



EXECUTIVE MINUTE

on

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

REPORT 456

Defence Major Equipment Procurement and Evaluation, and Great Barrier Reef Regulation—Review of Auditor-General Reports Nos 51-52 (2014-15) and Nos 1-10 (2015-16)

General comments

The Great Barrier Reef Marine Park Authority (the Authority) was established in 1975 and began implementing a permission system in the 1980s. Since then, the Authority has been continuously improving the permission system to ensure it remains contemporary and best practice. Regular review and updating is essential to ensure delivery meets government priorities, legislative requirements and client expectations. While continuous minor improvement occurs, periodically there is a need for a major review. This is generally conducted as a discrete project.

The current project, *Strengthening the Permission System*, is in response to:

- recommendations in the Australian National Audit Office (ANAO) performance audit (Performance Report No. 3, 2015-16);
- commitments in the Great Barrier Reef Strategic Assessment Program Report 2014, particularly those related to improving harmonisation with the *Environment Protection and Biodiversity Act 1999*;
- commitments of the Reef 2050 Long-Term Sustainability Plan; and
- other improvements identified by clients, partner agencies and the Authority itself.

This project is a complex and multi-faceted improvement process encompassing legislative amendments, guidance material and IT systems development. Changes are being implemented as a package in order to minimise business disruption and allow the Authority to coordinate consultation, information and implementation support for clients.

Response to the recommendations

Recommendation No. 2 paragraph 3.50

To improve the effectiveness of the permit system as a means of managing risks to the Great Barrier Reef Marine Park, the Committee recommends that the Great Barrier Reef Marine Park Authority (GBRMPA):

- appropriately accelerate its projected timeframe, currently planned over two tranches in 2017 and 2020, for implementation of the audit recommendations in ANAO Report No. 3 and other improvements identified by GBRMPA as part of its project to strengthen the permit system
- report back to the Committee within six months with details of new implementation dates and milestones, and how the accelerated timeframe will be achieved

The Authority supports this recommendation with qualifications. Since our submission to the Committee in February 2016, we have re-focussed the project to accelerate delivery on the ANAO performance audit recommendations in lieu of improvements associated with other project drivers. As a result, I anticipate that 90 per cent of the ANAO recommendations will be completed or substantially completed by December 2017, and the remaining 10 per cent by the end of 2018. These changes are estimated to save businesses more than \$3 million each year due to reduced regulatory burden (based on the Australian Government's Regulatory Burden Measurement Framework).

The Authority's proposed new implementation dates and milestones are:

- July 2017 – testing of online permit system prior to roll-out
- August 2017 – staff training and client education about new guidance material
- September 2017 – amendments to the *Great Barrier Reef Marine Park Regulations 1983* take effect, along with supporting guidance material and systems
- December 2017 – internal review and targeted consultation on issues clients are experiencing with the new system.

Key actions that are planned to take effect by the end of 2017 include:

- amended regulations to improve the rigour of permit assessment and decision-making processes by clarifying the considerations for each application assessment and implementing key elements of the new guidance material (addresses ANAO recommendation 2).
- updated guidance material providing a transparent and contemporary approach to management of the permission system and improving the consistency of application and assessment processes, including a new risk assessment procedure (addresses ANAO recommendations 1, 2);
- ongoing review process to improve effectiveness of permits conditions to address risks to the Marine Park through outcomes from field audits and adaptive management. A substantial review of permit conditions will coincide with the implementation of amended regulations and guidance material (addresses ANAO recommendation 3).
- risk based permissions compliance plan now part of the annual business planning cycle (addresses ANAO recommendation 4) with results in the agency's annual report.
- further development of the permissions database, including functionality specifically to support post permit monitoring, compliance and reporting, allowing the full cycle of reporting, administrative investigation and closure of incidents to occur within one database (addressing ANAO recommendation 4, 5).
- New guidance material related to permission compliance, supported by a field-based reporting system to efficiently capture and analyse in-field permission compliance reports (addressing ANAO recommendations 4, 5).

Recommendation No. 3 paragraph 3.54

To improve the effectiveness of the permit system as a means of managing risks to the Great Barrier Reef Marine Park, the Committee recommends that the Great Barrier Reef Marine Park Authority implement more effective performance information, including targets, for permit application processing, assessment and approval timeframes, and continue to monitor and publicly report on performance outcomes in this area.

The Authority supports this recommendation. The Authority is preparing a 'service charter' which will specify key service level standards for the entire permission system including permission application, assessment and decision-making processes as well as standards for managing non-compliance. The charter will be available on the agency's website. In September 2016, the Authority released proposed service level standards for public feedback. The Authority is now fine-tuning the standards based on public feedback, further analysis of recent performance and estimates of time savings expected to be delivered by streamlining initiatives and IT system improvements. The Authority intends to implement the new service charter once supporting regulatory amendments and IT systems are in place in late 2017.

The Authority publicly reports through its Annual Report on its permission applications, assessment and decision-making and permission compliance statistics. All reviewable decisions made in regards to permit decision matters are available on the agency's website.

Recommendation No. 4 paragraph 3.59

To improve the effectiveness of the permit system as a means of managing risks to the Great Barrier Reef Marine Park, the Committee recommends that the Great Barrier Reef Marine Park Authority report back to the Committee at 18 months from the tabling of the Committee's report, on:

- whether it has met the new implementation dates and milestones as previously advised to the Committee in response to recommendation 2
- specific implementation details and dates achieved on the following:
 - for permit application processing, assessment and approval—finalisation of standard operating procedures, guidance materials, and improvements in: documentation by officials, templates, assessment reports and standard permit conditions
 - for compliance management—finalisation of standard operating procedures and implementation of a risk-based program
 - for response to non-compliance—finalisation of guidance materials and improvements in: identification of non-compliance, records management, documentation by officials and verification of enforcement action having been undertaken prior to closure of investigation

The Authority supports this recommendation. The Authority will submit a progress report to the Committee by 1 November 2018.

Signed by



Russell Reichelt
Chairman

28/02/2017

