



# Appendix one – Response from agency



Department of  
Primary Industries

Office of the Director General

BN19/3876

14 JUN 2019

Ms Margaret Crawford  
Auditor General of NSW  
GPO Box 12  
SYDNEY NSW 2001

Dear Ms Crawford

**Response to Performance Audit - Biosecurity risk management, Department of Primary Industries**

Thank you for the opportunity to respond to the performance audit on biosecurity risk management for the Department of Primary Industries. I also thank your review team for their efforts in compiling the report.

NSW's reputation as a producer of high quality, safe food and fibre relies on our strong biosecurity practices, compliance programs and the timely response to emergency events. In turn, this supports market access negotiations, increases the value of NSW food and fibre, and provides our primary producers with a competitive advantage.

Our biosecurity framework also provides the people of NSW with an abundance of quality food choices, enviable social amenity and a unique and diverse environment. Biosecurity risk management is based on the principle of shared responsibility and relies on an agile, proactive and collaborative approach between commonwealth and state agencies, industry and individuals.

The Department supports the Audit Office recommendations, and notes that in most cases, actions are already underway to address these.

The Department accepts that there opportunities to improve our practices. We appreciate that the Audit Office identified that *"DPI's practice meets most criteria expected for management of a biosecurity emergency response"* and will work to ensure areas for improvement continue to be addressed.

Please find enclosed the Department's response to each recommendation. It is noted that the full implementation of recommendation 4 will be dependent on the success of a business case and is unlikely to be completed by December 2019. Further, the

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timelines for completion of recommendations 1 and 2 may be ambitious given the complexities of negotiations required with stakeholders. It is suggested a more realistic target is June 2020. A target of June 2020 is also suggested for recommendation 5, as it would enable a full year of data collection under the new reporting program due to commence in July 2019.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Hansen', with a stylized flourish at the end.

**SCOTT HANSEN**  
**DIRECTOR GENERAL**

Encl.

## NSW Auditor General Performance Audit Recommendations;

By December 2019, to ensure that the Department of Planning, Industry and Environment can demonstrate that its biosecurity compliance and emergency response activities are effective and economical, it should:

1. Implement formal agreements with partner agencies that it relies on to deliver effective biosecurity compliance activities and emergency responses
2. Analyse and report cost, resource and activity data at a project level, incorporating data from partner agencies
3. Apply the full suite of its emergency response practices, particularly cost benefit analyses and after-action reviews
4. 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
5. Publish annual data on performance targets and outcomes for its biosecurity compliance and emergency response activities

By December 2019, to ensure that the Department of Planning, Industry and Environment meet its obligations to protect the environment, it should:

6. Revise its compliance procedures and emergency response practices to address risks to the environment and the community in consultation with partner agencies.

### Response to Recommendations

By December 2019, to ensure that the Department of Planning, Industry and Environment can demonstrate that its biosecurity compliance and emergency response activities are effective and economical, it should:

Recommendation	Response	Comment
1. Implement formal agreements with partner agencies that it relies on to deliver effective biosecurity compliance activities and emergency responses	Supported.  The complexity of negotiations required with partner agencies mean this would likely be completed by June 2020.	The Department has already taken steps to formalise existing partnerships and agreements and has implemented a review to update and refresh existing agreements.  DPI's key partner in emergency management is Local Land Services (LLS). This partnership has been formalised with a Memorandum of Understanding (MoU) and Emergency Management Schedule signed by both agencies. The MoU and Schedule provide a framework which details the capacity and capability expectations for each agency and the baseline requirements against which DPI and LLS will report against.  A draft MoU with a limited remit is currently in place with OEH. The process to broaden this MOU is underway and expected to be finalised in June 2020. This has been delayed due to realignment of the cluster and changes within

		existing governance structures.
2. Analyse and report cost, resource and activity data at a project level, incorporating data from partner agencies.	Supported.  Negotiations with external agencies increases the complexity of this issue and this recommendation is not likely to be achieved in full until June 2020.	<p>The Department has commenced a review of how cost, resource and activity data is currently captured. DPI has been working with the Department of Industry - Corporate Service Partners to implement a system that will allow granular data to be monitored and reported. Delivery of this project is due July 2019.</p> <p>This project also looks to capture the data from partner agencies, including LLS, to enable a more comprehensive analysis of the cost, effort and benefits of response activities.</p> <p>There are complexities involved in sourcing data from external agencies and negotiations will be required to align reporting requirements. A realistic timeframe for the full delivery of this recommendation is June 2020.</p>
3. Apply the full suite of its emergency response practices, particularly cost benefit analyses and after-action reviews	Supported.	<p>The Department has developed an Emergency Response and Recovery Manual that brings together existing sectoral based response manuals and arrangement into one guiding document for NSW. The development of this combined response manual is noted in the Audit Report.</p> <p>This Manual and other associated documents will be amended to provide guidance on when a CBA is required. Guidance will also be provided on when and how a CBA should be undertaken.</p> <p>It is noted that many pests and diseases, such as the top 40 national plant pests and diseases, and the top 62 national animal diseases have already been assessed as having a significant economic impact, negating the need for a further CBA.</p> <p>The after-action review process is being refreshed to align with a</p>

		state-wide review of lessons management. This project is due for completion July 2019.
4. 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	<p>Supported</p> <p>The success of this project is dependent on significant investment and amendments to existing Metadata Standards, therefore the December 2019 target is unlikely to be achieved. Current forecast for the initial release is July 2020 with further staged releases to incorporate LCAs in 2021.</p>	<p>The Department has recognised the need for a single consolidated source of information to enhance decision making and is undertaking a major project to deliver an integrated biosecurity case management system (BCM).</p> <p>BCM will support the consistent collection of biosecurity surveillance and regulatory data, along with case management of biosecurity threats and Agriculture and Animal Services Function Area (AASFA) incidents.</p> <p>The BCM project is a large multi-year project that requires significant resourcing to engage with relevant stakeholders and deliver an end to end integrated system for multiple users and reporting.</p> <p>Changes to existing metadata standards and data collection processes will be required to enable a complete history on compliance actions taken by LCAs. Work to resolve this issue is underway.</p> <p>The complexity and impact on users will require the BCM to be staged over multiple releases. Work on the Metadata standards is likely to be a second stage of work for completion June 2021.</p>
5. Publish annual data on performance targets and outcomes for its biosecurity compliance and emergency response activities	<p>Supported.</p> <p>June 2020 is suggested as a preferred target, as it would enable a full year of data collection as part of the new reporting program due to commence in July 2019.</p>	<p>As noted in recommendation 2, the Department has commenced a program to better report, evaluate and monitor emergency response data. This project will be rolled out in July 2019.</p> <p>A report on the performance targets and outcomes would be enhanced by the collection of a full year of data. It is suggested June 2020 would provide a more informed result of performance targets and outcomes for biosecurity compliance and</p>



		emergency response activities.
By December 2019, to ensure that the Department of Planning, Industry and Environment meet its obligations to protect the environment, it should:		
6. Revise its compliance procedures and emergency response practices to address risks to the environment and the community in consultation with partner agencies	Supported.	<p>Biosecurity compliance and emergency response practices are driven through the Biosecurity Strategy and the Biosecurity Act 2015. This framework does not distinguish between threats to the economy, environment or society.</p> <p>The legislation specifically obliges the Department to effectively manage pests, diseases, contaminants and other biosecurity matter that impact;</p> <ul style="list-style-type: none"> <li>• economically significant primary production,</li> <li>• terrestrial or aquatic environments,</li> <li>• public health and safety</li> <li>• community activities and infrastructure</li> </ul> <p>The Department has a team dedicated to protecting NSW from invasive species. There is a strong argument that invasive species have a far greater impact on the environment than economic output from primary production.</p> <p>Plant pests and diseases similarly have a significant impact on the environment. Action taken to eradicate plant pests e.g. exotic strains of guava rust or <i>Phytophthora ramorum</i> has a significant environmental outcome as well as economic benefits.</p> <p>The Department acknowledges that reporting against environmental impacts could be improved, particularly in regard to any cost benefit analysis. The Department will look to incorporate environmental impacts into the reporting framework.</p>