Annual report

for the year ended 30 June 2026

September 2026



Parliamentary Commissioner for the Environment
Te Kaitiaki Taiao a Te Whare Pāremata

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Chapter header images: Richard's spleenwort (*Asplenium richardii*), dhutch, iNaturalist; Hard fern (*Blechnum durum*), invertebratist, iNaturalist; Strap fern (*Notogrammitis givenii*), chrise, iNaturalist; Filmy fern (*Hymenophyllum revolutum*), forrest00, iNaturalist; Milne's Tree Fern (*Cyathea milnei*), pjd1, iNaturalist; Lyall's Spleenwort (*Asplenium lyallii*), Ria, iNaturalist; Poor Knights Spleenwort (*Asplenium pauperequitum*), pjd1, iNaturalist; Fork fern (*Tmesipteris tannensis*), zultin, iNaturalist.

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for the year ended 30 June 2026

Presented to the House of Representatives pursuant
to section 44(1) of the Public Finance Act 1989
and section 23 of the Environment Act 1986

Parliamentary Commissioner for the Environment
Te Kaitiaki Taiao a Te Whare Pāremata

The Rt Hon Gerry Brownlee
Speaker
House of Representatives
Parliament Buildings
Wellington

Mr Speaker In accordance with section 23 of the Environment Act 1986, I am pleased to submit my annual report for the year ended 30 June 2026.

Yours faithfully.



Simon Upton

Parliamentary Commissioner for the Environment
Te Kaitiaki Taiao a Te Whare Pāremata

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Richard's Spleenwort, *Asplenium richardii*

1

Overview

Section 16 in changing times

I have section 16 of the Environment Act 1986 permanently open in front of me on my desk as I work. It spells out my functions. I have to ensure that any task my team and I undertake falls under one of the seven functions listed in section 16(1). The Act does not have a purpose clause to explain why Parliament created a Parliamentary Commissioner for the Environment (PCE). But an explanation for the 'why' can be deduced from the drafting of each of the functions.

For instance, I may investigate matters in respect of which *the environment may be or has been adversely affected*. I am charged with reviewing the system of agencies and processes that make up the environmental management system *with the objective of maintaining and improving the quality of the environment*. I am charged with encouraging *preventive measures and remedial actions for the protection of the environment*. Most pertinently, in the context of the year just passed, I am empowered to investigate *the effectiveness of environmental planning and environmental management*.

If there is a common thread here, it seems to be a concern that someone needs to alert Parliament to the potential for environmental deterioration. Which still begs the question: Why should Parliament appoint someone to discharge this role? The answer, I suspect, lies in a recognition that the environment – of which we are a part and on which we literally rely for our survival – cannot front-up to a select committee and state its case. There are millions of property owners who can argue for their interests, just as there are thousands of businesses and community groups that can argue for their corner. But there is an interest in the environment that is bigger than any of those private or sectional interests.

Parliament is the forum that gathers together all those interests, so any laws that it passes touching on the environment will reflect how collectively we decide to deal with the pressures we place on the environment. Or not deal with them. It is *not* for the PCE to tell people how to live. But it *is* for the PCE to give parliamentarians some useful guidance about the likely environmental consequences of the laws they make. Those consequences flow from the way people live and the incentives or barriers they face.

How we manage the environment has been at the heart of the Environment Committee's work now for five years as it attempts to make sense of far-reaching reforms that successive governments have sought to make to the Resource Management Act 1991 (RMA). Overturning a legislative regime that has been in place for 35 years is not a minor undertaking. Unsurprisingly, my office has been submerged in this lengthy and complex process. Over the last year, this reform has consumed more of my time and resources than any other workstream.

The twin Bills designed to replace the RMA represent, in some respects, a radical break with the past, and in other respects, a continuation of the same.

The radical break comes back to the question of why we have this sort of legislation. The RMA was an explicitly environmental statute. Everyone (including the PCE) could assume that whatever decisions were taken touching on the environment, they would be guided by an environmental purpose. The effectiveness of that framing is open to question. It has been popular to point to ongoing environmental deterioration across a range of indicators to conclude that the RMA created a vast, costly edifice that still failed to achieve its purpose.

This is obviously debatable. But those inclined to lament the passing of the RMA might like to reflect on an observation by the philosopher William James, who opined that "most human institutions, by the purely technical and professional manner of the way in which they come to be administered, end by becoming obstacles to the very purposes which their founders had in view."[1]

The two new Bills start from very different premises. Neither has a substantive purpose clause. They are essentially Bills to enable economic development subject to any environmental or planning restrictions those exercising powers under them may deem appropriate.

This represents a sharp migration of regulatory control back towards central government. There is also a welcome attempt to simplify the thicket of regulatory interventions that grew up under the RMA. But there will still be a huge regulatory edifice standing between people's activities and the physical environment. And it is in that respect that there is a continuation of the same. It will be interesting to see how long it takes for the new system to become an obstacle to the very purposes which its founders had in view.

Much of my time and resources have been devoted to understanding what the effects of this reset could mean for the environment. Will its impact on people's incentives be to *maintain and improve the quality of the environment*, or not? It is impossible to say at this point, because everything depends on national instruments that are yet to be developed by the Executive. Whereas in the past the PCE was able to point to a statutory 'bottom line', the PCE will in future have to parse the likely environmental consequences of new settings that can be much more easily changed to fit the political and economic preferences of the government of the day.

This is likely to mean a different focus for the PCE going forward. Reforms to the planning system, local government, public science and conservation have all, in their different ways, signalled a return to a more active and interventionist role by central government. The early signs of that were already evident in the office's output during the 2025/26 year.

With the exception of the review of how the Land Use Capability (LUC) system is used in a regulatory context, I have released no major reports stemming from an investigation commencing within the office. There were instead a large number of responses that reacted to government initiatives. The website records seven submissions on Bills before the House, a further ten submissions on policy consultations and seven inputs on applications under the Fast-track Approvals Act 2024. In addition to these submissions, extensive resources were devoted to advising the Environment Committee on the Planning and Natural Environment

1 James, W., 1909. A pluralistic universe. Lecture III on Hegel (Hibbert Lectures at Manchester College on the Present Situation in Philosophy). Cambridge, MA: Harvard University Press.

Bills. Many of these commentaries were made under significant time pressure. Future heavier reliance on central direction and rule-making is likely to cement this shift in emphasis.

In addition to this flurry of reactive output, I submitted a fifth edition of my estimate of environmental expenditure to the Environment Committee. Parliament's interest in shifting the focus of parliamentary scrutiny to more of an outcome-based lens (as evidenced by the report of the Finance and Expenditure Committee on performance reporting and public accountability) is very much aligned with what my estimate of environmental expenditure offers select committees. I took the opportunity to urge the Environment Committee to make greater use of this tool in the context of discharging its Scrutiny Week sessions. It remains to be seen if this offer will be taken up.

This raises an interesting question about my non-financial performance measures and targets. These are an essential element of accountability to taxpayers for the funds entrusted to me. In the case of my office, funding has in real terms remained flat for the last decade. Small increases at intervals have enabled me to continue to pay for the same number of staff and secure external research outputs. Beyond that, I have not sought additional resources because I am not convinced that I would be listened to any more closely simply because I was producing more reports.

My performance measures are discussed in some detail below at pages 24–31. Some are numerical and easy to report – the number of briefings given to Members of Parliament (MPs) during the year or the number of reports and submissions published. But only one measure gets close to what select committees should be interested in. The measure in question is whether 'select committee reports indicate that PCE reports are useful'.

I am, naturally, grateful for any indications that our work has been useful. Those indications are often pitched at a high level of generality. But do MPs – or indeed the public at large – really want to be warned that particular policies or initiatives may not maintain or improve the quality of the environment when the very activities they wish to engage in will have the opposite effect?

Just after the Planning and Natural Environment Bills were reported back to the House, I sent a note to all MPs setting out an overview of what the new Bills might mean for environmental outcomes. The only reliable metric I have for knowing how useful that note was for MPs was whether I received a personal acknowledgement in response. In this case, I received just one. But of course, busy MPs have more reading material than they can ever hope to consume, and likely even more email traffic.

It raises a real conundrum. Is this 'usefulness' performance measure even useful? It is something I have discussed with the Auditor-General. What is evidence of usefulness? It could be glowing endorsements – but it could, equally, be fierce disagreement. After all, 'maintaining and improving the quality of the environment' may not be, by any means, a shared concern. Indeed, in a democracy, we must expect widely divergent views about what level of environmental quality we should aspire to and what trade-offs we should contemplate. I interpret any response from MPs as a sign of usefulness.

I am just one among thousands of New Zealanders who are paid to provide us with information about the state of our environment and how we are managing it. The vast bulk of this 'tribe' is in fact employed not by central government, but by regional councils. They have, for the last three decades, been delegated to administer and enforce environmental regulations. These councils are about to be abolished, and it is likely an even greater number of unitary councils will be formed. That risks spreading the skills even more thinly. There will be a need to migrate at least some of these skills back to the centre to manage that risk.

Whatever happens, environmental policy implementation will rely heavily on the investments we have made over decades in environmental science in public research institutions, universities and – again – regional councils. But the science system too is undergoing a profound change. Significant cuts in environmental research have been foreshadowed.

These will, once again, have an impact on what we can say about what is happening in our natural environment.

It is the impact of all these reforms on the people we rely on to help us understand our environment that has emerged, during this reporting period, as the single biggest challenge for my office. My ability to report to Parliament on all the matters envisaged by section 16 of the Environment Act depends in large measure on this workforce. Parliament's ability to be confident of the impact of these reforms on our management of the environment is similarly at stake.

If, indeed, these institutions are judged to have become "obstacles to the very purposes which their founders had in view", then little is to be gained by arguing for the status quo. But, and here I quote verbatim from my last annual report to Parliament –

> "if we are going to have another round of root and branch reform, it has to be one that takes root so branches can be pruned or shaped by people other than its authors. Clear-fell legislative logging may be quick and easy but leaves us constantly at square one. Meanwhile the environmental invoices will continue to roll in."

By the time MPs scrutinise this annual report, there will be a new Parliament and a new Environment Committee. While I will report some major investigations in the coming financial year, the weight of my work will likely remain focused on the implementation of the many reforms currently in play as they crystallise into a new environmental management system. I look forward to engaging with MPs on how I can best support the Committee's work.



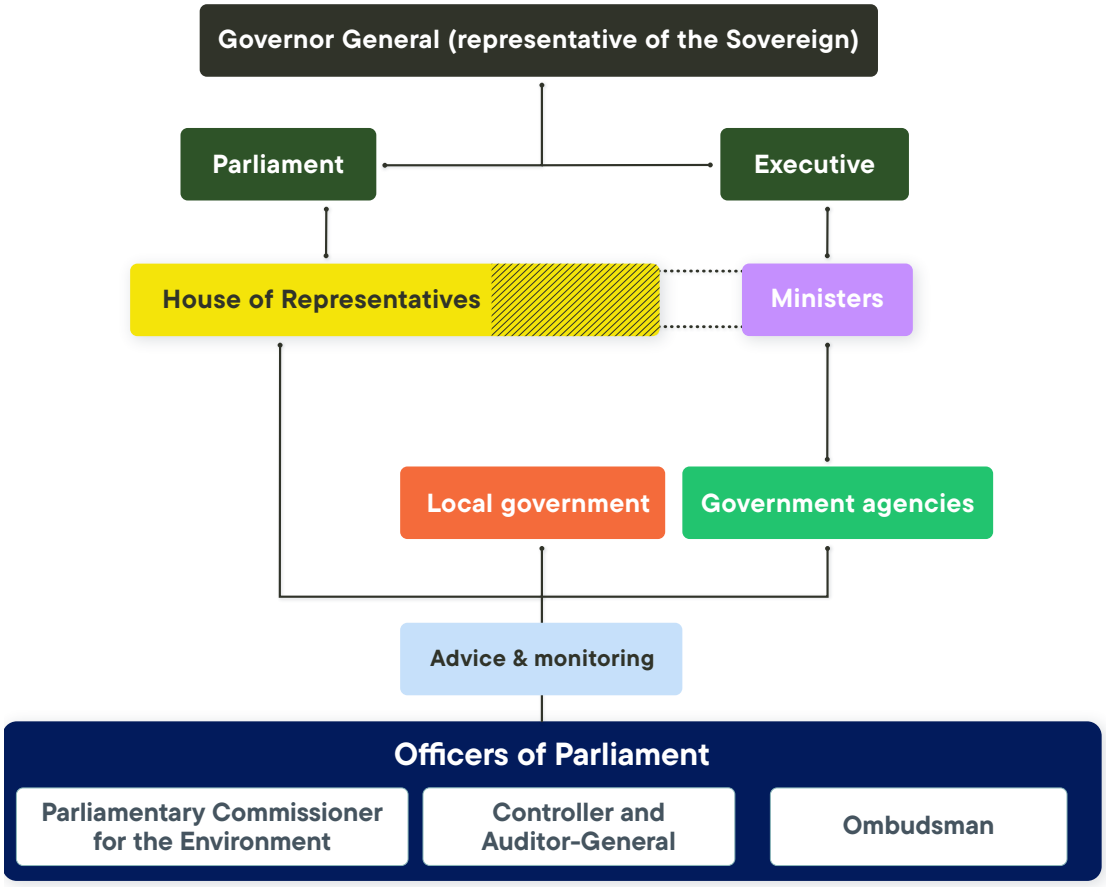
Simon Upton

Parliamentary Commissioner for the Environment
Te Kaitiaki Taiao a Te Whare Pāremata

Role of the Parliamentary Commissioner for the Environment

The office of the Parliamentary Commissioner for the Environment (PCE) was set up in 1986 with the passing of the Environment Act. It was established to provide parliamentarians with robust independent advice on environmental matters. I am the fourth person to hold this office.

As an Officer of Parliament, I do not report to government ministers, but instead to Parliament as a whole. I have the privilege and responsibility of providing both ministers and opposition spokespeople with independent advice.



Source: Parliamentary Commissioner for the Environment

Figure 1: Relationship between the Officers of Parliament, including the PCE, Parliament and Executive Government.

With a broad mandate, and a small supporting team, I try to focus our efforts on issues where we can add the greatest value. Specifically, I look at emerging areas of concern or issues that may be neglected. I am more selective about engaging with issues that already have strong stakeholder attention. I will get involved if I see an opportunity to offer independent analysis on difficult issues, such as agricultural emissions reductions or freshwater quality, in order to move the debate forward.

I am in my second term as the Parliamentary Commissioner for the Environment, after being reappointed in October 2022. I am assisted in my role by a multidisciplinary team of 21 advisors and administrators based at my Wellington office.[2]

2 As at 30 June 2026. This number varies slightly over the course of the year due to staff changes.

Legal functions

The Environment Act 1986 lays out the functions and powers of the Parliamentary Commissioner for the Environment. These form the basis of my ability to investigate environmental issues, processes and public agencies. The functions are wide-ranging and are set out in section 16(1) of the Environment Act 1986:

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



Richard's Spleenwort, *Asplenium richardii*

1 Tirohanga Whānui

Te Wāhanga 16 i roto i tēnei ao hurihuri

Kei mua tonu i ahau te whārangi o Te Wāhanga 16 o Te Ture mō Te Taiao 1986 e tuwhera ana i taku tēpu i ngā wā katoa e mahi ana ahau. Kei reira aku taumahi. Ko tāku, he whakarite kia taka ngā tūmahi katoa ka kawea e mātou ko taku tira ki raro tonu i ngā taumahi e whitu e rārangi nei i te wāhanga 16(1). Kārekau he kīanga tautohu kaupapa hei whakamārama he aha te Whare Pāremata i tahuri ai ki te whakatū i tētahi Kaitiaki Taiao a Te Whare Pāremata. Engari ka taea te kite i tētahi whakamārama mō te pātai 'he aha ai' rā roto i ngā kupu i tāreia mō ia taumahi.

Hei tauira, ka taea e ahau te tūhura take *e kitea ai ka tūkinotia, kua tūkinotia rānei te taiao*. Kua herea au kia arotake i te pūnaha o ngā hinonga me ngā hātepe ka noho hei pūnaha whakahaere taiao whānui *i runga i te whāinga kia whakapakaritia, kia whakapaingia hoki te kounga o te taiao*. Kua herea au kia whakatenatena i *ngā kōkiri aukati me ngā mahi whakatikatika mō te tautiaki i te taiao*. Anei kē pea te mea tino hāngai, i roto i tēnei tau kua hipa ake nei, kua homai te mana ki ahau kia tūhura i te *whāinga hua o te whakamahere taiao me te whakahaere taiao*.

Mehemea he kākaho kotahi kei ēnei mea katoa, ko te whakaaro kia noho mai he manu mataara hei whakaoho i Te Whare Pāremata kei tūpono mai te tūkinotanga taiao. E iri tonu mai ana te pātai: He aha te Whare Pāremata e kopou ai i tētahi tangata hei kawe i tēnei tūranga? Inā te whakautu, ki taku mōhio, kāore te taiao e kaha ki te tū ki mua i tētahi komiti whāiti ki te whakaatu i ōna hiahia - ko te taiao tēnei e noho nei tātou hei wāhanga, e whakawhirinakitia nei e te katoa mō tōna ora i te ao. Kei waho rā te hia miriona tāngata pupuru rawa ka taea e rātou te kauwhau tikanga mō ō rātou pānga, me te tini o ngā rōpū hapori ka kaha ki te kōrero mō rātou anō. Engari he pānga anō tō te taiao he nui kē atu i ō te katoa o ngā pānga tūmataiti, pānga rōpū iti rānei.

He huihuinga te Whare Pāremata hei whakahiato i ēnei pānga katoa, e tika ai te whakaata o ngā ture katoa ka whakamanaia e ia mō te taiao i ā tātou whakatau mō te pēheatanga o ngā whakamāmā i ā tātou pēhanga mō taua taiao. Tā tātou kore rānei e whakamāmā. *Kaua* mā Te Kaitiaki Taiao a Te Whare Pāremata e kī atu ki te tangata me pēhea tana noho i te ao nei. Engari he tika tonu mā Te Kaitiaki Taiao a Te Whare Pāremata e tuku tohutohu whai take ki ngā Mema Pāremata mō ngā hua taiao o ngā ture ka hangaia e rātou. Ka hua ake ēnei āhuatanga i te āhua o te noho o te tangata, me ngā whiwhinga, ngā aukati rānei kei mua i a rātou.

Kua tae tēnei ki te rima tau o te noho o tā tātou whakahaere i te taiao hei pūtahi mō ngā mahi a te Komiti mō te Taiao, i a ia e whiriwhiri i te ara pai hei whai, i raro i ngā whakahoutanga torowhānui kua whakaurua e tēnā kāwanatanga, e tēnā kāwanatanga mō Te Ture Whakahaere Rawa Taiao 1991 (Resource Management Act RMA). Ehara i te hanga noa te huripoki i tētahi anga ā-ture kua tū kē mō te 35 tau. Heoi anō, kua noho anō taku tari ki raro i ngā paremotanga o tēnei mahi roa, o tēnei mahi matatini anō. I roto i te tau kua mahue ake nei, kua pau te tini o taku tāima me aku rauemi i ēnei whakahoutanga,kei runga noa atu i ō ētahi atu kaupapa mahi.

Hei waitohu ngā Pire e rua i huaina hei whakakapinga mō Te Ture Whakahaere Rawa Taiao i tētahi huringa nui i ō mua whakaaro, otirā, i tētahi ahunga ōrite tonu.

E hoki ana tēnei anganga hou ki te pātai, *he aha tātou i hiahia ai* ki ēnei momo ture. He ture taiao tonu Te Ture Whakahaere Rawa Taiao. He ngāwari noa mō te katoa, tae atu ki Te Kaitiaki Taiao a Te Whare Pāremata, ki te whakapono me he whakatau i pā ki te taiao, he kaupapa tiaki taiao te pūtake. E tuwhera ana tau pānga ki te katoa. He mea pai ki te marea te tohu atu ki ngā tūkinotanga taiao e haere tonu nei, puta noa i ngā tūtohu mai, kia kī, ahakoa te whakatūranga o te taumāihi utu nui o Te Ture Whakahaere Rawa Taiao, kāore he painga i te mutunga mō te kaupapa.

Ka taea tērā te taukumekume. Mō te hunga ka tahuri wawe ki te tangi mō te ngaromanga atu o Te Ture Whakahaere Rawa Taiao, me tāpae atu au i te kīanga a te wānanga, a William James, i kī ake rā “ko te nuinga o ngā hinonga tangata, nā te āhua hangarau, me te āhua ngaio o te whakahaere, ka huri i te mutunga hei katinga ki ngā kaupapa i wawatatia rā e te hunga nā rātou i whakatū.”[3]

I tīmata mai ngā Pire hou e rua i ngā whakaaro rerekē. Kāore he kīanga tūturu mō te kaupapa o tētahi, o tētahi. Ko te tino āhua o ēnei Pire, he ara whakaahei i te whakawhanaketanga ōhanga i raro anō i ngā here taiao, here whakamahere e whakaarotia ana he hāngai, e ērā tāngata whakahaere mana i raro i aua pire.

He tino hokinga whakamuri tēnei o ngā mana whakahaere ki te kāwanatanga ā-motu. He mahi pai hoki tēnei hei whakangāwari i te rīraparapa o ngā herenga ture i tupu mai i raro i Te Ture Whakahaere Rawa Taiao. Engari ka tū tonu mai tētahi taumāihi ture nui i waenga i ngā mahi a te tangata me te taiao ōkiko nei. Nā reira e tika ana kia kīa, ko aua ritenga rā ano. He mea whakamere kia kitea ka pēhea te roa kia kīa te pūnaha hou he katinga, he maioro hoki ki ngā tino wawata o ngā kaiwhakatū i te pūnaha.

He tini anō taku tāima me aku rauemi kua whakapaua ki runga i te mārama he aha pea ngā hua o tēnei tautuhinga anō ki te taiao. Āe rānei kāo rānei ka *whakapakaritia, ka whakapaingia hoki rānei te kounga o te taiao* e te tangata, i muri i ōna pānga? Kāore rawa e taea te kī i tēnei wā, nā te mea, e tārewa ana ngā mea katoa i mua i te whakawhanaketanga o ngā taputapu ā-motu meāke ka hangaia e Te Rūnanga Minita. Ahakoa i āhei Te Kaitiaki Taiao a Te Whare Pāremata i mua kia tohu atu ki tētahi 'rārangi here' i roto i ngā ture, ināianei me āta wetewete ia i ngā hua taiao e matapaetia ana o ngā tautuhitanga hou, e tino taea ai e whakarerekē kia whakamahinetia kia hāngai ki ngā hiahia tōrangapū, hiahia ōhanga rānei o te kāwanatanga o te rā.

Ki te titiro atu ki tēnei āhua, ka rerekē pea te aronga a Te Kaitiaki Taiao a Te Whare Pāremata ā ngā rā kei mua. Kua kitea te hiahia i roto i ngā whakahoutanga o te pūnaha whakamahere, ki ngā kaunihera ā-rohe, ki ngā pūtaiao tūmatanui me te taiao, ēnei mea katoa, he hokinga ki tētahi wāhi pukukori, haukoti hoki mō te kāwanatanga ā-motu. I kitea ētahi tohu tuatahi o ēnei huringa i ngā hua a Te Kaitiaki Taiao a Te Whare Pāremata mō te tau 2025/26.

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3 James, W., 1909. A pluralistic universe. Lecture III on Hegel (Hibbert Lectures at Manchester College on the Present Situation in Philosophy). Cambridge, MA: Harvard University Press.

Hāunga te arotakenga o te whakamahinga o te pūnaha Āheinga Whenua (LUC) i te horopaki waeture, kāore Te Kaitiaki Taiao a Te Whare Pāremata i whakaputa pūrongo nui, ahakoa kotahi, mai i tētahi whakatewhatewha i tīmata i roto i te tari. Ka puta kē mai ko ētahi urupare maha i urupare ki ngā kōkiri kāwanatanga. E tohu ana te paetukutuku e whitu ngā tāpaetanga ki ngā Pire kei mua i te Whare, ā, tekau atu anō ngā tāpaetanga mō ngā toronga whakaaro kaupapa here, ā, e whitu ngā whakatakotoranga mō ngā tono i raro i Te Ture mō ngā Whakamananga Ara Hohoro 2024. I tua atu i ēnei tāpaetanga, he maha ngā rauemi i tukua mai e tohutohu ana ki te Komiti mō te Taiao mō ngā Pire Whakamahere me te Pire Taiao o Te Ao Tūroa. He maha tonu ēnei whiriwhiringa kōrero i mahia ai runga i te hohoro. Mā te whirinakitanga kaha ake ā ngā rā e tū mai nei ki ngā ture ā-motu me te hanga ture ā-motu, ka tūmau tēnei rerekētanga ki te mahinga.

I tua atu i ēnei kōrero ka tukua e ahau te putanga tuarima o ngā whakapaunga taiao ki Te Komiti mō te Taiao. E tino hāngai ana te hiahia o Te Whare Pāremata ki te nuku atu i te arotahitanga o ngā arotakenga Pāremata ki tētahi aronga ki ngā putanga hua (pērā i ngā taunakitanga o te pūrongo a te Komiti Ahumoni, Whakapaunga hoki mō te whakapūrongo painga mahi me te noho haepapa ki te iwi) ki āku matapae mō ngā hua o ngā whakapaunga taiao ki ngā komiti whiriwhiri pāremata. I tahuri au i reira ki te āki i Te Komiti mō te Taiao kia kaha ake tana whakamahi i tēnei taputapu, i āna kawenga i ana Wiki Arotake. Kāore au e mōhio mehemea ka rangona tēnei inoi, mā te wā e kōrero.

He pātai whakamahere te āhua o aku inenga me aku ūnga ehara i te inenga ahumoni. He wāhanga taketake tēnei o taku noho haepapa ki ngā kaiutu tāke mō ngā moni kua tukua mai ki ahau. Mō te wāhi ki taku tari, kua noho rōnaki tonu ngā pūtea mō te ngahuru tau ka hipa ake nei. Tērā ōna whakapikinga iti i tēnā wā, i tēnā wā, i taea ai e ahau te utu mō te tokomaha kaimahi taurite, me te rapu putanga rangahau kei waho. I tua atu i tērā, kāore anō ahau kia rapu rauemi atu anō nā te mea ki ahau, ahakoa nui atu aku pūrongo, kāore pea te iwi i waho e whakarongo mai ki ahau.

Kua āta wetekina aku inenga painga mahi i raro iho nei i ngā whārangi pages 24–31. Ko ētahi, he ine tātai noa, he ngāwari ki te whakapūrongo - te maha o ngā pūrongo kōrero ki ngā Mema Pāremata i roto i te tau, te maha rānei o ngā pūrongo, o ngā tāpaetanga rānei i whakaputaina. Engari kotahi anake te inenga e tata ana ki ngā mea e tika ana kia arongia e ngā komiti. Ko te inenga nei ko tērā e ina ana 'mehemea he whai take ngā pūrongo a Te kaitiaki Taiao o te Whare Pāremata, e ai ki ngā pūrongo a ngā komiti whāiti'.

Ka nui taku hari ki te kite atu i ngā karere, ahakoa he aha, kua whai hua ā mātou mahi. Ka hāngai tonu pea ēnei karere ki ngā aronga whānui rawa o te kaupapa. Āe rānei, kāo rānei, kei te hiahia ngā Mema Pāremata - te marea nui tonu rānei - kia whakatūpatoria kāore ētahi kaupapa here, kōkiri whāiti e whakapakari, e whakapai rānei i te kounga o te taiao, mehemea ko ngā mahi e mahia ana e rātou kei te tauaro tonu te ahunga?

I muri tata tonu i te whakapūrongo mai anō o ngā Pire mō te Whakamahere me te Taiao o te Ao Tūroa, ki te Whare, ka tukua e ahau he reta ki ngā Mema katoa e tātaki ana i tētahi tirohanga whānui ki ngā āhuatanga tērā pea ka hua ake i ngā Pire hou mō ngā putanga taiao. Kotahi anō te inenga e mōhio ana au mehemea he whai hua taua reta mā ngā Mema Pāremata, ko te hokinga mai o tētahi whakautu ki ahau. Mō taua reta, kotahi anake te whakautu mai. Kei te mōhio tātou, e waipuketia ana ngā Mema Pāremata pukumahi o ēnei rā e te tini noa o ngā pepa hei pānui, me te nui noa atu o ngā īmēra.

Nā konā ka ara mai te pātai uaua. He whai take tēnei inenga painga mahi o te 'whai take'? He mea tēnei kua kōrerotia e māua ko te Kaiarotake Matua. He aha he taunakitanga mō te whāinga take? Āe, he kupu whakamihi - engari i ētahi wā, he whakahē tino kaha pea te mea tika. Inā hoki, ko te whai 'kia whakapakaritia, kia whakapaingia hoki te kounga o te taiao' ehara pea i te aronga o te katoa. Āe, i tēnei whenua manapori, he tika kia matahuhua katoa ngā whakaaro mō te taumata kounga taiao e tika ana hei awhero mā tātou, me ngā tukunga me āta whakaaro e tātou. Ki ahau, ki te urupare mai ā tātou mema Pāremata, he tohu tērā kua puta he hua.

Ahakoa he aha ngā āhuatanga ka pā, ka whirinaki te whakatinana kaupapa here taiao ki ngā haumitanga kua mahia e mātou i roto i te rangahau pūtaiao taiao mō te hia ngahuru tau ki ngā hinonga rangahau tūmatanui, ki ngā whare wānanga - otirā - ki ngā kaunihera ā-rohe whānui. Engari kei te panoni nui hoki te pūnaha pūtaiao, mai i ōna paiaka ki tōna rae. Kua whakapuakina te hiahia kia tapahia nuitia ngā mahi rangahau taiao ā ngā rā e tū mai nei. Kāore e kore, ka pā anō ēnei ki te nui o ā tātou kōrero i runga i te mōhio, ki ngā āhuatanga tūturu o tō tātou taiao ao tūroa.

Kua puta mai ko te pānga o ēnei whakahoutanga ki ngā tāngata e whakawhirinaki nei tātou kia noho mārama tonu tātou ki tō tātou taiao hei wero nui rawa, i roto i taku tūranga me taku tari. E noho ana taku āhei ki te tuku pūrongo ki te whakahoki kōrero ki te Whare Pāremata mō ngā kaupapa katoa e tākina nei i te Wāhanga 16 o te Ture mō te Taiao i runga tonu i ngā pakihiwi o tēnei ohu kaimahi. Kei te āhua tonu o ēnei tapahanga te kaha, te kore rānei e kaha o te Whare Pāremata ki te whakapono ki te pānga o ēnei whakahoutanga ki tā tātou whakahaere i te taiao.

Mehemea kua tino tau te whakaaro o te katoa, "ko ēnei hinonga he tino maioro haukoti i te kaupapa taketake i huaina e te hunga nāna i whakatū aua hinonga" kāti, kāore he painga o te kī, me pupuru. Engari, me hoki au ki te tīpako i ngā kupu ake o tērā o aku pūrongo ā-Tau ki te Whare Pāremata -

> "Mehemea e anga ana tātou ki te whakahou i te katoa o ngā whakahaere mai i ngā paiaka ki ngā peka, me tino anga ki ngā paiaka, kia pai ai te haere mai o ētahi atu tāngata ki te tapahi, ki te tārei rānei i te āhua o ōna peka. He māmā noa te tuatua ā-ture i ngā mea maha, me te hohoro anō, engari i te mutunga, e noho ana mātou i te tīmatanga mō ake ake, kāore he kokenga whakamua. Ahakoa tērā, ka tae tonu mai ngā nama a te taiao."

Kia pānuitia rā anō tēnei pūrongo ā-tau e ngā Mema Pāremata, kua tū he Pāremata hou, he Komiti mō te Taiao hou. Ahakoa ka whakapūrongo ahau mō ētahi whakatewhatewha nui i roto i te tau ahumoni e heke mai nei, ka noho ko te whakatinanatanga o ngā whakahoutanga maha o te wā, ina whakatoka mai hei pūnaha whakahaere taiao hou, ko te nuinga o aku mahi. E tāria atu ana ngā whakawhitiwhiti ki ngā Mema Pāremata mō te ara e tino whai hua ai taku tautoko i ngā mahi a te Komiti.



Nā Simon Upton

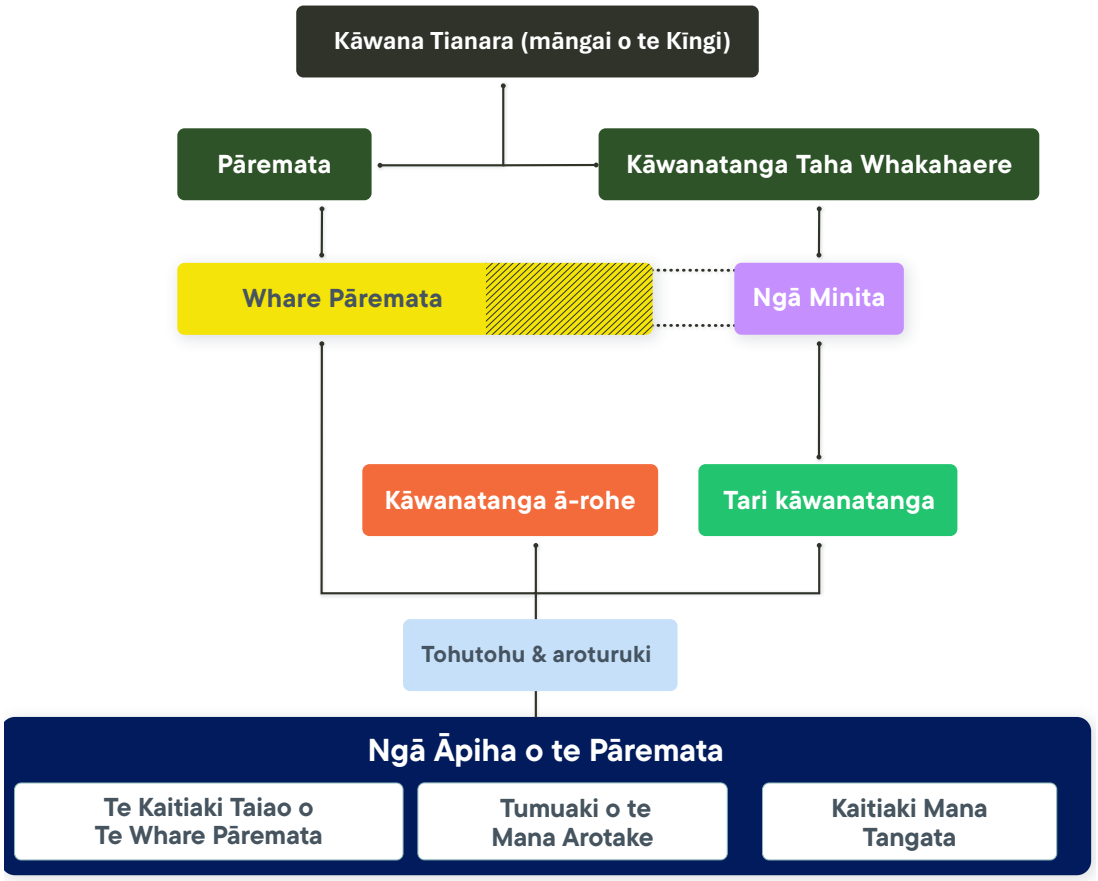
Parliamentary Commissioner for the Environment
Te Kaitiaki Taiao a Te Whare Pāremata

Tirohanga Whānui

Te Tūnga o te Kaitiaki Taiao a Te Whare Pāremata

I whakatūria te tari o te Kaitiaki Taiao a Te Whare Pāremata (PCE) i te tau 1986 i te whakamanatanga o te Ture Taiao. I whakatūria hei tuku i te tohutohu kaha, motuhake hoki mō ngā kaupapa taiao ki ngā mema pāremata. Ko au te tangata tuawhā kia kopoua ki tēnei tari.

Nā te mea, he Āpiha o te Pāremata au, kāore au e pūrongo ana ki ngā minita kāwanatanga, engari ki te Pāremata whānui kē. Nōku te whiwhi me te kawenga kia tuku ki ngā minita me ngā māngai o ngā rōpū ātete ki te tohutohu motuhake.



Mātāpuna: PCE

Whakaahua 2: Te Hononga i waenga i ngā Āpiha o te Pāremata tae atu ki te PCE, te Pāremata me te Kāwanatanga Taha Whakahaere

He whānui te whakamanatanga, engari he iti te tīma tautoko, nā reira ka arotahi au ki ā mātau whakapaunga kaha ki ngā take e tino whai uara ai aua mahi. Otirā, ka titiro au ki ngā wāhi tūraru e puea ana, ngā take rānei kāore i te arohia. Ka āta kōwhiria e au ina whai wāhi atu ana ki ngā take e kaha tirotirohia ana e te hunga whaipānga. Ka whai wāhi atu au ina kitea he kōwhiringa kia tuku i te tātaritanga motuhake mō ngā take uaua, pērā i te whakaheke tukunga ahuwhenua, te kounga wai māori rānei, e ahu whakamua ai te taukumekume.

Kei te wāhanga tuarua o te kopounga Te Kaitiaki Taiao a Te Whare Pāremata, nā taku kopounga anō i te Oketopa o te tau 2022. E āwhinatia ana au ki taku tūranga e tētahi tīma marau-maha o ngā kaitohutohu me ngā kaiwhakahaere 20 e mahi ana ki taku tari i Te Whanganui-a-Tara.[4]

4 I te 30 o Hune 2024. Ka paku rerekē haere tēnei nama i roto i te tau nā te panonitanga o ngā kaimahi.

Ngā āheinga ā-ture

Ka whakatakotohia e te Ture Taiao 1986 ngā āheinga me ngā mana o Te Kaitiaki Taiao a Te Whare Pāremata. Ka puta mai i ēnei te tūāpapa o taku āheinga ki te whakatewhatewha i ngā take taiao, ngā hātepe me ngā tari kāwanatanga tūmatanui. He whānui ngā āheinga, ā, e whakatakotohia ana ki te wāhanga 16(1) o te Ture Taiao 1986:

- ki te arotake i te pūnaha o ngā tari kāwanatanga me ngā hātepe i whakatūria e te Kāwanatanga ki te whakahaere i te tuari, te whakamahi me te matapopore i ngā rauemi ā-taiao, ā-ōkiko hoki, me te tuku pūrongo ki te Whare Pāremata; me
- te whakatewhatewha i te whai hua o te whakamahere taiao me te whakahaere taiao i mahia e te hunga whaimana tūmatanui, me te tohutohu i a rātau mō te mahi hei rongoā; me
- te whakatewhatewha i tētahi kaupapa ka pāngia kinotia, i pāngia kinotia rānei, te tohutohu mō ngā mahi ārai, mahi hei rongoā rānei me te pūrongo ki te Whare Pāremata; me
- te pūrongo mō tētahi petihana, pire, kaupapa kē rānei me te pānga nui ki te taiao, ina tonoa e te Whare Pāremata, tētahi komiti whiriwhiri rānei, me
- te uiui ki tētahi kaupapa me te pānga nui, whakakino hoki ki te taiao me te pūrongo ki te Whare, ina whakahaua e te Whare Pāremata; me
- te mahi me te whakatenatena i te kohikohinga me te tuarihanga o ngā mōhiohio e pā ana ki te taiao; me
- te whakatenatena i ngā mahi ārai me ngā mahi hei rongoā mō te whakahaumaru i te taiao.



Hard fern, *Blechnum durum*

2 Reports, advice and other work

The work of my office involves three types of activity:

- reviewing the strengths and weaknesses of New Zealand's environmental management system and making recommendations on how this system could be improved
- investigating matters of environmental concern
- helping select committees with their scrutiny of legislation, petitions, environmental expenditure and enquires.

I share my work with stakeholders and the public in a variety of ways, including reports, presentations, letters, submissions, speeches, webinars and via the PCE website.

In my first term, much of my advice came from investigations started proactively by my office. But over the last two financial years a significant amount of my time has been spent preparing submissions and advice in relation to the Government's reforms of environmental regulations and the resource management system.

Investigations

In choosing issues to investigate in depth, I focus on those that PCE's skills and independence can add value to.

My approach to prioritisation is two-pronged. I may choose to investigate emerging issues that are not yet in the spotlight, or issues that may be neglected or left unaddressed. Work on these topics can alert relevant agencies and the wider community to problems that may need more sustained attention.

I am generally more selective about matters that already attract considerable interest and scrutiny. That said, where a topic is complex, difficult to resolve and remains on the agenda over time, I will sometimes engage in the hope that some independent analysis from a fresh angle can help move the debate forward.

My investigations are generally presented to Parliament as reports. These are designed to foster informed debate and often contain recommendations on ways to address issues uncovered by the investigation. All efforts are made to ensure that reports are founded on strong evidence and that any recommendations are practical and likely to be effective.

Over the past financial year, I presented two reports to Parliament.

Reviewing the use of the Land Use Capability system in a regulatory context (December 2025)

In December 2025, I published a review that examined how the Land Use Capability (LUC) system is being used in a regulatory context.[5] Although the LUC system was not intended to address modern environmental management challenges, it is now used in three pieces of national regulation:

- The National Statement for Highly Productive Land (NPS-HPL).
- As a basis for the Erosion Susceptibility Classification (ESC) in the National Environmental Standard for Commercial Forestry (NES-CF).
- The Climate Change Response Act (CCRA).

My review found that the LUC system contains information that is outdated and lacks detail, causing the system to be insufficiently robust for use in regulatory decision-making. Advances in geospatial technology now provide high-quality data collection and modelling capabilities that can better support land management and environmental regulation.

As a result, I recommended that the Government should:

- not use the current LUC system as the basis of future regulatory controls
- invest in improving datasets that underpin land use regulation and ensure they are publicly available and affordable
- modernise the existing ESC and LUC systems and develop fit-for-purpose models for specific regulatory purposes
- prioritise improvements in environmental data collection in areas where better information is most urgently needed.

Estimate of Environmental Expenditure 2025/26 (November 2025)

In November 2025, I released the fifth annual estimate of environmental expenditure by central government agencies.[6] These estimates are produced to:

- provide a transparent data source to help decision makers understand the Government's current environmental priorities
- identify how much is being spent to achieve environmental outcomes
- understand how that is changing and whether the expenditure is effective.

This year, the 2025/26 estimate was published in November to support Environment Committee members examining government expenditure during Parliament's December Scrutiny Week.

The 2025/26 estimate showed a $1 billion, or approximately 25%, reduction in central government spending for the year ahead – from $3.55 billion for 2024/25 to approximately $2.65 billion for 2025/26. The estimate also examined the impact of the Government's Jobs for Nature programme. The programme received $1.185 billion of funding over five years from the COVID-19 Response and Recovery Fund with the aim of delivering both economic and environmental outcomes.

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5 PCE, 2025. Reviewing the use of the Land Use Capability system in a regulatory context. https://pce.parliament.nz/publications/reviewing-the-use-of-the-luc-system-in-a-regulatory-context

6 PCE, 2025. Estimate of environmental expenditure 2025/26: Method and results. http://www.pce.parliament.nz/publications/estimate-of-environmental-expenditure-202526-method-and-results

Advice to select committees

By providing high-quality, independent analysis to Parliament's select committees, I aim to help Members of Parliament understand the complexities of the environmental issues they are considering and assist them with their scrutiny of policies and agencies. In 2025/26, my advice to select committees was dominated by submissions on a raft of Bills the Government introduced that proposed changes to the environmental management system. It also included other materials to provide additional support to help select committees do their work.

In the past financial year, I made the following submissions on legislative and regulatory changes:

- Submission on the Hazardous Substances and New Organisms Amendment Bill (June 2026)
- Submission on the Fisheries Amendment Bill (June 2026)
- Submission on the Environment (Disestablishment of Ministry for the Environment) Amendment Bill (March 2026)
- Submission on the Fast-track Approvals Amendment Bill (November 2025)
- Submission on the Local Government (System Improvement) Amendment Bill (August 2025)
- Submission on the Climate Change Response (Emissions Trading Scheme – Forestry Conversion) Amendment Bill (July 2025)
- Submission on the Financial Markets (Conduct of Institutions) Amendment (Duty to provide financial services) Amendment Bill (July 2025).

In December 2025, I was appointed as an independent adviser to the Environment Committee to provide advice on the Planning and Natural Environment Bills. As part of this work, I provided the following advice to the committee members to consider as they scrutinised the Planning and Natural Environment Bills:

- PCE Comments on Departmental Report 4 (June 2026)
- Planning Bill and Natural Environments Bill: Independent Adviser's Report (May 2026)
- PCE Comments on Departmental Reports 1–3 (May 2026)
- Planning Bill and Natural Environments Bill – Environmental limits: Ministerial discretion and the relative 'protectiveness' of ecological health limits (April 2026)
- Planning Bill and Natural Environments Bill – Advice on matters to refer to advisers (April 2026)
- Planning Bill and Natural Environments Bill – Biodiversity challenges (April 2026)
- Planning Bill and Natural Environments Bill – Legislative design and core components (March 2026)
- Initial briefing on the Planning Bill and Natural Environment Bill (February 2026)
- Preliminary questions: Planning and Natural Environments Bills (December 2025).

Additional advice to Parliament's select committees included:

- Advice to the Health Committee on options to enhance trust and confidence in the gene-technology regulatory regime (September 2025)
- Submission to the Standing Orders Committee on the Review of Standing Orders 2026 (September 2025)
- Submission to the Finance and Expenditure Committee's inquiry into performance reporting and public accountability (October 2025).

Submissions on proposed policy

In addition to legislative changes, the Government consulted on a large number of policy changes affecting the environment. Given the resources I have available, I need to be selective with the submissions I undertake. I tend to focus on proposals that cover areas my office has undertaken recent work on or those where, in my judgement, the proposed policy changes will have a significant impact – positive or negative – on the environmental management system.

In the past financial year, I made the following submissions on policy consultation documents:

- Submission on the Clean Vehicle Standard Review (February 2026)
- Submission on Simplifying Local Government: A draft proposal consultation document (February 2026)
- Feedback on the Draft Herd Management Plan for the proposed Fiordland Wapiti Heard of Special Interest (December 2025)
- Feedback on the Draft Herd Management Plan for the proposed Kaweka and Kaimanawa Sika Herd of Special Importance (December 2025)
- Submission on the Amendment to New Zealand's Second Emissions Reduction Plan (ERP2) 2026–30 (December 2025)
- Feedback on the proposed National Conservation Policy Statement (August 2025)
- Submission on RMA national direction: package 2 (primary sector) and package 3 (freshwater) (July 2025)
- Submission on RMA national direction package 1: NPS-Infrastructure, NPS-Renewable Energy Generation and NPS-Electricity Networks (July 2025)
- Submission on the National Policy Statement for Natural Hazards (July 2025)
- Submission on the first Sustainable Finance Taxonomy consultation (July 2025).

Commentary on applications under the Fast-track Approvals Act 2024

Since the enactment of the Fast-track Approvals Act 2024, I have provided commentary to some expert panels considering specific applications. Given the vast number of project applications and the limited resources at my disposal, I have been very selective. Given my mandate, my commentary to date has been focused on environmental impacts of proposed activities and the underlying data and information supporting any assessments.

During the past financial year, I have provided commentary on seven project applications:

- Comment on the Tukituki Water Storage Project Land Exchange Application (May 2026)
- Comment on the Bream Bay Sand Extraction Project (May 2026)
- Comment on the Bendigo-Ophir Gold Project (April 2026)
- Comment on the Lake Pūkaki Hydro Storage and Dam Resilience Works (April 2026)
- Comment on the Southland Wind Farm Project (December 2025)
- Comment on the Taranaki VTM Project (October 2025)
- Comment on the Waihi North Project (August 2025).

Public engagement

An important part of my role is fostering informed public debate and building greater understanding of environmental issues. I share my work through public speaking engagements, regular conversations with groups and organisations and the office's communication channels. I also respond to a steady stream of confidential public concerns on environmental issues.

Speaking engagements

Throughout the year, I had the opportunity to speak to a variety of audiences about findings from my investigations as well as broader environmental issues. These included addresses to the:

- Environmental Defence Society Conference 2026 (June 2026) – 'The environmental implications of concurrent resource management and institutional reform'
- Catchment Communities Aotearoa National Forum (June 2026)
- Dairy NZ Dairy Environmental Leaders Forum (March 2026)
- Capital City Complex Systems Symposium 2026 (February 2026) – 'Communicating environmental complexity for effective decision-making'
- Geoscience Society of New Zealand Annual Conference 2025 (November 2025) – 'The importance of earth sciences to managing our environment'
- Lincoln University (November 2025) – 'What we don't know about the state of New Zealand's environment – and does it matter?'
- Pukeiti Rhododendron Trust (October 2025)
- QEII National Trust Conference 2025 (September 2025)
- Society of Environmental Toxicology and Chemistry Australasia (SETAC AU) and Australasian College of Toxicology & Risk Assessment (ACTRA) Conference 2025 (August 2025) – 'The lasting legacy of chemicals in the environment'
- International Organization of Supreme Audit Institutions (INTOSAI) Working Group on Environment Auditing Assembly (July 2025) – 'From assuring compliance to scrutinising impact: shining a light on public environmental expenditure'.

In addition, several of my staff gave presentations:

- Dr James Newman provided a keynote address at the Environmental Forestry 2026 conference in Rotorua (March 2026).
- Dr Anna Hooper and Dr James Newman provided an overview of my work at the New Zealand Association of Resource Management Conference in Blenheim (November 2025).
- Dr James Newman and Geoff Simmons gave a talk about rethinking afforestation in Aotearoa to the Otaki Carbon Forests group (September 2025).
- Dr James Newman and Geoff Simmons talked about afforestation in Aotearoa with the Aorangi Restoration Trust (July 2025).

Communications channels

All PCE reports, submissions and letters are published on our website and often shared on LinkedIn. In the past year, updates and information about the publications were communicated with 2,100 website subscribers and almost 8,500 followers on LinkedIn.

Public concerns

Monitoring public concerns is a useful way for my office to gauge the current state of environmental management and the adequacy of regulations.

This past year, my office has been notified about 75 public concerns. Topics raised included proposed mining, hazardous substances and contaminants, mine remediation, proposed roading projects, and solid waste processing.

With limited resources, it is impossible for my office to investigate every issue. Where possible, I will investigate and make recommendations to appropriate agencies. For example, the letter to the Parliamentary Under-Secretary to the Minister for Oceans and Fisheries regarding Mahurangi River contamination events (mentioned below) was in response to concerns raised regarding wastewater overflows in the river catchment and downstream impacts in the Mahurangi Harbour, which included closure of oyster harvest areas. The letter identified opportunities to strengthen aspects of the regulatory framework, including monitoring, reporting and transparency in decision making. In some cases, complainants will be directed to the appropriate legally mandated body, and if a response has been slow, I will follow up on the complainant's behalf. Issues are monitored to ensure that action is taken.

Letters

I regularly communicate with ministers, select committees and others in the environmental management system to highlight issues in need of consideration, challenge positions, and to provide information and advice. I also send letters to enquire about the uptake of my recommendations. Over the last year, I have sent letters on a wide variety of topics:

- Letter to Minister Brown on a proposed reliability obligation to manage dry-year risk consultation, 18 June 2026.
- Letter to Minister Hoggard regarding the yellow-legged hornet eradication programme, 15 May 2026.
- Letter to Minister Bishop on local government reform, 20 April 2026 (response received 29 April 2026).
- Letter to Parliamentary Under-Secretary to the Minister for Oceans and Fisheries regarding Mahurangi River contamination events, 11 March 2026.
- Letter to Minister Watts on the importation of LNG, 5 March 2026 (response received 23 March 2026).
- Letter to Minister Bishop on local government reform, 29 January 2026.
- Letter to Minister Potaka regarding West Coast land reclassification, 13 January 2026 (response received 13 February 2026).
- Letter to Minister Watts regarding proposed amendments to the Climate Change Response Act 2002, 2 December 2025.
- Letter to Minister Hoggard regarding the yellow-legged hornet eradication programme, 27 November 2025 (response received 2 December 2025).
- Letter to Ministers Watts and Bishop regarding the local government reform draft proposal, 27 November 2025 (response received 18 December 2025).
- Letter to Minister Bishop on changes to the Clean Car Standard, 25 November 2025.
- Letter to Minister Reti on the Crown's investment in environmentally related research, 12 November 2025 (response received 2 December 2025).
- Letter to Minister Watts on public funding of an LNG import terminal, 3 November 2025 (response received 12 November 2025).
- Letter to Minister Reti regarding the future of environmental research, 17 October 2025.
- Letter to Minister Jones on the EPA and Fast-track Approvals Act, 6 October 2025.

- Letter to Minister Reti on environmental research prioritisation, 23 September 2025.
- Letter to Minister Reti regarding science reform, 11 August 2025.
- Letter to Minister Bishop regarding resource management reform, 11 July 2025.

Current and future work

In 2026/27 financial year, I anticipate advancing several proactive investigations. By the time this annual report is published, several of the investigations mentioned below will be published.

Technologies to unlock environmental information

A lack of, or inaccessible, environmental information is impeding better environmental management and adding costs to the system. This problem seems to be greater for environmental information than for economic and social data due to a fragmented system in which environmental information is collected by a wide range of public and private organisations, each with its own functions, priorities and methodologies. The project investigates how technological advances (including data processing, sensor technology and artificial intelligence) could make it easier and cheaper to bring together existing environmental data in the hands of disparate entities, make the data more accessible and secure, and fill the many gaps that exist.

Future of the Emissions Trading Scheme

Work is also underway on a stand-alone report considering the future of the New Zealand Emissions Trading Scheme (NZ ETS). This report compiles previous PCE work on the NZ ETS along with some new modelling about how the NZ ETS may perform out to 2070 and how that relates to New Zealand's climate commitments. The aim of this work is to ensure that Parliament is aware of the risks and challenges facing the NZ ETS and New Zealand's ability to meet its international climate commitments.

Marine biosecurity

Invasive species in the marine environment can pose huge risks to our fisheries, aquaculture and native marine biodiversity, yet they are often unseen until it is too late. Managing pests on land is hard; doing so underwater is much harder and more expensive. This investigation examines the performance of our marine biosecurity identification and management systems in respect of marine invasive species.

Resource efficiency of the New Zealand economy

Making more efficient use of natural resources can help improve environmental outcomes. It can also contribute to national security and economic resilience in a world where global supply chains may be disrupted.

Moving towards a more circular or zero-waste economy is widely seen as an important part of the solution. But how much of a difference these sorts of approaches could make, in a future where ongoing population and economic growth are significant factors, is unclear.

Understanding the environmental risks associated with ever-increasing natural resource use requires an improved understanding of which materials New Zealand relies on, where they are extracted and processed, and what the environmental fate of the associated waste and residues is. This work has already made significant contributions to the national evidence base in this area – the research note, *Resource use and waste generation in Aotearoa New Zealand: filling (some) gaps*, was published in May 2025. Recently the focus has shifted towards looking at the future and considering what different economic and population pathways might mean for New Zealand's natural resource use and waste generation.

Annual estimate of environmental expenditure

The traditional way of displaying the Government's financial accounts by department (or Vote) is not useful to form an understanding of how much a government is spending to advance broad environmental outcomes, as actions are spread across multiple departments. Since 2022, I have mapped annual government expenditure to six enduring environmental outcomes. The 2026/27 edition will be the sixth in a series of annual estimates of environmental expenditure. This information is provided to MPs and others to better scrutinise public spending on the environment and I plan to continue these annual estimates linked to the annual budget cycle.

In addition to the major investigations outlined above, work is underway on several smaller pieces of research in response to Government's priorities.

Environmental risks of mining

This research examines some of the key environmental risks associated with mining – acid mine drainage and tailings leachates/spills in particular. It looks at how these risks are assessed and managed in a small number of international jurisdictions, and how that compares with current practice in New Zealand. Early insights from the work suggest that overseas regulators have more in-house technical expertise and guidance to draw on than New Zealand's councils.

Monetising ecosystem services

Commissioned research aims to develop a set of monetary values for New Zealand's ecosystem services to be used in cost–benefit analysis and other decision support frameworks. The common absence of these monetised environmental values can lead to important ecosystem services being assigned an implicit zero economic value with environmental considerations being excluded or underweighted in any decision-making process. This work will provide a standardised set of monetary values for ecosystem services, which can be used to assess trade-offs between different dimensions of the environment and between environmental and economic objectives.

Impact of the science reform on publicly funded environmental research

The work underway builds on the findings of my 2020 report, *A review of the funding and prioritisation of environmental research in New Zealand*. The focus now is on compiling a detailed inventory of all environment-related research that is funded through various channels administered by the Ministry of Business, Innovation and Employment – Hīkina Whakatutuki (MBIE). This inventory will be used as a benchmark against which to measure any changes in funding for environmental research that flow from the current science sector reforms.

Legislative and policy changes

I will also continue to focus on key areas of the environmental management system where the Government has signalled its intention to make changes. In 2026/27, this is likely to include:

- resource management system changes, including implementation of the Planning and Natural Environment Bills (once enacted) and associated national direction
- the roles and responsibilities of key environmental institutions, including the Ministry for Cities, Environment, Regions and Transport, and the Environmental Protection Authority – Te Mana Rauhī Taiao
- the ongoing local government reform, including the roles and responsibilities of councils
- the science sector reform, including impact on our ability to understand the environment because of changes to institutional arrangements, research prioritisation and funding
- the environmental information system, including the environmental reporting system
- the conservation system and biodiversity management changes
- climate and land use change policies.

3



Strap fern, *Notogrammitis givenii*

Statement of performance

The role of the Parliamentary Commissioner for the Environment is to encourage decisions that will restore, maintain or improve the quality of the New Zealand environment, and to improve the quality of information available to Parliament in debating those decisions.

My performance measures attempt to provide an indication of whether my work is having that effect. These indicators were updated in the Strategic Intentions document for 2023–2027 to better assess my impact and influence.[7]

Reports and advice are the sole output class appropriated through Vote Parliamentary Commissioner for the Environment, although my work extends to a variety of other activities in addition to these. Outputs include reports of investigations, presentations to select committee members, provision of advice, submissions and response to public concerns.

Budgeted and actual expenditure relating to the above outputs is detailed on pages 40–54.

Table 1 shows performance on non-financial measures and targets. Explanations of major variances (greater than 10%) against targets are given in the notes below Table 1. Details of how each measure was met in 2025/26 are in the sections below the table. Performance numbers for each year are updated based on responses to 30 June of the relevant year.

7 The full details of these changes can be found in the PCE's *Strategic intentions 2023–2027.* https://pce.parliament.nz/publications/strategic-intentions-2023-2027

Table 1: Non-financial performance measures and targets

Measure	Target	Performance				
		2025/26	2024/25	2023/24	2022/23	2021/22
Select committee reports indicate that PCE reports are useful	100%	100%	100%	100%	NA	NA
Number of briefings given to Members of Parliament during the year	30	31	37	41	31	37
Proportion of recommendations that are adopted or partially adopted during the tenure of the current Commissioner[i]	65%	43%	44%	41%	43%	38%
Number of reports, commentaries, reviews, evaluations and submissions published during the year[ii]	6–8	56[iii]	45	26	20	16
Reports are externally peer reviewed and content checked	100%	100%	100%	100%	100%	100%
Public concerns and information requests are responded to within required timeframes	100%	97%	99%	100%	96%	96%

Notes

i. Each year's performance numbers are updated based on responses received to 30 June. This measure is calculated by scoring fully accepted recommendations as 1 and partially accepted recommendations as 0.5. The total score is divided by the number of recommendations where responses have been received. Results for previous financial years change over time and are updated accordingly, as responses are often received in subsequent financial years. (Note that previous annual reports showed response rates for the recommendations issued during each financial year only, rather than across the tenure of the Commissioner.)

ii. Including other advice, such as submissions to ministries and departments, letters to ministers or ministries, and general notes.

iii. As in 2024/25, the number of reports and submissions produced in the year is significantly higher than the target of 6–8. This metric is high as the PCE continues to respond to the myriad proposed changes to the environmental management system currently under consideration.

Assumptions and judgements used in reporting

In preparing the Statement of Service Performance, the Parliamentary Commissioner for the Environment has not made any judgements on the application of reporting standards, and estimates and assumptions related to future events.

Usefulness to select committees

All PCE work should be useful for parliamentarians. Select committees, in particular, are the primary audience and recipient of PCE advice. Usefulness should be evident from the commentary that select committees provide in reports to Parliament.

Select committees publish summary reports for the House of Representatives regarding their examinations of PCE investigations, providing commentary on each output. Committee examinations may extend over several years, publishing final reports on up to three PCE investigations per calendar year. The Environment Committee published six reports during the 2025/26 financial year, summarising their examination of eight PCE publications.

In September 2025, the Committee published its review of my May 2024 report *Going with the grain: Changing land uses to fit a changing landscape*. It noted that one of my recommendations was to provide public access to inexpensive, high-quality environmental information. The Committee understands that the office is now investigating ways that technology can improve access to environmental information for the public and decision makers, stating that it is looking forward to discussing the results of that work.[8]

The following month, the Committee published its review of my March 2023 report, *Are we building harder, hotter cities? The vital importance of urban green spaces.* In examining this report, the Committee received written evidence from the Ministry for the Environment – Manatū Mō Te Taiao, Land Information New Zealand – Toitū Te Whenua, and the Department of Internal Affairs – Te Tari Taiwhenua. The Committee report included the following statement: "We encourage the Minister Responsible for RMA Reform to consider the Commissioner's findings when developing new legislation related to resource management."[9]

Later that month, the Committee published its review of my September 2023 report, *How ministers and officials developed the first emissions reduction plan – and how to do it better next time*. The Committee received written evidence from the Ministry for the Environment and He Pou a Rangi – Climate Change Commission. In its final report, the Committee stated they were appreciative of the opportunity to reflect on the process taken to develop the first ERP and wrote: "We acknowledge the Commissioner's recommendations helped improve the process to develop the second ERP."[10]

In late October 2025, the Committee published its review of three related PCE outputs:

- *Estimate of environmental expenditure 2022/23: Method and results* (March 2023)
- *Estimate of environmental expenditure 2023/24: Method and results* (February 2024)
- *Estimate of environmental expenditure 2024/25: Method and results* (February 2025).

The Committee wrote: "We recognise the Commissioner's efforts to provide clear information about government spending on environmental protection and resource management activities since the first report in this series was published in 2022. We value the Commissioner's support

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8 Environment Committee, 12 September 2025, p.7. Report of the Parliamentary Commissioner for the Environment, Going with the grain: Changing land uses to fit a changing landscape. https://selectcommittees.parliament.nz/v/6/efe279bc-c4a9-4ced-333c-08ddf19e6a34?lang=en

9 Environment Committee, 10 October 2025, p.8. Report of the Parliamentary Commissioner for the Environment, Are we building harder, hotter cities? The vital importance of urban green spaces. https://selectcommittees.parliament.nz/v/6/fe16c2d4-13f4-41cb-0937-08de07841f04?lang=en

10 Environment Committee, 20 October 2025, p.6. Report of the Parliamentary Commissioner for the Environment, How ministers and officials developed the first emissions reduction plan – and how to do it better next time. https://selectcommittees.parliament.nz/v/6/178bf8e9-53e5-4954-4436-08de0f7081d3?lang=en

for our work and financial scrutiny responsibilities."[11] The Committee indicated that it was looking forward to receiving my subsequent report in this series, stating: "We [...] consider it will be useful to help us prepare for annual reviews."[12]

The following month, the Committee published its review of my March 2024 report, *Urban ground truths: Valuing soil and subsoil in urban development*. During its examinations, it received written submissions from MBIE. After hearing evidence, some Committee members felt aspects of my report did "not fully acknowledge the importance of having well-engineered ground",[13] but some members also agreed that "the building code could better consider the environment and the effect of construction activities on soil."[14] It looked forward, as a Committee, to further exploring some of the issues raised. The Committee also encouraged consideration of the concerns raised in my report by the Minister for RMA Reform during the development of new resource management legislation.[15]

In November 2025, I published *Estimate of environmental expenditure 2025/26: Method and results*. In its review, published in May this year, the Committee stated that this report was a "valuable resource", adding that "Tracking expenditure through to outcomes is an important part of our role as Parliamentarians, as well as for any government" and it was thus "intrigued by the suggestion of an integrated system which supports tracking money from 'budget-setting' to 'environmental impact'."[16] The Committee appreciated my suggestions for how this report could inform its financial scrutiny work. It commented that the preparation of its next scrutiny activities report would be an opportunity to a) consider what lessons it could draw from my report, and b) to make recommendations for the financial scrutiny processes of the Environment Committee in the 55th Parliament.[17]

Wider usefulness to the House

The above key performance indicator (KPI) narrowly focuses on select committee examinations of PCE reports. The number and range of PCE outputs mentioned in wider parliamentary proceedings during the past year provides further insight into the usefulness of PCE work. To ascertain this, a search was made of the terms 'PCE' and 'commissioner for the environment' on the New Zealand Parliament website for the period 1 July 2025 to 30 June 2026. Note was made of the mention of PCE outputs in other select committee reports, Hansard debates, speeches and questions. The analysis excluded mention in evidence to select committees, House agendas and process, or questions about PCE administration.

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11 Environment Committee, 28 October 2025, p.7. Reports of the Parliamentary Commissioner of the Environment, Estimate of environmental expenditure, 2022/23, 2023/24, 2024/25. https://selectcommittees.parliament.nz/v/6/9536edd6-18d4-498c-3990-08de15a3ff86?lang=en

12 Environment Committee, 28 October 2025, p.8. Reports of the Parliamentary Commissioner of the Environment, Estimate of environmental expenditure, 2022/23, 2023/24, 2024/25. https://selectcommittees.parliament.nz/v/6/9536edd6-18d4-498c-3990-08de15a3ff86?lang=en

13 Environment Committee, 17 November 2025, pp.5 and 7. Report of the Parliamentary Commissioner for the Environment, Urban ground truths: Valuing soil and subsoil in urban development. https://selectcommittees.parliament.nz/v/6/1ec44d40-f10c-48e6-833a-08de256ec696?lang=en

14 Environment Committee, 17 November 2025, p.7. Report of the Parliamentary Commissioner for the Environment, Urban ground truths: Valuing soil and subsoil in urban development. https://selectcommittees.parliament.nz/v/6/1ec44d40-f10c-48e6-833a-08de256ec696?lang=en

15 Environment Committee, 17 November 2025, p.7. Report of the Parliamentary Commissioner for the Environment, Urban ground truths: Valuing soil and subsoil in urban development. https://selectcommittees.parliament.nz/v/6/1ec44d40-f10c-48e6-833a-08de256ec696?lang=en

16 Environment Committee, 25 May 2026, p.7. Report of the Parliamentary Commissioner for the Environment, Estimate of environmental expenditure 2025/26: Method and results November 2025. https://selectcommittees.parliament.nz/v/6/8d534e67-5045-4b56-5c58-08deb9e27dc2?lang=en

17 Environment Committee, 25 May 2026, p.7. Report of the Parliamentary Commissioner for the Environment, Estimate of environmental expenditure 2025/26: Method and results November 2025. https://selectcommittees.parliament.nz/v/6/8d534e67-5045-4b56-5c58-08deb9e27dc2?lang=en

PCE advice was noted in one other committee report during 2025/26: the Finance and Expenditure Committee's, *Inquiry into performance reporting and public accountability*, final report. The committee commented on my five estimates of environmental expenditure to date, stating: "Each report provides an overview of spending across public entities budgeted for environmental protection and resource management activities. […] We consider these reports a good example of how planned spending could be set out related to a key area of interest."[18]

PCE outputs were also mentioned 43 times in the House Hansard record during 2025/26: in four oral questions and six written questions to Ministers, plus in 33 speeches in House debate regarding seven bills.[19,20,21] Twenty-six PCE outputs were mentioned or alluded to, only ten of which were mentioned in the select committee reports. The advice most frequently referred to in debate was my *Estimate of environmental expenditure 2025/26* and my submission on the Fast-track Approvals Amendment Bill. Other notable mentions were my submissions on the Regulatory Standards Bill, the Climate Change Response (Emissions Trading Scheme – Forestry Conversion) Amendment Bill and the Environment (Disestablishment of Ministry for the Environment) Amendment Bill.

Recommendation uptake

Assessing recommendation uptake has several challenges. Firstly, as I have only advisory powers, I cannot require the uptake of my recommendations by the House or government agencies.

There can also be a lag time – sometimes years – between when recommendations are made and their implementation. It can take governments some time to consider and incorporate recommendations into work programmes, especially if they depart from the status quo. For this reason, it can be challenging to directly link government actions to previously made recommendations as such links are not always explicit.

Attributing recommendations to improvements in the actual environment is difficult, as any implementation is carried out by third parties (e.g. government agencies, local government or through regulating the actions of others).

While I endeavour to make my recommendations practical and effective, some may be easier to implement than others. Some may be site-specific or minor, while others address long-term or nationally significant issues.

In line with my predecessor, the target for uptake has been set at 65%, which balances the need for pragmatic and workable recommendations with the need to challenge the status quo.

This year, I have issued 73 recommendations. This high number is largely a reflection of the number of consultation documents and legislative proposals that have emerged during the year. To date, 34 of these recommendations have been responded to by the Government and officials; 10 have been fully adopted, 11 partially adopted and 13 were rejected. One other recommendation is no longer valid, having been conditional on policy options. My uptake score for this year is thus 46%. Responses are still pending for 38 recommendations.

In the preceding year (2024/25), I issued 125 recommendations (50 of these in relation to the Fast-track Approvals Bill). By June 2026, responses had now been received for 70 of those recommendations – 14 were fully adopted and 18 were partially adopted, for an uptake score of 33%. Responses were still pending for 47 of the recommendations I made in that financial year, the remainder no longer being applicable.

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18 Finance and Expenditure Committee, 22 May 2026, pp.17–18. Inquiry into performance reporting and public accountability. https://selectcommittees.parliament.nz/v/6/d6c74527-9567-4d64-1819-08deb7843b48?lang=en

19 Hansard 9 December 2025, 3 March 2026, 4 March 2026 and 30 April 2026.

20 Written question (WQ) 38940 (2025), WQ 3080 (2026), WQ 5281(2026), WQ 5404 (2026), WQ 18264 (2026), and WQ 19627 (2026).

21 Local Government (Water Services) Bill, Climate Change Response (Emissions Trading Scheme – Forestry Conversion) Amendment Bill, Regulatory Standards Bill, Fast-track Approvals Amendment Bill, Climate Change Response (2050 Target and Other Matters) Amendment Bill, Environment (Disestablishment of Ministry for the Environment) Bill, and the Appropriation (2024/25 Confirmation and Validation) Bill.

The KPI reported (see Table 3.1) is the cumulative uptake of responses during a Commissioner's tenure. To calculate that, scores are attributed only to those where a response has been forthcoming. As of 30 June 2026, there have been responses to 324 of the 474 recommendations I have issued since October 2017 (compared to 236 of 401 recommendations up to 30 June 2025). Twenty-seven recommendations are no longer applicable. The remaining 123 recommendations that have not been responded to are mostly from reports, submissions and commentaries issued in the past three financial years. The cumulative 'uptake rate' for the 324 responses gleaned since October 2017 was 43% as of 30 June 2026, with 98 recommendations fully actioned (1 point each) and 81 partially actioned (0.5 points each).

Advice released this year

Several recommendations from a few pieces of work I published this year have been accepted.

In October 2025, I made a submission to the Finance and Expenditure Committee's Inquiry into performance reporting and public accountability. I recommended that performance evaluations should be sectoral (multi-portfolio and multi-agency), long-term, flexible and adaptive; there should also be a stronger mandate for work on environmental outcomes and performance to proceed. The Committee's final report was published in May 2026 and called for three shifts:

1. Whole-of-government reporting – improving clarity about what governments want to achieve, how they intend to go about it, and what progress is being made.
2. Reporting on areas of interest to the public – strengthening the focus of reporting on how the Executive's work and spending contributes to outcomes in areas that are important to the public.
3. Public entities' reporting – providing a more integrated view of the performance of entities, with a greater focus on value for money and how they are contributing to outcomes.[22]

These shifts closely aligned with my recommendations, which resulted in 70% uptake of my five recommendations.

In November 2025, I wrote to the Minister for Biosecurity regarding a yellow-legged hornet incursion in Auckland, recommending various questions be posed to the recently formed technical advisory group to aid eradication work. There was an 80% uptake of my five recommendations. My May 2026 letter commended the Minister for Biosecurity and the Ministry for Primary Industries – Manatū Ahu Matua and expressed cautious optimism that the agile biosecurity response to date has given us a good chance of eradicating this exotic species from our shores.

Concerns raised about the impacts of wastewater (sewage) outflows to the Mahurangi Harbour, including closure of oyster harvest areas, resulted in me investigating the issues and writing a letter to the Parliamentary Under-Secretary to the Minister for Oceans and Fisheries in March 2026. I identified opportunities to strengthen aspects of the regulatory framework, including monitoring, reporting and transparency in decision making related to discharges from the wastewater network and closure of oyster harvest areas. My letter included nine recommendations. To date there has been a response to five of these recommendations, with an uptake of just 30% so far.

22 Finance and Expenditure Committee, 2026. Inquiry into performance reporting and public accountability. Report presented to the House of Representatives by Ryan Hamilton, Chairperson. 54th Parliament, May 2026. https://selectcommittees.parliament.nz/v/6/d6c74527-9567-4d64-1819-08deb7843b48?lang=en

Advice from previous years

During the 2025/26 financial year, a few recommendations made in previous years gained traction, with significant progress on the recommendations about the environmental reporting system. This illustrates the lag time mentioned above. In this case, almost seven years have passed since my initial review of the system.

In November 2019, I published a report titled, *Focusing Aotearoa New Zealand's environmental reporting system*. Given serious data gaps and areas for system improvement, I recommended:

- amending the Environmental Reporting Act 2015
- adjusting the role of the Government Statistician and the Secretary for the Environment
- developing a comprehensive, nationally coordinated environmental monitoring system
- developing a mandated strategy to prioritise and incrementally fill data gaps
- determining the investment required to deliver these improvements.

The report contained seven recommendations in all.

Several of my subsequent reports have reiterated the need for the recommended system improvements.[23] I wrote to ministers in December 2021 regarding a lack of progress, and I made a submission on proposed system improvements in March 2022.

The Environmental Reporting Amendment Bill was finally introduced in June 2026. While the Bill is narrow in scope, for the most part the proposed amendments align with the findings of my 2019 review of the environmental reporting system, and additional thinking since then. The Bill, as introduced, reflects a 64% uptake of the seven recommendations in my 2019 report. This is welcomed.

Number of publications

My primary output is publications of various types: reports, notes and submissions. The number of publications is reported each year as a KPI. It is a rough indicator of the business of my office but may not be an accurate reflection of effort or value. Quite a lot of effort, sometimes over a couple of years, goes into the in-depth investigation reports produced, but it only gets counted as an output in the year it is released. Depending on timings, there may be more reports in one year than others, even though (generally) the office is working on three to five such reports at any one time. Although this number has been on the lower end over the last financial year due to a shift to reactive work. The number of publications can sometimes be dominated by submissions, especially at times when the Government is proposing a lot of change to the environmental management system, as is currently the case.

In the 2025/26 year, I produced 56 publications made up of 2 reports, 7 submissions on Bills, 12 other advisory notes and submissions to select committees, and 35 other pieces of published advice. These are listed, along with other outputs not counted for this KPI, in chapter 2 (pages 15–23).

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23 See PCE, 2020. A review of the funding and prioritisation of environmental research in New Zealand. https://pce.parliament.nz/publications/environmental-research-funding-review;
PCE, 2021. Wellbeing budgets and the environment: A promised land? https://pce.parliament.nz/publications/wellbeing-budgets-and-the-environment;
PCE, 2022. Environmental reporting, research and investment: Do we know if we're making a difference? https://pce.parliament.nz/publications/environmental-reporting-research-and-investment

Quality assurance

It is critical that the work produced is well researched, argued and communicated. All work is internally reviewed, with major reports externally reviewed for technical accuracy.

Response to public concerns and requests

I have set three timeframes to respond to public concerns and information requests:

- All correspondence is to be acknowledged within ten working days.
- All public concerns and requests for investigations are to receive a response within nine months.
- All requests for official information are to be responded to within the statutory timeframe of 20 working days.

In 2025/26, 97% of public concerns and information requests were responded to within the required timeframes. Fourteen official information requests were received, with three of these responded to under time extension. The processes are regularly reviewed to ensure continued improvement in this area.



Filmy fern, *Hymenophyllum revolutum*

4 Executive summary

Organisation health

My office is made up of a small group of hard working, highly skilled staff who provide an invaluable complement to my own experience.

The work of my office requires a high level of capability across a broad spectrum of disciplines. Hiring decisions are made with this in mind. Where I do not have staff with discipline-specific knowledge, I engage consultants to fill the gaps. The appropriation assists me to source additional external analysis and advice on technical and legal issues, much of which would not make prudent financial sense to have permanently in house.

I am committed to fostering an office environment where diversity and inclusion is sought and valued. I endeavour to make my office a stimulating place to work, with interesting topics to tackle, a good work–life balance, and a supportive and rewarding environment where excellence is valued. As of 30 June 2026, there were 19.54 FTE staff employed within the office (Table 2).

My increase in budget was used to:

- ensure the office can continue to attract and maintain capable staff to deliver the outputs of the office
- contract additional external specialist analysis and advice on issues outside the expertise and competency of in-house staff
- fund depreciation and other occupancy costs.

Table 2: Demographic profile of staff as at 30 June 2026

	2025/26		2024/25		2023/24		2022/23	
	Staff	FTE	Staff	FTE	Staff	FTE	Staff	FTE
Female	11	10.04	10	8.79	11	10.84	9	7.28
Male	10	9.5	9	8.7	9	8.5	10	9.85
Prefer not to say	0	0	1	1	1	1	1	1
Total employees	**21**	**19.54**	**20**	**18.49**	**21**	**20.34**	**20**	**18.13**

	2025/26		2024/25		2023/24		2022/23	
	Staff	Percentage	Staff	Percentage	Staff	Percentage	Staff	Percentage
New Zealand European/Pākehā	19	90%	17	85%	18	85%	17	85%
Māori	1	5%	1	5%	1	5%	1	5%
Pasifika	–	–	1	5%	–	0%	–	0%
Other	1	5%	–	–	1	5%	1	5%
Prefer not to say	–	–	1	5%	1	5%	1	5%
Total employees	**21**	**100%**	**20**	**100%**	**21**	**100%**	**20**	**100%**

Training and development

Staff development is considered an integral part of working at PCE, as it provides benefits for both the organisation and those it deals with. Individuals are supported to plan their own professional and personal development goals.

As advisory staff need to keep up to date with a wide range of environmental issues and developments, they are supported to attend conferences, webinars and seminars on relevant issues. The office also runs internal science-based hubs to share the latest developments and insights.

All employees are part of the organisation's drive for performance and innovation. Regular opportunities are offered to provide feedback on office processes and colleagues' work. An environment of curiosity, learning and excellence is encouraged.

Leaders meet regularly for one-on-one and team meetings with their staff, and there are frequent opportunities to raise issues, ask questions and arrange professional development opportunities. All staff discuss their development plans personally with me.

In the past financial year, about 2% of the total personnel budget was spent on staff training and development. Training was undertaken in areas such as leadership fundamentals, job analysis and design, communicating effectively, agile project management and influencing skills.

Te ao Māori

An understanding of te ao Māori is essential for the work of my office. The kaupapa upholds the vision of Te Māngai Pāho: that te reo Māori and tikanga Māori are spoken, heard, seen and valued. All staff were provided with the opportunity to attend a noho marae emersion in early 2025–26 as well as additional sessions exploring Te Tiriti o Waitangi and tikanga Māori. Staff are further supported by our Kaiwhakahaere Mātauranga Māori, who advises on mātauranga, tikanga, te reo Māori and engagement practices. Guidance is also given for external pōwhiri and mihi whakatau when presenting and participating at hui.

5



Milne's Tree Fern, *Cyathea milneirevolutum*

Statement of responsibility

As the Parliamentary Commissioner for the Environment, I am responsible for:

- the preparation of the financial statements, and statements of expenses and capital expenditure and for the judgements expressed in them
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- ensuring that end-of-year performance information on each appropriation administered by the Parliamentary Commissioner for the Environment is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in the annual report
- the accuracy of any end-of-year performance information, whether or not that information is included in the annual report.

In my opinion:

- the annual report fairly reflects the operations, progress, and the organisational health and capability of the Parliamentary Commissioner for the Environment
- the financial statements fairly reflect the financial position of the Parliamentary Commissioner for the Environment as at 30 June 2026 and the operations for the year ended on that date
- the 2026/27 forecast financial statements fairly reflect the forecast financial position of the Parliamentary Commissioner for the Environment as at 30 June 2026 and the operations for the year ending on that date.



Simon Upton

Parliamentary Commissioner for the Environment
Te Kaitiaki Taiao a Te Whare Pāremata

30 September 2026

6



Lyall's Spleenwort, *Asplenium lyallii*

Auditor's report

Independent Auditor's Report

To the readers of the Parliamentary Commissioner for the Environment's annual report for the year ended 30 June 2026

The Auditor-General is the auditor of the Parliamentary Commissioner for the Environment (PCE). The Auditor-General has appointed me, Anthony Heffernan, using the staff and resources of The Audit Office, to carry out the audit of the information required to be audited on his behalf.

Opinion

We have audited:

- The financial statements of the PCE that comprise the statement of financial position, statement of commitments, statement of contingent assets and contingent liabilities as at 30 June 2026, the statement of comprehensive revenue and expenses, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 40 to 54;
- The end-of-year performance information for the appropriations of the PCE for the year ended 30 June 2026 on pages 24 to 31; and
- The statements of expenses and capital expenditure of the PCE for the year ended 30 June 2026 on pages 53 to 54.

In our opinion:

- The financial statements of the PCE present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.
- The end-of-year performance information for each appropriation for the year ended 30 June 2026 is appropriate and meaningful and prepared in accordance with the PCE's measurement bases or evaluation methods and Public Benefit entity Standards Reduced Disclosure Regime, and presents fairly, in all material respects:
    - what has been achieved with the appropriation; and

- the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred.

- The statements of expenses and capital expenditure have been prepared, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor for the information to be audited* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Commissioner for the information to be audited

The Commissioner is responsible on behalf of the PCE for preparing financial statements and end-of-year performance information for appropriations that are fairly presented and comply with Public Benefit Entity Standards Reduced Disclosure Regime and legislative requirements.

This includes:

- the selection of elements/aspects of service performance, performance measures and/or descriptions, and measurement bases or evaluation methods to enable the presentation of service performance information that is appropriate and meaningful; and

- the preparation of end-of-year performance information for an appropriation in accordance with the Commission's measurement bases or evaluation methods and Public Benefit Entity Standards Reduced Disclosure Regime and legislative requirements.

The Commissioner is responsible on behalf of the PCE for preparing statements of expenses and capital expenditure of the PCE, that are prepared in accordance with section 45A of the Public Finance Act 1989.

The Commissioner is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Commissioner is responsible on behalf of the PCE for assessing the PCE's ability to continue as a going concern. The Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting, unless there is an intention to merge or to terminate the activities of the PCE, or there is no realistic alternative but to do so.

The Commissioner's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audit, our procedures are limited to checking that the information agrees to the Estimates of Appropriations for the Government of New Zealand for the Year Ending 30 June 2026. For performance information for appropriations, we agree any changes from the performance measures and standards in the Estimates to the Supplementary Estimates. For the forecast financial information for the year ending 30 June 2027, our procedures are limited to checking to the best estimate financial forecast information based on the Budget Economic Fiscal Update for the year ending 30 June 2027.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the PCE's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner.

- We obtain an understanding of the process applied by the PCE to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods.

- In respect of the end-of-year performance information for appropriations, we:
    - obtain an understanding of the process applied by the PCE to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods and evaluate whether these present an appropriate and meaningful assessment of the entity's service performance.
    - evaluate whether the end-of-year performance information for appropriations is prepared in accordance with the entity's measurement bases or evaluation methods, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.
- We evaluate whether the statements of expenses and capital expenditure have been prepared in accordance with legislative requirements.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Commissioner and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the PCE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the PCE to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Commissioner is responsible for the other information. The other information comprises all of the information included in the annual report other than the information we audited and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

7



Poor Knights Spleenwort, *Asplenium pauperequitum*

Financial statements

Statement of comprehensive revenue and expense

for the year ended 30 June 2026

Actual 2025 $000		Note	Actual 2026 $000	Unaudited Budget 2026 $000	Forecast 2027 $000
	Revenue				
4,400	Revenue Crown		4,899	4,899	4,899
–	Other revenue		–	3	3
4,400	Total revenue		4,899	4,902	4,902
	Expenses				
2,791	Personnel costs	(2)	3,045	2,942	3,276
118	Depreciation	(5)	117	119	119
31	Capital charge	(3)	31	31	31
1,423	Other operating expenses	(4)	1,555	1,810	1,476
4,363	Total expenses		4,748	4,902	4,902
37	Net surplus		151	–	–
–	Other comprehensive revenue and expense		–	–	–
37	**Total comprehensive revenue and expense**		**151**	**–**	**–**

The accompanying notes form part of these financial statements. Explanations of major variances against the original 2025/26 budget are detailed in note 12.

Statement of changes in equity

for the year ended 30 June 2026

Actual 2025 $000		Note	Actual 2026 $000	Unaudited Budget 2026 $000	Forecast 2027 $000
611	**Opening balance**		**611**	**611**	**611**
37	Total comprehensive revenue and expense		151	–	–
(37)	Return of operating surplus to the Crown		(151)	–	–
611	**Closing balance**		**611**	**611**	**611**

Statement of financial position

for the year ended 30 June 2026

Actual 2025 $000		Note	Actual 2026 $000	Unaudited Budget 2026 $000	Forecast 2027 $000
1,179	**Total assets**		**1,207**	**1,263**	**1,194**
568	Total liabilities		596	652	583
	Assets				
	Current assets				
852	Cash and cash equivalents		968	983	965
4	Prepayments		11	–	–
856	Total current assets		979	983	965
	Non-current assets				
323	Property, plant and equipment	(5)	228	280	229
323	Total non-current assets		228	280	229
	Liabilities				
	Current liabilities				
211	Creditors and other payables	(6)	207	360	206
37	Repayment of surplus	(7)	151	–	–
320	Employee entitlements	(8)	238	292	377
568	Total current liabilities		596	652	583
611	**Net assets**		**611**	**611**	**611**
	Equity				
611	Taxpayers' funds		611	611	611
611	Total equity		611	611	611

Statement of cash flows

for the year ended 30 June 2026

Actual 2025 $000		Note	Actual 2026 $000	Unaudited Budget 2026 $000	Forecast 2027 $000
	Cash flows from operating activities				
4,400	Receipts from Crown		4,899	4,899	4,899
–	Receipts from other revenue		–	3	3
(1,553)	Payments to suppliers		(1,577)	(1,810)	(1,476)
(2,779)	Payments to employees		(3,138)	(2,889)	(3,219)
(31)	Payments for capital charge		(31)	(31)	(31)
13	Goods and services tax (net		22	–	–
50	Net cash from operating activities		175	172	176
	Cash flows from investing activities				
(85)	Purchase of property, plant and equipment		(22)	(72)	(72)
(85)	Net cash (used in) investing activities		(22)	(72)	(72)
	Cash flows from financing activities				
(57)	Payment of surplus to Crown		(37)	–	–
(57)	Net cash (used in) financing activities		(37)	–	–
(92)	Net increase in cash		116	100	104
944	Cash at the beginning of the year		852	883	861
852	**Cash at the end of the year**		**968**	**983**	**965**

The accompanying notes form part of these financial statements. Explanations of major variances against the original 2025/26 budget are detailed in note 12.

Statement of commitments

for the year ended 30 June 2026

As at 30 June 2026, the Parliamentary Commissioner for the Environment had no capital commitments (2025: none).

Non-cancellable operating lease commitments

The Parliamentary Commissioner for the Environment entered an office lease in March 2022 at a monthly cost of $18,180 (2025: $17,509). The lease expires on 28 March 2028. During the year there was an increase to the lease payments, due to a market review.

Actual 2025 $000		Actual 2026 $000
	Non-cancellable operating lease commitments	
210	No later than one year	218
368	Later than one year and no later than five years	164
578	**Total operating lease commitments**	**382**

The accompanying notes form part of these financial statements. Explanations of major variances against the original 2025/26 budget are detailed in note 12.

There are no restrictions placed on the Parliamentary Commissioner for the Environment from the leasing arrangements.

Statement of contingent liabilities and contingent assets

for the year ended 30 June 2026

The Parliamentary Commissioner for the Environment has no known quantifiable or unquantifiable contingent liabilities as at 30 June 2026 (2025: none).

The Parliamentary Commissioner for the Environment has no contingent assets as at 30 June 2026 (2025: none).

Notes to the financial statements

for the year ended 30 June 2026

1. Statement of accounting policies

Reporting entity

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

The Commissioner's primary objective is to investigate environmental concerns independent of government. The Parliamentary Commissioner for the Environment has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements and Statement of Service Performance for the Parliamentary Commissioner for the Environment are for the year ended 30 June 2026 and were authorised for issue on 30 September 2026.

The service performance information is contained within the service performance reporting section of the annual report, notably the section titled 'Statement of Performance' on pages 24 to 31.

Basis of preparation

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements and Statement of Service Performance have been prepared in accordance with the requirements of the Public Finance Act 1989, which include the requirement to comply with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), and Treasury Instructions.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR), authorised for use by the External Reporting Board. The Parliamentary Commissioner for the Environment is a public sector entity and is eligible to apply the PBE Standards RDR on the basis that it does not have public accountability as defined under XRB A1 Application of the Accounting Standards Framework, and its total expenditure is less than $33 million.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000).

Changes to accounting policies

There have been no changes in the Parliamentary Commissioner for the Environment's accounting policies since the date of the last audited financial statements.

Summary of significant accounting policies

The following is a summary of the significant accounting policies applied in the preparation of these financial statements.

(a) Revenue Crown

Revenue from the Crown is measured based on the Parliamentary Commissioner for the Environment's funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of non-exchange revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, the Parliamentary Commissioner for the Environment can only incur expenses within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

(b) Capital charge

The capital charge is recognised as an expense in the financial year to which the charge relates.

(c) Operating leases

An operating lease is a lease that does not transfer substantially all risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expenses over the lease term.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held with banks. The Parliamentary Commissioner for the Environment is only permitted to expend its cash and cash equivalents within the scope and limits of its appropriations.

(e) Payables

Short-term payables are recorded at the amount payable.

(f) Property, plant and equipment

Property, plant and equipment consist of the following asset classes: furniture, fittings and fixtures, computer hardware, office equipment and leasehold improvements. Assets are shown at cost less any accumulated depreciation and impairment losses.

Individual assets, or groups of assets, are capitalised if their cost is greater than $1,000.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the Parliamentary Commissioner for the Environment and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Parliamentary Commissioner for the Environment and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment is recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Furniture and fittings	5–14.3 years	7–20%
Computer hardware	2.5–4.8 years	21–67%
Office equipment	3.3–5 years	20–30%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful life of the improvements, whichever is the shorter. The residual value and useful life of an asset is reviewed, and adjusted if applicable, each financial year.

(g) Impairment of property, plant and equipment

The Parliamentary Commissioner for the Environment does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

(h) Non-cash generating assets

Property, plant and equipment held at cost and that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the present value of the asset's remaining service potential. Value in use is determined by using an approach based on either a depreciated replacement cost approach, restoration cost approach or a service unit approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

(i) Employee entitlements

Employee entitlements that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date and the projected accrual to balance date.

Presentation of employee entitlements

Accrued salaries and wages, and accrued annual leave are classified as current liabilities.

(j) Personnel costs

Salaries and wages are recognised as an expense as employees provide services. Employee contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

(k) Equity

Equity has been classified as taxpayer funds and is the Crown's investment in the Parliamentary Commissioner for the Environment. It is measured as the difference between total assets and total liabilities. Repayment of any surplus is made to the Crown before 31 October each year and is classified as a liability until date of payment, with a corresponding entry through equity.

(l) Income tax

The Parliamentary Commissioner for the Environment is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision for income tax has been made.

(m) Commitments

Commitments are future expenses and liabilities to be incurred on contracts that have been entered into on or before the financial year end (30 June). Information on non-cancellable capital and lease commitments are reported in the statement of commitments.

Cancellable commitments that have a penalty or exit costs explicit in the agreement on exercising that option to cancel are reported in the statement of commitments at the lower of the remaining contractual commitment and the value of those penalty or exit costs (i.e. the minimum future payments).

(n) Goods and Services Tax (GST)

All items in the financial statements and appropriation statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the cost of the related asset or expense.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the statement of financial position.

The net GST paid or received from Inland Revenue, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Output cost accounting

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

Critical accounting estimates and assumptions

In preparing these financial statements, the Parliamentary Commissioner for the Environment has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Budget and forecast figures

Basis of the budget and forecast figures

The unaudited budget for 2025/26 was published in the 2024/25 annual report. It is consistent with the Parliamentary Commissioner for the Environment's financial budget as set out in the Government's Estimates of Appropriations for the year ending 2025/26.

The 2026/27 unaudited forecast figures are for the year ending 30 June 2027. They are consistent with the Parliamentary Commissioner for the Environment's financial budget as set out in the Government's Estimates of Appropriations for the year ending 2026/27. The budget financial statements have been reported as required by the Public Finance Act 1989 to communicate forecast financial information for accountability purposes.

The budget figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements. The 2025/26 unaudited budget and 2026/27 unaudited forecast figures were prepared in accordance, and comply, with PBE FRS 42 Prospective Financial Statements.

The 2026/27 forecast financial statements were approved for issue by the Commissioner on 30 September 2026. The Commissioner is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

Significant assumptions used in preparing the forecast information

The forecast figures contained in these financial statements reflect the Parliamentary Commissioner for the Environment's purpose and activities, and are based on a number of assumptions on what may occur during the 2026/27 year.

The main assumptions, which were adopted as at 30 May 2026, were as follows:

- The Parliamentary Commissioner for the Environment's activities and output expectations will remain substantially the same as the previous year.
- Personnel costs are based on 20 full-time equivalent staff positions, plus the Commissioner.
- Operating costs are based on historical experience and other factors that are believed to be reasonable in the circumstances. Remuneration rates are based on current wage and salary costs, adjusted for anticipated remuneration changes.

The actual financial results achieved for 30 June 2026 are likely to vary from the forecast information presented, and the variations may be material.

2. Personnel costs

Actual 2025 $000		Actual 2026 $000
2,721	Salaries and wages	2,962
70	Employer contributions to defined contribution plans	80
–	Increase/(decrease) in annual leave	3
2,791	**Total personnel costs**	**3,045**

3. Capital charge

The Parliamentary Commissioner for the Environment pays a capital charge to the Crown on its equity as at 31 December and 30 June each year. The capital charge rate is set by the Treasury during the year. The capital charge rate for the year ended 30 June 2026 was 5% (2025: 5%).

The total capital charge incurred for the year ended 30 June 2026 was $31,000 (2025: $31,000).

4. Other operating expenses

Actual 2025 $000		Actual 2026 $000
38	Fees to auditor[i]	39
654	Consultancy	731
337	Office lease expense (includes services charges)	380
136	ICT expenditure	142
73	Travel	51
50	Professional fees and development	73
43	Accommodation (excluding office lease)	47
12	Communication	15
12	Library acquisitions	14
10	Consumables	10
58	General expenses	47
–	Fringe Benefit Tax	6
1,423	**Total**	**1,555**

[i] Fees to Audit New Zealand are for the annual statutory audit, which includes the audit of its financial statements and Statement of Service Performance (2025: same). No other services were received from, and other fees paid to, Audit New Zealand (2025: same).

5. Property, plant and equipment

$000	Furniture and fittings	Computer hardware	Office equipment	Leasehold improvements	Total
Cost					
Balance at 1 July 2024	110	204	38	391	743
Balance at 30 June 2025	110	250	38	391	789
Additions	–	22	–	–	22
Disposals	(5)	(19)	(30)	–	(54)
Balance at 30 June 2026	105	253	8	391	757
Accumulated depreciation					
Balance at 1 July 2024	44	156	38	149	387
Balance at 30 June 2025	53	162	38	213	466
Depreciation expense	9	43	–	65	117
Disposals	(5)	(19)	(30)	–	(54)
Balance at 30 June 2026	57	186	8	278	529
Carrying amounts					
Balance at 1 July 2024	66	48	–	242	356
At 30 June 2025	57	88	–	178	323
At 30 June 2026	**48**	**67**	**–**	**113**	**228**

There are no restrictions over the title of the Parliamentary Commissioner for the Environment's property, plant and equipment, nor are any property, plant and equipment assets pledged as security for liabilities.

6. Creditors and other payables

Actual 2025 $000		Actual 2026 $000
	Exchange	
123	Creditors	83
38	Accrued expenses	52
	Non-exchange	
50	GST payable	72
211	**Total creditors and other payables**	**207**

7. Repayment of surplus

The Parliamentary Commissioner for the Environment had a net surplus of $151,000 for the year ended 30 June 2026 (2025: $37,000). As such, a provision has been raised to repay the surplus back to the Crown, taken directly against equity (2025: same). Repayments of surplus to the Crown are due 31 October of each year.

8. Employee entitlements

Actual 2025 $000		Actual 2026 $000
235	Annual leave	238
85	Accrued salaries	–
320	**Total employee entitlements**	**238**

The Parliamentary Commissioner for the Environment has no retirement leave or long service leave obligations. The annual leave liability is calculated from the actual leave days owing to the Commissioner and employees, as well as the projected accrual to 30 June 2026.

9. Related party transactions and key management personnel

The Parliamentary Commissioner for the Environment is a wholly owned entity of the Crown.

Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier, or client/recipient, relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Parliamentary Commissioner for the Environment would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangement between government agencies and undertaken on the normal terms and conditions for such transactions.

Related party transactions required to be disclosed

Parliament significantly influences the work of the Parliamentary Commissioner for the Environment as well as being its major source of revenue. There were no transactions carried out with other related parties requiring disclosure.

Actual 2025 $000		Actual 2026 $000
	Leadership Team, including the Commissioner	
1,288	Remuneration	1,476
6	Full-time equivalent staff	7

Key management personnel are the senior management team, which comprises the Commissioner, General Counsel, Chief Advisor Policy and Strategy, Chief Advisor Science, Chief Operating Officer, Principal Advisor Economics and Principal Advisor Programmes (2025: Commissioner, Chief Advisor Economics, General Counsel, Chief Advisor Policy and Programmes, Chief Advisor Science and Chief Operating Officer).

Full-time equivalent staff is determined by the time period of employment during the year.

10. Events after the balance date

No significant events have occurred subsequent to balance date (2025: nil).

11. Categories of financial instruments

Actual 2025 $000		Actual 2026 $000
	Financial assets measured at amortised cost	
852	Cash and cash equivalents	968
	Financial liabilities measured at amortised cost	
161	Creditors and other payables (excluding GST payable)	135

12. Explanations of major variances against budget

Statement of comprehensive revenue and expense

Personnel costs

Personnel costs were higher than the original budget by $103,000, which is around a 3.5% increase in total salaries. Salary costs increased as remuneration was adjusted to align closer with market rates, and two advisers were promoted to senior management roles effective 1 February 2026.

Other operating expenditure

Other operating expenditure was lower than budgeted by $255,000 due to a decreased consultancy requirement during the year.

Statement of financial position

Property, plant and equipment

Property, plant and equipment was $52,000 below budget as capital expenditure requirements during the year were lower than expected. This was primarily due to fewer old fixed assets needing to be replaced than expected.

Creditors and other payables

Creditors and other payables were lower than budget by $153,000, due to timing differences, with more invoices paid before 30 June 2026.

Repayment of surplus

The Parliamentary Commissioner for the Environment must repay any surplus to the Crown under Section 22 of the Public Finance Act. No surplus had been budgeted.

Employee entitlements

Employees took more annual leave than expected throughout 2026, resulting in an employee entitlement balance that is $54,000 less than budgeted.

Statement of cash flows

Cash flows from operating activities

Payments to employees were higher than budgeted by $249,000 due to an additional payroll pay date falling within the reporting period. Salary costs also increased as remuneration was adjusted to align closer with market rates, and two advisers were promoted to senior management roles effective 1 February 2026.

Payments to suppliers were $233,000 lower than budget, largely due to the reduced consultancy requirement as reflected in the lower operating expenditure.

Appropriation statements

The Parliamentary Commissioner for the Environment has not received any capital injections during the year without, or in excess of, authority (2024/25: nil).

The following statements report information about the expenses and capital expenditure incurred against each appropriation administered by the Parliamentary Commissioner for the Environment for the year ended 30 June 2026. They are prepared exclusive of GST.

Actual 2025 $000		Actual 2026 $000	Voted 2026 $000
	Output expenses		
3,957	Reports and advice	4,342	4,496
3,957	Total output expenses	4,342	4,496
	Appropriation for other expenses		
406	Remuneration of the Parliamentary Commissioner for the Environment (Permanent Legislative Authority)	406	406
406	Total other expenses	406	406
	Capital expenditure		
85	Parliamentary Commissioner for the Environment – Capital expenditure (Permanent Legislative Authority)	22	72
85	Total capital expenditure	22	72

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations for the year ended 30 June 2026.

4,448	**Total annual and permanent appropriations**	**4,770**	**4,974**

End-of-year output performance information has been reported in the statement of performance (page 24) of this annual report.

The Parliamentary Commissioner for the Environment leads the performance of the office. The performance of the Commissioner is reflected in the output performance measures and targets of the office as detailed in Table 1 (page 25).

Capital expenditure is based on the replacement of assets required in order for the office of the Parliamentary Commissioner to operate effectively.

Statement of expenses and capital expenditure incurred without, or in excess of, appropriation or other authority for the year ended 30 June 2026

The Parliamentary Commissioner for the Environment has not incurred any expenses or capital expenditure without, or in excess of, appropriation or other authority (2024/25: nil).

Statement of capital injections for the year ended 30 June 2026

The Parliamentary Commissioner for the Environment has not received any capital injections during the year (2024/25: nil).

Statement of capital injections without, or in excess of, authority for the year ended 30 June 2026

The Parliamentary Commissioner for the Environment has not received any capital injections during the year without, or in excess of, authority (2024/25: nil).



Fork fern, *Tmesipteris tannensis*

8 Sustainability reporting

My office is committed to operating in an emissions- and energy-efficient environment. While it is not mandatory for the office to meet the requirements of the Carbon Neutral Government Programme, we wish to monitor our emissions and minimise them where possible.

PCE emissions have been independently verified by Toitū Envirocare (Enviro-mark Solutions Ltd) in line with ISO 14064-3:2019. A copy of our Toitū Carbon Reduce certification disclosure can be viewed on the Toitū website.[24]

This is the fourth year of reporting under the Toitū carbon-reduce programme. Overall, total emissions for the period 2025–26 were 35.3 tonnes of carbon dioxide equivalent (tCO_2-e), which represents an increase of 5.5 tCO_2-e from 2024–25 due to an increase in travel. Our base year emissions were 19.8 tCO_2-e in 2022/23.

Category 2 emissions (emissions from imported electricity) reduced by 0.49 tCO_2-e, representing a 17% decrease in emissions from base year (2.95 tCO_2-e).

Category 3 emissions (emissions from transport) increased by 16 tonnes. This represents a 104% increase in emissions from base year. Reported emissions represent a combination of real-world changes in travel activity and differences in methodological compilation from previous reporting years. Methodological changes have resulted in the inclusion of additional business travel flights that were previously considered to be out of scope for reporting purposes.

Category 4 emissions (emissions from products used by the organisation) remained relatively static but experienced a slight increase relative to base year.

The increase in overall emissions was largely driven by category 3 emissions, including domestic and long-haul air travel.

In relation to emissions intensity, the organisation generated 1.70 tCO_2-e per FTE and 7.21 tCO_2-e per million dollars of operating revenue for the 2025–26 year.[25] This reflects an increase in emissions intensity relative to base year.

As a small entity, my office has limited means to significantly reduce our carbon footprint. All expenditure that has a carbon footprint is carefully considered prior to approval, thus minimising the likelihood of any waste.

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24 www.toitu.co.nz/members/parliamentary-commissioner-for-the-environment

25 Based on FTE figure of 20.74, derived as at date of Toitū Carbon Reduce audit.

The top three emissions sources related to air travel for business purposes.

Air travel is often required during investigations to visit sites and carry out iwi and community consultations. The level of air travel is dependent on what kinds of investigations are underway and whether a travel component is needed.

My office is currently working on reducing organisation-wide electricity consumption and is actively investigating the adoption of measures to improve electricity efficiency, reduce consumption and encourage carbon-friendly ways of getting to work.

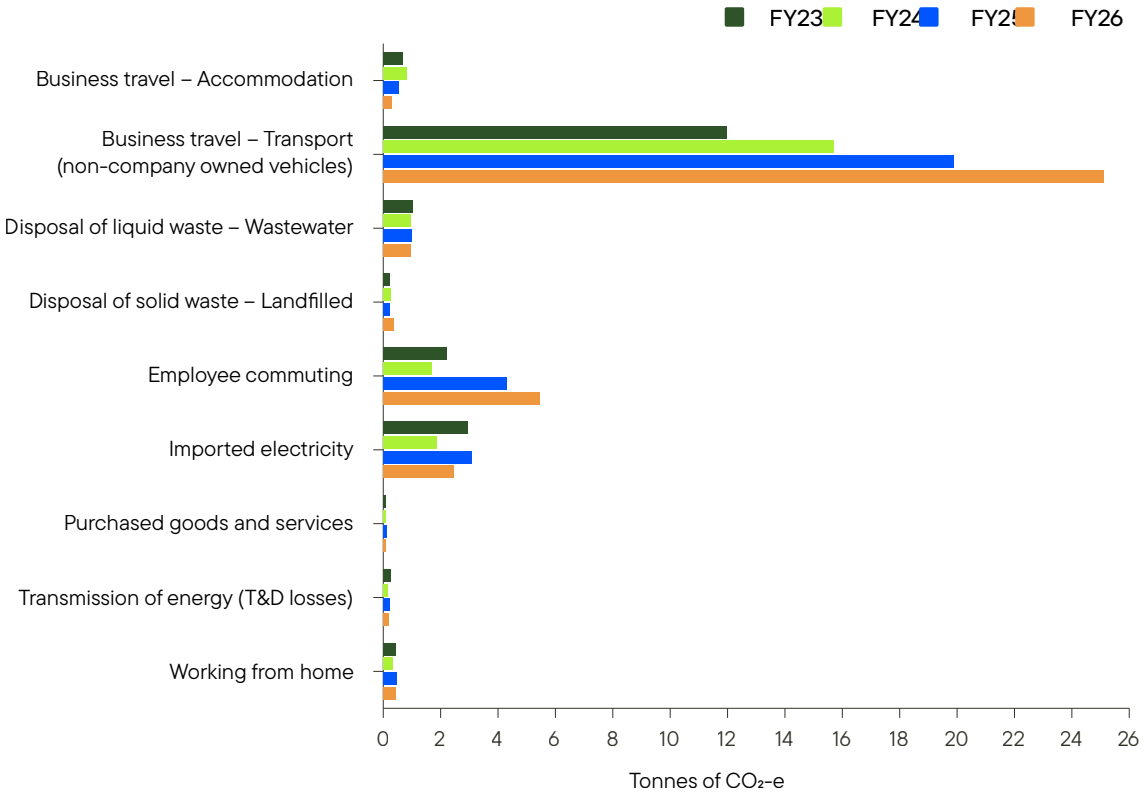


Figure 3. PCE's gross emissions by subcategory for FY23, FY24, FY25 and FY26.

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Chapter header images: Richard's spleenwort (*Asplenium richardii*), dhutch, iNaturalist; Hard fern (*Blechnum durum*), invertebratist, iNaturalist; Strap fern (*Notogrammitis givenii*), chrise, iNaturalist; Filmy fern (*Hymenophyllum revolutum*), forrest00, iNaturalist; Milne's Tree Fern (*Cyathea milnei*), pjd1, iNaturalist; Lyall's Spleenwort (*Asplenium lyallii*), Ria, iNaturalist; Poor Knights Spleenwort (*Asplenium pauperequitum*), pjd1, iNaturalist; Fork fern (*Tmesipteris tannensis*), zultin, iNaturalist.



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