPPROPRIATED EXPENDITURE
For the year ended 30 June 2002

As at 30 June 2002 the Parliamentary Commissioner for the Environment incurred no unappropriated expenditure (2001: Nil).

**STATEMENT OF DEPARTMENTAL EXPENDITURE AND
APPROPRIATIONS**

For the year ended 30 June 2002

(Figures are GST inclusive where applicable)

30/06/2001		30/06/2002	30/06/2002
Expenditure		Expenditure	Appropriation
Actual		Actual	*Voted
\$		\$	\$
VOTE: PARLIAMENTARY COMMISSIONER FOR THE ENVIRONMENT			
Appropriation for class of output			
1,685,222	D1 - Reports and Advice	1,771,197	1,779,000
1,685,222	Sub-Total	1,771,197	1,779,000
Appropriation for other expenses			
185,000	Permanent Legislative Authority	189,038	194,000
185,000	Sub-Total	189,038	194,000
1,870,222	Total	1,960,235	1,973,000

The accompanying accounting policies and notes form part of these financial statements.

* This includes adjustments made in the Supplementary Estimates.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2002

Note 1: Crown revenue

This is revenue earned for the supply of outputs to the Crown.

Note 2: Other revenue

30/06/2001 Actual \$	30/06/2002 Actual \$	30/06/2002 Main Est \$	30/06/2002 Supp Est \$
33 Sale of publications	0	3,000	3,000
0 Net gain on sale of assets	147	0	0
33 Total other revenue	147	3,000	3,000

Note 3: Interest revenue

The Parliamentary Commissioner for the Environment no longer invests surplus cash with the New Zealand Debt Management Office (NZDMO).

Note 4: Personnel costs

30/06/2001 Actual \$	30/06/2002 Actual \$	30/06/2002 Main Est \$	30/06/2002 Supp Est \$
1,070,865 Salaries and wages	1,098,003	1,041,000	1,091,000
(15,278) Retirement and long service leave	3,318	9,000	10,000
1,055,587 Total personnel costs	1,101,321	1,050,000	1,101,000

The Parliamentary Commissioner for the Environment is paid under Permanent Legislative Authority pursuant to section 9 of the Environment Act 1986. His salary at 30 June 2002 was \$194,000 and \$1,200 allowances. In addition to the salary and allowances paid during the year, he receives a superannuation contribution of 10 percent and a retirement leave contribution of 5 percent of his salary.

No staff of the Office of the Parliamentary Commissioner for the Environment receives remuneration in excess of \$100,000 pa.

Note 5: Operating costs

The principal items of expenditure are as follows:

30/06/2001	30/06/2002	30/06/2002	30/06/2002
Actual	Actual	Main Est	Supp Est
\$	\$	\$	\$
30,465 Stationery, Publications and Software	33,668	33,780	33,780
32,386 Telecommunication, Postage & Freight	33,191	35,000	36,000
75,450 Travel	64,946	80,400	83,400
101,136 Operating Lease Rental	101,271	102,000	102,000
38,435 Property and Equipment Maintenance	23,901	25,570	25,570
115,900 Professional Services	170,546	137,000	183,000
84,189 Printing	94,837	78,000	63,000
Fees paid to Auditor for the audit of the			
8,000 Financial Statements	8,025	8,000	8,000
81,721 Other Operating Costs	74,787	82,250	83,250
567,682 Total	605,172	582,000	618,000

Note 6: Depreciation

30/06/2001	30/06/2002
Actual	Actual
\$	\$
6,551 Furniture and fittings	4,581
40,893 Computer equipment	40,646
5,984 Office equipment	5,955
53,428 Total Depreciation	51,182

Note 7: Capital charge

The Parliamentary Commissioner for the Environment pays the Crown a capital charge on the average level of Taxpayers' Funds recorded in the Statement of financial position. The capital charge rate for the current year was 9% (2001: 10%).

Note 8: Debtors and receivables

30/06/2001	30/06/2002
Actual	Actual
\$	\$
0 Trade Debtors	2,349
(765) Debtor Crown	(515)
(765) Total debtors and receivables	1,834

Note 9: Fixed assets

30/06/2001	30/06/2002
Actual	Actual
\$	\$
Furniture and fittings	
95,064 At cost	92,669
89,875 Accumulated depreciation	90,668
5,189 Furniture and fittings - net book value	2,001
Computer equipment	
188,876 At cost	228,084
120,232 Accumulated depreciation	143,859
68,644 Computer equipment - net book value	84,225
Office equipment	
49,139 At cost	43,728
29,824 Accumulated depreciation	30,369
19,315 Office equipment - net book value	13,359
93,148 TOTAL CARRYING AMOUNT OF FIXED ASSETS	99,585

Note 10: Creditors and payables

30/06/2001	30/06/2002
Actual	Actual
\$	\$
91,288 Trade Creditors	95,379
52,180 Accrued Expenses	50,661
261 Provisions	161
16,565 GST Payable	8,336
0 Fixed Asset Creditors	21,879
160,294 Total creditors and payables	176,416

Note 11: Provision for employee entitlements

30/06/2001	30/06/2002
Actual	Actual
\$	\$
NON CURRENT LIABILITIES	
40,095 Retirement and long service leave	43,413
40,095 Total non-current portion	43,413
CURRENT LIABILITIES	
53,384 Annual leave	55,545
53,384 Total current portion	55,545
93,479 Total provision for employee entitlement	98,958

Note 12: Financial instruments

The Parliamentary Commissioner for the Environment is party to financial instrument arrangements as part of everyday operations. These include instruments such as banking investments, accounts receivable and creditors.

Credit risk

Credit risk is the risk that a third party will default on its obligations to the Commissioner, causing the Commissioner to incur a loss. In the normal course of business the Parliamentary Commissioner for the Environment incurs credit risk from trade debtors and transactions with financial institutions.

The Parliamentary Commissioner for the Environment does not require any collateral or security to support financial instruments with financial institutions that the Commissioner deals with, as these entities have high credit ratings. For its other financial instruments the Commissioner does not have significant concentrations of credit risk.

Fair value

The fair value of financial instruments is equivalent to the carrying amount disclosed in the Statement of financial position.

Currency and interest rate risk

Currency risk is the risk that debtors and creditors due in foreign currency will fluctuate because of changes in foreign exchange rates.

Interest rate risk is the risk that return on funds invested will fluctuate due to changes in market interest rates.

The Commissioner has no significant exposure to currency risk or to interest rate risk on financial instruments.

Note 13: Contingencies

The Parliamentary Commissioner for the Environment does not have any contingent assets as at 30 June 2002 (30 June 2001, Nil).

Contingent liabilities are separately disclosed in the Statement of contingent liabilities.

Note 14: Related party transactions

The Parliamentary Commissioner for the Environment is a wholly owned entity of the Crown. All transactions entered into with other Government Departments and State Owned Enterprises are conducted 'at arms length' on normal business terms. These transactions are not considered to be related party transactions.

Note 15: Major budget variations

Explanations for major variations from the initial Budget Night Estimates were outlined in the Supplementary Estimates. They were:

Output D1 - Reports and advice

The annual appropriation for this output class was increased by \$87,000 (inc GST). This reflects the costs of developing an audit framework as a lead to carry out the duties required by the Electricity Amendment Act 2001.

The other appropriation for this output class was increased by \$10,000. This reflects the movement in the Commissioner's salary and allowances as determined by the Higher Salaries Commission.

STATEMENT OF FINANCIAL PERFORMANCE OBJECTIVES
For the Year Ended 30 June 2002

PERFORMANCE INDICATORS

	Unit	Actual 2002	Budget 2002
Operating Results			
Revenue: interest	\$	0	0
Output expenses	\$	1,762,985	1,775,000
Operating surplus before capital charge	\$	14,472	6,000
Net surplus	\$	9,162	0
Working Capital			
Net current assets	\$	3,319	28,000
Current ratio	%	101	122
Liquid Ratio	no.	1.3 : 1	2.1 : 1
Average creditors outstanding	days	61	11
Resource Utilisation			
Physical assets:			
Total physical assets at year end	\$	99,585	81,000
Value per employee	\$	5,893	5,000
Additions as % of physical assets	%	58	47
Taxpayers' funds:			
Level at year-end	\$	59,491	59,000
Level per employee	\$	3,520	4,000
Forecast Net Cash Flows			
Surplus/(deficit) operating activities	\$	53,136	(21,000)
Surplus/(deficit) investing activities	\$	(35,593)	(38,000)
Surplus/(deficit) financing activities	\$	(3,436)	(3,000)
Net increase/(decrease) in cash held	\$	14,107	(62,000)
Human Resources			
Staff turnover	no.	5	3
Analyst to Support Staff Ratio	no.	2.7:1	2.7:1
Total staff (FTE)	no.	16.9	16.5

Office organisation and management

Legal responsibilities

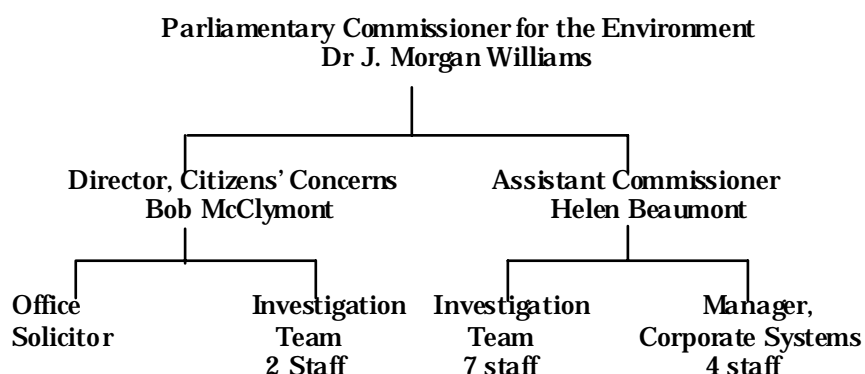
The Environment Act 1986 established the Office of the Parliamentary Commissioner for the Environment and outlines the Commissioner's functions, powers and responsibilities.

The Commissioner is an Officer of Parliament and reports directly to the House of Representatives through the Speaker.

The current Commissioner, Dr J. Morgan Williams, was reappointed for a second five-year term on 27 February 2002.

Management and structure

The management structure of the office with staffing levels at 30 June 2002, is as follows:



One staff member is employed part-time giving a total of 17.9 full-time equivalents (compared to 17.0 full-time equivalents at 30 June 2001).

During the 12 months to 30 June 2002 four vacancies were filled and four staff members resigned.

Operational effectiveness

Details of output performance for the year are shown in the Statement of objectives and service performance (pages 48-50). The significant variances are:

Output	Objective \$000	Performance Achieved \$000	%	Over/ (Under) \$000
National systems issues	511	802	157	292
Environmental management initiatives	201	101	50	(99)
Citizens' Concern Investigations	212	94	44	(118)
Information for stakeholders	181	153	84	(28)
Communication of advice	111	244	219	133
Information for Parliament	69	48	69	(21)

The principal reasons for these variances are:

- Resources were diverted into three major 'National systems investigations':
 - Weaving resilience into our working lands: recommendations for future roles of native plants*
 - He rangahau ki te aria ko te Tiriti te putake e whakatuturutia ai nga tikanga mo te taiao. Exploring the concept of a Treaty based environmental audit framework*
 - Creating our future: sustainable development for New Zealand*
- Additional effort was put into 'Communication of advice' particularly for presentations and workshops relating to the reports released by the office.

Employment policy

At 30 June 2002 all staff were employed on individual employment contracts, with the majority having terms of between three and five years.

I subscribe to the Good Employer concept and the principle of equal employment opportunity. My organisation is a member of the EEO Employers' Group. At 30 June 2002, eleven women and seven men were employed in my office.

Staff with unexpected and unavoidable child care commitments during normal working hours are entitled to work at home or receive reimbursement of reasonable child care costs. Employment contracts provide for essential caregivers' leave entitling a staff member to go on leave without pay and guaranteeing job protection.

I encourage all staff, with the active support of their managers, to plan for their own professional and personal development. The office contributes to relevant training and, where possible, offers flexible working hours in order to facilitate personal study programmes.

Access and promotion

A brochure and/or a copy of the Commissioner's strategic plan *Future Directions* (and its update) are available to those seeking information about the Office of the Parliamentary Commissioner for the Environment. Information about the Office is provided in a number of public and private directories. The Commissioner's website, located at www.pce.govt.nz, contains electronic reports and report summaries, news sheets and other relevant information. During each year I provide three news sheets to parliamentarians and other interested parties.

Publications

The following publications were produced during the year ended 30 June 2001:-

PCE news sheet – August 2001, December 2001, May 2002.

Annual report 2000-2001, October 2001.

Forecast report 2002-2003, April 2002.

Boggy patch or ecological heritage? Valuing wetlands in Tasman, March 2002.

Weaving resilience into our working lands: summary of submissions, May 2002.

Showing the way: Curitiba: citizen city, June 2002.

He rangahau ki te aria ko te Tiriti te putake e whakatuturutia ai nga tikanga mo te taiao. Exploring the concept of a Treaty based environmental audit framework, June 2002.

Creating our future: sustainable development for New Zealand, June 2002.

Significant conference papers

Sustainability – It's got to be good for you Paper presented at the New Zealand Association for Environmental Education Conference, January 2002, Hamilton.

Presentations

Presentations by the Commissioner

Unclogging the arteries, sustaining drinking, flushing & mobility infrastructures, Local Government New Zealand Conference

Panel on genetic engineering, Rural Women New Zealand National Conference

Genetic engineering: what strategic fit for NZ? Based on community views on GE possum biocontrols, Conservation Week Talks

Native plants on private land, New Zealand Conservation Authority meeting

Back to the future: pastoral land use in a forested land - sustainability challenges for the 21st century, Lincoln Agronomy Group

Opening speech, Natural Step Reception

Leadership, knowledge & partnership: key ingredients of a more sustainable city - Curitiba, Brazil, New Zealand Institute of Architects talk on Curitiba

Caught in the headlights, NZ's reflections on possums, control options & GE, Environmental Risk Management Authority Risk Management Seminar

Sustaining a Gondwanan remnant and its people through the 21st century: some navigation challenges, New Zealand Ecological Society Conference

Ageing pipes and murky waters: urban water system issues for the 21st century, Urban Planning & Management Conference

MC, closing remarks, Tane's Tree Trust opening

Communities, sustainability, environment: how to think about, link and measure them, SOLGM 2001 Conference

Leadership, knowledge and partnership: key ingredients of a more sustainable city - Curitiba, Brazil (Agenda 21 in action), Wellington Regional Council meeting

Aotearoa, a first class berth to a more sustainable future, Sustainable Auckland Congress

Leadership, knowledge and partnership: key ingredients of a more sustainable city - Curitiba, Brazil, Sustainable Auckland Congress

Sustaining a Gondwanan remnant and its people through the 21st century: some navigation challenges, Environment BOP Regional Environmental Education Forum

Mobility and liveability - can both be enhanced in Auckland? Innovative Transport Solutions Workshop

Navigation challenges: what course for genetic sciences in NZ's biotic futures? Grasshoppers Club

Land use futures in NZ: how woody, what species? Farm Forestry Association & Tree Crops Association

Facilitate workshop sessions, Gene Technologies Workshop

Crafting a place for genetic sciences in NZ's biotic futures: but who's crafting for whom? University of Auckland Graduate Day

New Zealand is in the business of pampering the palates of the world's more prosperous: the PCE is in the business of? Some reflections. Nelson Luncheon Club

Regional Councils contributing to sustainable development, Wellington Regional Council Masterton Councillor Briefing

Aotearoa: a first class berth to a more sustainable future provided our planning improves, New Zealand Planning Institute Seminar - World Planning Day

Navigation challenges: what course for genetic sciences in New Zealand's biotic futures? Biotech Industry Function

Ecologically sustainable development: NZ challenges and PCE reflections on what should be in ecological engineers' sights, Ecological Engineering Conference

The art of influencing environmental governance in Aotearoa, NZ: the role of an environmental ombudsman, Environmental Protection Agency

Maori and environmental management in NZ: a turbulent arena, Environmental Protection Agency

Ecological literacy and institutional capacity: keys to respecting the integrity of life, Asia Pacific Earth Charter Conference

Getting more from less: a review of progress on energy efficiency and renewable energy initiatives in New Zealand, Asia Pacific Earth Charter Conference

Maori and environmental management in NZ: a turbulent arena, Asia Pacific Earth Charter Conference

Crafting a place for genetic sciences in New Zealand's biotic futures: but who's crafting for whom? South Canterbury Federated Farmers

Enhancing the ecological sustainability of New Zealand's agricultural systems: what role for our native plants, Nature Farming for the 21st Century

Urban sustainability: what are some of the key ingredients, Northern Growth Management Plan Seminar Series

Sustainable urban communities: what are some of the key ingredients, Kapiti Coast District Council, In-house Workshop on Water

Footprints for food and fibres, AgResearch Environmental Strategy Workshop

Canterbury's natural capital: what forces will shape its use in coming decades, Future Path Canterbury Seminar Series

The changing world of climate change: what is the science story, how is NZ responding? South Pacific Area Conference Associated Country Women

The art of influencing environmental governance in New Zealand: the role of an environmental ombudsman, KPMG Legal

Sustainable land management: is it possible, Auckland University Lecture for Environmental Management

Designing habitats for people, MfE Innovation for Urban Sustainability.

Presentations by PCE staff

Whose water is it? Kapiti Adults Learning Programme. Philippa Richardson & Helen Beaumont

Of civics, cities and science, Master of Engineering Environmental Impact Course. Helen Beaumont

Being an environmental ombudsman - how the Parliamentary Commissioner for the Environment responds to citizens' concerns, Presentation to Auckland Branch of Engineers for Social Responsibility. Bob McClymont

Beyond ageing pipes, New Zealand Water & Wastes Association Operator's workshop. Helen Beaumont

Roads, sustainability and the environment: the short and long haul, Bitumen Contractors' Association, Annual General Meeting. Doug Clover

Assessing significance - when should the Parliamentary Commissioner for the Environment get involved? NZ Association for Impact Assessment Professional. Bob McClymont

Public health emergency management, Presentation to students on the post graduate Diploma in Public Health course of the University of Otago, Wellington School of Medicine. Bruce Taylor

Sustainability – it's got to be good for you, NZAEE Conference Paper. Rochelle Selby-Neal

The Treaty, the RMA and you, Wellington Regional Council Treaty Forum. Ronda Cooper

Environmental impact assessment and the Parliamentary Commissioner for the Environment, Presentation to State Bank of Vietnam Study Tour of New Zealand. Bob McClymont

Conference on invasive species management. Wren Green

The role of an environmental ombudsman, Presentation to German Bundestag delegation. Helen Beaumont

The role of an environmental ombudsman, Briefing for Australian Senate Committee. Helen Beaumont

The role and work of the PCE, Maori Resource Management Class, Victoria University. Ronda Cooper

The long title and so what? Environmental Impact Class. Helen Beaumont

Articles/book chapters by PCE staff

Book chapter. Native plants. Doug Clover

Forest and Bird Article. Doug Clover

Ways through complexities, published in Whenua: managing our resources, edited by Merata Kawharu (Sir James Henare Research Centre, Auckland University), forthcoming from Reeds (Auckland). Ronda Cooper and Rachel Brooking

Triple bottom line reporting

Introduction

This section represents the first steps toward producing a full Triple Bottom Line report for the office. Much of my annual report is defined by the requirements of the Public Finance Act. In addition I have been providing outcome evaluations to assess the effectiveness of my major reports. These provide a qualitative measure of the environmental benefits of my work.

I am now introducing measures to assess the environmental cost of running the office and will be looking to improve performance over time. I will also be assessing social impacts for both staff within the office and the wider community.

The diagram, *Key resource flows for the Office of the PCE*, on the following page represents some of the key resource flows (both into and out of my office) that enable my team and I to operate effectively. I have already collected data for some elements in this diagram (marked with an asterisk). These have been identified below. I will continue to collect and publish additional information (for categories which may or may not be represented in the current diagram) as I continue to work towards improving the environmental, social and economic performance of my organisation.

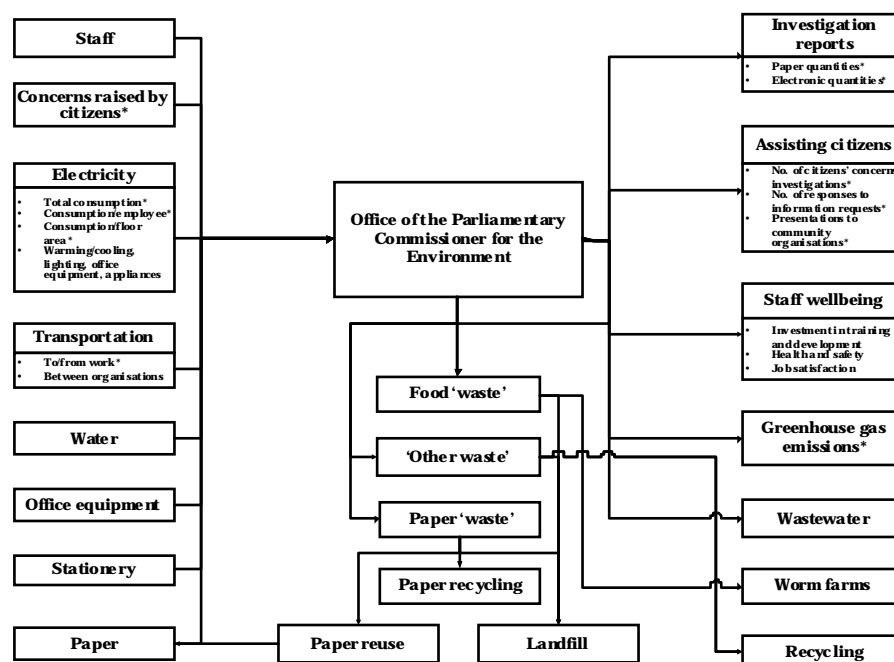
Carbon footprint

This year we commissioned the Landcare Research EBEX 21 team, www.ebex.co.nz, to calculate our carbon footprint, ie. our carbon dioxide emissions from my office's business activities. This information is represented in the following table:

Energy type	CO ₂ (tonnes)
Electricity (total amount = 20,762 kwh)	3.5
Domestic air travel (total amount = 63,406 km)	11.4
International air travel (total amount = 44,922 km)	4.9
Petrol* (total amount = 13,606 km)	3.5
Total tonnes of CO₂	23.4

* This includes staff commuting to and from work in motor vehicles

Key resource flows for the Office of the PCE



Electricity consumption

	kwh p.a.
Total electricity consumption	20,762
Energy consumption per employee	1153.4
Energy consumption per metre ² of office space	45.2

Staff travel

A survey was conducted on how my staff travelled to and from work during the 2001/02 financial year.

Method of travel	Total return distance travelled each day (km)	Proportion of total travel (%)
Walk/bike	49.9	21.7
Bus/Rail/Cable car	122.2	53.2
Car pool (2 + people)	29.9	13.0
Car (1 person)	27.9	12.1

The median travel distance was 5.75km and distances ranged from 1.5km to 25km.

I also encourage staff to walk to meetings within the Wellington CBD where they are close by. I provide city section bus tickets for travelling to meetings more than 10 minutes walk away to encourage the use of public transport as an alternative to taxis or private motor vehicles.

Paper consumption

Reams of paper purchased by PCE 2001/02: 300 (150,000 sheets of A4 paper)

Quantities of reports printed 2001/02

<i>Reports</i>	<i>No. of copies</i>	<i>(A4 sheets)</i>
Annual report	700	(26,600)
Forecast report	300	(3,600)
Boggy patch	500	(18,000)
Weaving resilience, recommendations	3,000	(66,000)
Curitiba	3,000	(45,000)
He rangahau	3,000	(81,000)
Creating our future	3,000	(273,000)
Creating our future – summary	3,000	(24,000)
Key lessons (reprint)	400	(8,000)
Whose water is it? (reprint)	100	(4,000)
Total	17,000	(549,200)

<i>News sheets/brochures</i>		
PCE News sheets	6,000	(12,000)
Information brochures	36,000	(36,000)
Total	42,000	(48,000)
TOTAL	59,000	(597,200)

Paper waste

During 2001/02 a total of 21 240 litre bins were collected for paper recycling.

Web site statistics

The website has become the primary means of disseminating information and has assisted me to reach a wider audience with very small additional financial and environmental costs.

During 2001/02 the web site recorded 46,000 unique visits and 650,000 successful page hits. It is pleasing to observe that our visitors downloaded in excess of 75,000 reports, presentations and speeches.

I will continue to monitor these statistics and use this information to help us predict the need for printed material and thus improve our paper consumption practices.

Wellness

I endeavour to take proactive initiatives to promote a healthy workplace, including flu vaccinations for those who wish. My office is a member of the NZ Heart Foundation. When catering is provided for staff and visitors we endeavour to ensure that healthy food options are available.

During 2001/02 the average amount of sick leave taken was 7.8 days/FTE.

Employment policy

My employment policy will also be explored in relationship to triple bottom line reporting. For further information please see page 63 of this report.

Where to from here?

My strategic planning exercise in October will set new directions for the office. In the implementation of the new plan I will be having regard to financial, social and environmental impacts and putting in place a more comprehensive measurement system, setting targets and collecting information on trends over time. The next annual report will be a fuller more integrated TBL report.

