

9 May 2023

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Tēnā koe Leeanne,

Performance audit on managing freshwater quality: Challenges and opportunities

Thank you for your letter dated 5 April 2023, seeking an update on how Stats NZ has progressed the recommendation from the 2019 performance audit report *Managing freshwater quality: Challenges and opportunities*. In particular, the performance audit report recommends that:

- *The Ministry for the Environment and Statistics New Zealand lead work with regional councils and relevant land and freshwater management agencies to support better informed and co-ordinated management of freshwater by preparing a consistent approach to monitoring, analysis, and reporting of freshwater quality state and trend information.*

The results of the performance audit were welcomed by Stats NZ when these were released. The report highlighted the technical challenges in utilising shared analytical methodologies at both a regional and national level, among other things.

Stats NZ did not take any action in response to this recommendation given constraints in both capacity and funding. We focussed on the core business of delivering the reporting requirements of the Environmental Reporting Act and providing feedback on the re-writing of the same Act.

New funding for the Ministry for the Environment (MfE) to improve the Environmental Monitoring and Reporting System, referred to in more detail in MfE's response to this same request, will significantly improve both Stats NZ's and MfE's ability to provide leadership and work with other agencies towards solving the problems that still exist. For example, the development of core indicators and their expected place in regulations will provide central government leadership on what is required for national reporting. Funding to develop an environmental statistical architecture is likely to point

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to the need for comprehensive national environmental monitoring standards, providing direction and motivating more coordinated planning across central and regional government.

I hope that this response is helpful to the Office of the Auditor-General. If you would like us to assist you further with any matter relating to the report, you can contact Michele Lloyd, Senior Manager, Environmental and Agricultural Statistics at michele.lloyd@stats.govt.nz or Rafa Itchon, Senior Advisor, Executive and Government Relations, Office of the Chief Executive at rafa.itchon@stats.govt.nz

Thank you again for writing. I hope you find the above information useful.

Nāku noa, nā

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Rachael Milicich

**Deputy Government Statistician and Deputy Chief Executive
Insights and Statistics
Stats NZ**