

**Submission
No 10**

**EXAMINATION OF AUDITOR-GENERAL'S PERFORMANCE AUDIT
REPORTS FEBRUARY 2019 - JULY 2019**

Organisation: Department of Regional NSW

Date Received: 17 July 2020

Mr Greg Piper, MP
Chair, Public Accounts Committee
NSW Legislative Assembly
92 Victory Parade
TORONTO NSW 2283

Cc Mr Bjarne Nordin, Committee Manager

Dear Mr Piper

Thank you for your letter of 26 June 2020, originally addressed to the Secretary of the Department of Planning, Industry and Environment, requesting a submission outlining the Department's response to the Auditor-General's report, 'Biosecurity Risk Management', which was tabled on 18 June 2019.

As the newly-appointed Secretary of the Department of Regional NSW under the Administrative Arrangements (Administrative Changes – Regional NSW and Independent Planning Commission) Order 2020, these matters now fall within my area of responsibility.

I am pleased to advise that the Department of Primary Industries (NSW DPI) within the Department of Regional NSW, has made good progress in responding to the Audit Report. Four of the six recommendations are considered complete. Of the remaining two recommendations, one is on-track against a revised timeframe of July 2021; namely, the implementation of the Biosecurity Case Management System. The other recommendation has, unfortunately, been delayed as a result of a redirection of specialist technical resources to coordinate efforts in response to the unprecedented bushfires between July 2019 and February 2020.

Further detail on these matters is outlined in the enclosed submission – Implementation of Recommendations.

Biosecurity risk management in NSW is based on the principle of shared responsibility, relying on an agile, proactive and collaborative approach between government agencies, industry and individuals. Our reputation as a producer of high quality, safe food and fibre relies on this State's strong biosecurity practices, our compliance programs, and the timely response to emergency events. To this end, NSW DPI remains committed to full implementation of the Audit Report over the next 12 months.

Should you have any queries relating to these matters, please contact 

Yours sincerely,



Gary Barnes
Secretary

IMPLEMENTATION OF RECOMMENDATIONS

Biosecurity risk management

RECOMMENDATION		ACCEPTED OR REJECTED	ACTIONS TO BE TAKEN	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
1.	By December 2019, to ensure the Department of Planning, Industry and Environment can demonstrate that its biosecurity compliance and emergency response activities are effective and economical, it should implement formal agreements with partner agencies that it relies on to deliver effective biosecurity compliance activities and emergency responses.	Accepted. Agency response highlighted due to the complexities of negotiations required with stakeholders, a more realistic target is June 2020.	<ul style="list-style-type: none"> Identify and prioritise relevant partner agencies. For example, NSS Environment, Energy and Science (formerly Office of Environment and Heritage), NSW Environment Protection Authority, NSW Health. 	September 2019	COMPLETED 1. On 1 July 2019, Memorandum of Understanding (MoU) between Agriculture Victoria and NSW DPI on Cross Border Biosecurity, Animal Welfare, and Emergency Management arrangements commenced. 2. On 19 July 2019, Memorandum of Understanding between the NSW DPI and Local Land Services was signed, providing formal partnership to effectively delivery biosecurity, animal welfare, animal biosecurity, plant biosecurity, invasive pests and animals, emergency management, communications and engagement, agricultural services, forestry services and fishery activities. A MoU Governance Committee has also been established with regular meetings. A commitment was made to conduct an annual review of performance, and this matter will be discussed at the next meeting currently scheduled in August 2020. 3. On 7 May 2020, was the inaugural meeting of the quarterly relationship meeting between NSW DPI / NSW EPA. The purpose of the	1. Biosecurity and Food Safety Branch. 2. Biosecurity and Food Safety Branch. 3. Research and Business Excellence Branch. 4. Engagement and Industry Assistance Branch.
			<ul style="list-style-type: none"> Develop scope of Memorandums of Understandings or Statement of Intents. 	October 2019		
			<ul style="list-style-type: none"> Implement Memorandums of Understanding or Statement of Intents. 	July 2020		

					<p>meeting is information sharing on current and emerging primary industries matters of interest, including coordinating of compliance management activities.</p> <p>4. Under the auspices of the State Emergency Management Committee, regular meetings are held with Functional Area leads and representatives across relevant NSW Agencies, including NSW Health. In addition, the Functional Area Support Team, including Health, Environment, Energy and Utilities, NSW DPI as the Agricultural Services lead meets separately bi-annually</p>	
2.	By December 2019, to ensure the Department of Planning, Industry and Environment can demonstrate that its biosecurity compliance and emergency response activities are effective and economical, it should analyse and report cost, resource and activity data at a project level, incorporating data from partner agencies.	Accepted. Agency response highlighted due to the complexities of negotiations required with stakeholders, a more realistic target is June 2020.	<ul style="list-style-type: none"> Finalise MyHQ issues to enable overtime to be accurately captured and recorded. 	July 2020	COMPLETED	<ol style="list-style-type: none"> Engagement and Industry Assistance Branch. Engagement and Industry Assistance Branch. Biosecurity and Food Safety Branch. Engagement and Industry Assistance Branch. Biosecurity and food Safety Branch. Engagement and Industry Assistance Branch.
			<ul style="list-style-type: none"> Improved reporting to NSW DPI Executive and the Executive Emergency Management Committee (the later including Local Land Services, Office of the Small Business Commissioner, NSW Forestry Corporation. 	Sept 2019	<ol style="list-style-type: none"> A proposal to automate the capture and reporting of overtime during an emergency has been investigated by NSW DPI and is not feasible due to the structure of the NSW DPI HR management system. MyHQ is based on a branch rather than an event organisational cost centre code structure. NSW DPI has operational guidance available to support the manual identification of relevant emergency management costs, including overtime and administrative processes to action financial journals, where appropriate. NSW DPI has established an ongoing emergency resource to monitor and manage emergency expenses. 	
			<ul style="list-style-type: none"> Identify activity data gaps issues and risks and revise reporting to suit. 	July 2020	<ol style="list-style-type: none"> A new emergency management reporting framework (the EM Operations Reporting Framework) with a supporting guideline has been developed. This will be implemented 	

					<p>with the Biosecurity Case Management System, as part of the Fire and Flood Module.</p> <ol style="list-style-type: none"> 3. A new emergency management reporting framework (the EM Operations Reporting Framework) with supporting guideline has been developed and is still to be implemented. 4. On 5 May 2020, an Interim Knowledge Management Framework (the Framework) has been developed in alignment with the draft EM Operations Reporting Framework and has been implemented to support biosecurity and food safety hazard owners. The Framework sets out a standardised method for capturing critical data collected and used during investigations and emergency responses. 5. Business processes have been enhanced with the establishment of two registers to record Emergency Management Incidents and Response activities; and Emergency Management Exercises across biosecurity and food safety hazards. 6. In January 2020 an additional emergency resource was implemented, the new position of Emergency Management Business Officer position is responsible for reporting emergency activity cost, resource and activity data across NSW DPI and with relevant partner agencies. 	
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3.	By December 2019, to ensure the Department of Planning, Industry and Environment can demonstrate that its biosecurity compliance and emergency response activities are effective and economical, it should <i>apply the full suite of its emergency response practices, particularly cost benefit analyses and after-action reviews</i>	Accepted.	<ul style="list-style-type: none"> • Finalise check sheet for response. • Embed process into decision making prior to response activation. • After Action Reviews completed within 45 days of response in line with revised Lessons Management Framework. • Pilot Lessons Management Framework for Salmonella Enteritidis After Action Review. 	<p>August 2019</p> <p>October 2019</p> <p>July 2019</p> <p>July 2019</p>	<p>COMPLETED</p> <ol style="list-style-type: none"> 1. Process for determining a response following a suspect or confirmed detection and diagnosis of a potential threat was implemented January 2019. The process gives consideration of legal obligations, state obligations, technical feasibility, cost benefit analysis and risk assessment. 2. Emergency management response / incident phases and structures reviewed, documented and implemented in January 2020. 3. Biosecurity and Food Safety hazard owner's role statements and individual hazard owner checklists developed and implemented in January 2020. 4. NSW DPI contracted the Centre for International Economics in 2019 to develop a rapid cost-benefit analysis framework (the CBA Framework). The draft report has trialled and received Executive endorsement in June 2020. A supporting tool kit is under development to improve awareness and understanding of the CBA Framework to support improved decision making in the event of an emergency/incident. The toolkit will support the implementation of the CBA Framework and is expected to be completed by end July/early August 2020. 5. An Emergency Management Lessons Management Framework (EM Lessons Management Framework) has been developed, trialled in the 2019 North East 	<ol style="list-style-type: none"> 1. Biosecurity and Food Safety Branch. 2. Biosecurity and Food Safety Branch. 3. Biosecurity and Food Safety/Engagement and Industry Assistance/Branches. 4. Biosecurity and Food Safety/Research and Business Excellence Branches. 5. Engagement and Industry Assistance Branch.
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					Bushfires and from May 2020 is being progressively implemented across NSW DPI.	
4.	By December 2019, to ensure the Department of Planning, Industry and Environment can demonstrate that its biosecurity compliance and emergency response activities are effective and economical, it should establish a data collection and reporting system that enables data sharing with LLSs and LCAs that allow them to better target their biosecurity compliance activities.	Accepted. Agency response highlighted that full implementation was dependent on the success of a business case that was unlikely to be completed by December 2019.	<ul style="list-style-type: none"> Pilot of the Biosecurity Case Management System. Integration of Local Control Authority data into the Biosecurity Case Management System. 	<p>July 2021</p> <p>Updated completion date to take account of delays with the business case approvals.</p> <p>July 2021</p>	<p>ON TRACK</p> <p>1. A joint project between NSW DPI and Local Land Services. The Biosecurity Case Management System will be developed across the following seven (7) functional areas and is expected to be fully implemented by July 2021.</p> <ol style="list-style-type: none"> Building Blocks Fire and Flood Endemic Pests Plant Biosecurity Invasives Plant and Pest Biosecurity Animal Biosecurity & Food Certification <p>2. Integration of Local Control Authority data will be completed as part of the Invasives Plant and Pest Biosecurity module.</p>	<ol style="list-style-type: none"> Biosecurity and Food Safety Branch. Biosecurity and Food Safety Branch.
5.	By December 2019, to ensure the Department of Planning, Industry and Environment can demonstrate that its biosecurity compliance and emergency	Accepted. Agency response highlighted that to enable a full year of data collection under the new	<ul style="list-style-type: none"> Finalise performance targets. 	July 2020	<p>COMPLETED</p> <p>1. Revised performance measures for biosecurity and food safety response activities have been implemented. These focus on timeliness, efficiency and effectiveness of biosecurity compliance and emergency response activities.</p>	<ol style="list-style-type: none"> Biosecurity and Food Safety Branch. Engagement & Industry Assistance and Biosecurity and Food Safety Branches.

	response activities are effective and economical, it should publish annual data on performance targets and outcomes for its biosecurity compliance and emergency response activities.	reporting program from July 2019, that June 2020 was a more realised target.			<ol style="list-style-type: none"> NSW DPI and LLS have established performance targets in the Emergency Management Schedule (Schedule 5) of the NSW DPI/LLS Memorandum of Understanding to improve emergency management response and recovery activities. A further Animal Biosecurity and Welfare Action Plan has been developed and implemented for the 2020/21 financial year. This identifies high risk activities and targets to mitigate risks. 	<ol style="list-style-type: none"> Biosecurity and Food Safety.
			<ul style="list-style-type: none"> Develop and implement reporting framework 	December 2020	DELAYED	<ol style="list-style-type: none"> Engagement and Industry Assistance Branch.
			<ul style="list-style-type: none"> Publish annual report on performance 	December 2020	<ol style="list-style-type: none"> NSW DPI has commenced a review of the structure of its emergency management functions, including related Emergency Management Committees. This process is expected to lead to additional improvements in the reporting activities. This body of work has been delayed as a result of a redirection of technical resources to coordinate efforts in response to the unprecedented bush or grass fires between July 2019 and February 2020 and is expected to be finalised by end December 2020. As above, and annual performance report of emergency management activities is expected to be finalised by end December 2020. 	<ol style="list-style-type: none"> Engagement and Industry Assistance Branch.
6.	By December 2019, to ensure that the Department of	Accepted.	<ul style="list-style-type: none"> Weeds and pest animal compliance guidelines revised to include specific advice 	July 2020	COMPLETED	<ol style="list-style-type: none"> Biosecurity and Food Safety Branch.

<p>Planning, Industry and Environment meets is obligations to protect the environment, it should <i>revise its compliance procedures and emergency response practices to address risks to the environment and the community in consultation with partner agencies.</i></p>	<p>on how to enforce the general biosecurity duty for weeds.</p>		<p>2. Work instructions to support the management of non-indigenous animals' incursions developed and implemented.</p> <p>3. Guidelines for the management of weeds (cut flowers) and supporting public facing communication campaign developed and implemented.</p> <p>4. NSW Environmental Biosecurity Action Plan developed and internally launched in February 2020. BFS activities will now be monitored against the plan to ensure it is implemented in support of economical and effective biosecurity management.</p>	<p>2. Biosecurity and Food Safety Branch.</p> <p>3. Biosecurity and Food Safety Branch.</p> <p>4. Biosecurity and Food Safety Branch.</p>
	<ul style="list-style-type: none"> Guidelines provided to Local Land Services (pest animals) and Local Control Authorities (weeds) 	<p>July 2020</p>		
	<ul style="list-style-type: none"> Review and edit emergency response resources as required. 	<p>July 2020 (Updated completion date)</p>		
	<ul style="list-style-type: none"> Identify issues gaps and risks against national environmental biosecurity report 	<p>December 2019</p>		
	<ul style="list-style-type: none"> Develop action plan 	<p>July 2020</p>		