

The Auditor-General  
Audit Report No.8 2003-04  
Performance Audit

# **Commonwealth Management of the Great Barrier Reef Follow-up Audit**

**The Great Barrier Reef Marine Park Authority**

Australian National Audit Office

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of Australia 2003

ISSN 1036-7632

ISBN 0 642 80734 5

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Canberra ACT  
20 October 2003

Dear Mr President  
Dear Mr Speaker

The Australian National Audit Office has undertaken a performance audit in the Great Barrier Reef Marine Park Authority in accordance with the authority contained in the *Auditor-General Act 1997*. Pursuant to Senate Standing Order 166 relating to the presentation of documents when the Senate is not sitting, I present the report of this audit and the accompanying brochure. The report is titled *Commonwealth Management of the Great Barrier Reef Follow-up Audit*.

Following its presentation and receipt, the report will be placed on the Australian National Audit Office's Homepage—<http://www.anao.gov.au>.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Oliver Winder'.

Oliver Winder  
Acting Auditor-General

The Honourable the President of the Senate  
The Honourable the Speaker of the House of Representatives  
Parliament House  
Canberra ACT

## AUDITING FOR AUSTRALIA

The Auditor-General is head of the Australian National Audit Office. The ANAO assists the Auditor-General to carry out his duties under the *Auditor-General Act 1997* to undertake performance audits and financial statement audits of Commonwealth public sector bodies and to provide independent reports and advice for the Parliament, the Government and the community. The aim is to improve Commonwealth public sector administration and accountability.

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# Abbreviations

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AIMS	Australian Institute of Marine Science
AMSA	Australian Maritime Safety Authority
ANAO	Australian National Audit Office
CEO	Chief Executive Officer
CRC Reef	Cooperative Research Centre for the Great Barrier Reef
EPA	Environmental Protection Agency
GBR	Great Barrier Reef
GBRMP	Great Barrier Reef Marine Park
GBRMPA	Great Barrier Reef Marine Park Authority
GBRWHA	Great Barrier Reef World Heritage Area
KPIs	Key Performance Indicators
MPA	Marine Park Authority
PBS	Portfolio Budget Statements
QBFP	Queensland Boating and Fisheries Patrol
QDoE	Queensland Department of Environment
QDoT	Queensland Department of Transport
QFS	Queensland Fisheries Service
QPWS	Queensland Parks and Wildlife Service
QWP	Queensland Water Police
RAP	Representative Areas Program
SWP	Strategic Work Program
WHA	World Heritage Area

# **Summary and Recommendations**





# Summary

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## Background

1. ANAO Audit Report No.33 of 1997–98, *Commonwealth Management of the Great Barrier Reef*, assessed the effectiveness and efficiency of the Commonwealth’s management of the Great Barrier Reef (GBR) as carried out by the Great Barrier Reef Marine Park Authority (GBRMPA). The audit made seven recommendations for improvement, all of which were agreed by the GBRMPA. The objective of this follow-up audit was to assess the extent to which the GBRMPA has implemented the recommendations of the 1998 audit.
2. The Great Barrier Reef Marine Park is an area of national and international significance, which was listed as a World Heritage Area in 1981. It stretches 2000 km along the Queensland coastline, covering an area of some 345 500 square kilometres. The Marine Park includes the world’s largest (2900) and healthiest collection of coral reefs, and around 900 islands. The GBRMPA acts as the principal adviser to the Commonwealth Government on the care and development of the Marine Park.

## Key findings

3. Table 1 summarises the progress that the GBRMPA has made in implementing the recommendations from the previous audit report, with references to the paragraphs in this report that set out the ANAO’s findings.

**Table 1****Progress with the implementation of recommendations from the previous audit**

Rec.	Subject of recommendation	Progress
1.	Simplify planning and program structures and clearly allocate responsibility for monitoring and reporting of program effectiveness to allow efficient and effective management and reporting to Parliament.	Implemented (Para. 2.3)
2.	Establish an adequate level of control over day-to-day management through costing and separately identifying the GBRMPA's day-to-day management activities in the budget, establishing a quality assurance program for the activities undertaken by Queensland, developing better planning, reporting and accountability mechanisms for day-to-day management, and implementing recommendations of previous reviews.	Implemented (Para. 3.3)
3.	Summarise and report statutory and other agreed obligations, and the roles and performance of other agencies in the Marine Park, to Parliament, and provide advice to its Minister on cost and resource implications of significant current and new commitments.	Implemented (Para. 4.3)
4.	Report effectiveness in achieving goals and objectives to Parliament in compliance with Commonwealth reporting guidelines.	Partially implemented* (Para. 4.18)
5.	Develop risk assessment systems and procedures and use these for management and reporting.	Implemented (Para. 5.3)
6.	Develop a fraud control plan based on a formal risk assessment, in compliance with Commonwealth requirements.	Implemented (Para. 5.21)
7.	Clearly express information requirements and link these to strategic planning, day-to-day management reporting and reports to Parliament.	Implemented (Para. 6.3)

\* See paragraph 5.

## Conclusion

4. The ANAO concluded that the GBRMPA has implemented six of the seven recommendations made by the 1998 audit, and has made good progress towards implementing the other recommendation.

5. The GBRMPA will address, in its forthcoming Annual Report, the requirements for full implementation of Recommendation 4 by including performance information that provides a better indication of its overall effectiveness in managing the Marine Park.

6. The ANAO has made one further recommendation relating to the GBRMPA including an estimation of the total Commonwealth and State Government expenditure on managing the GBR in its reporting to Parliament. This reinforces Recommendation 4 of Audit Report No.33 of 1997–98.

## The GBRMPA's response

7. The GBRMPA's response to this audit can be found in full at Appendix 2. The GBRMPA also provided the following summary:

At the time of the original audit the GBRMPA was undergoing fundamental changes. The ANAO report was used as a guide in implementing many of those changes.

The GBRMPA agrees with the findings of the follow-up audit. The GBRMPA also agrees with the new recommendation regarding reporting of an estimate of the total Commonwealth and State Government expenditure on managing the Great Barrier Reef. An estimate of such expenditure is included in the GBRMPA Annual Report 2002–03.

In relation to Recommendation 4 (of the previous audit), the GBRMPA was in the process of preparing its Annual Report for 2002–03 at the time of finalisation of the follow-up audit. The GBRMPA believes that the 2002–03 Annual Report will be considered to meet Parliamentary requirements for reporting on performance outlined in the Portfolio Budget Statements and that therefore it has fully implemented the recommendation of the ANAO.

# Recommendation

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**Recommendation No.1**  
**Para. 4.36** The ANAO *recommends* that the GBRMPA include in its Annual Report, an estimate of the total Commonwealth and State Government expenditure on managing the GBR.

*The GBRMPA's response:* Agreed. An estimate of such expenditure is included in the GBRMPA Annual Report 2002–03.

# **Audit Findings and Conclusions**



# 1. Background

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*This Chapter provides a description of the GBR and recent developments affecting its management, the findings of the previous audit, and this follow-up audit's objective and methodology. Figure 2 (page 23) shows the structure of this report.*

## The Great Barrier Reef

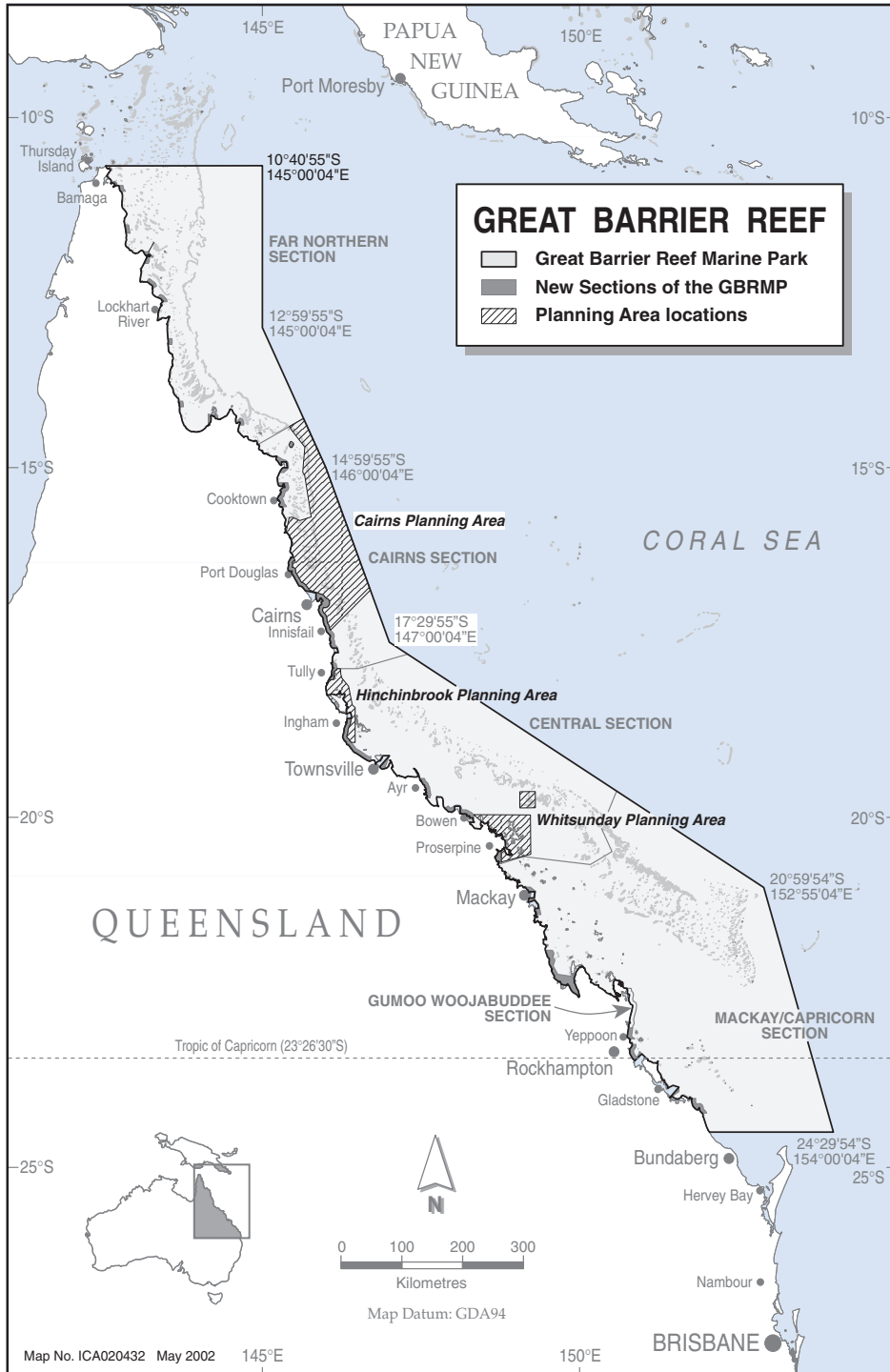
**1.1** The Great Barrier Reef Marine Park (GBRMP) is an area of unique national and international significance. It covers around 345 500 square kilometres in area and stretches some 2000 km along Queensland's coastline, from the tip of Cape York to just north of Fraser Island, and spans 14 degrees of latitude (see Figure 1). It contains the largest and healthiest coral reef system in the world, having 2900 coral reefs and 900 islands, along with mangroves, seagrass beds, rocky reefs, sandflats, open ocean and deep sea floor. The Great Barrier Reef World Heritage Area (GBRWHA), which incorporates the Marine Park, was inscribed on the World Heritage List in 1981 in recognition of its outstanding natural universal value.

**1.2** The sheer size of this area and its importance as the world's largest coral reef ecosystem mean it is a global resource. While coral reef, mangrove and seagrass habitats occur elsewhere on the planet, no other world heritage area contains such a diversity of species and habitats. The GBRWHA's size, and its economic importance and close proximity to rural and urban populations, also mean that management must allow for reasonable human use as well as maintenance of its ecological integrity.

**1.3** Many industries, important both to Queensland and to Australia, operate in the GBRWHA. Tourism is the largest commercial activity in the Marine Park, generating over \$1 billion each year, followed by commercial fishing, which is worth around \$250 million a year. Major export ports and shipping channels are located in, or adjacent to, the area. These industries depend on a healthy ecosystem for sustainable success. The use and conservation of resources in the GBRWHA is therefore of economic significance as well as great ecological importance.

**1.4** The GBR is under pressure from human activities in the water and on the land, including coastal development, land use, shipping, tourism and fishing, as well as natural threats such as coral bleaching and crown-of-thorns starfish. There is an increasing threat from a decline in the quality of water flowing into the GBR lagoon due to land use activities such as sugar cane and cattle farming in the catchment area.

**Figure 1**  
**The Great Barrier Reef Marine Park**



Source: GBRMPA



## The GBRMPA

1.5 The Australian Government coordinates management of the GBRWHA through the Great Barrier Reef Marine Park Authority (GBRMPA). The GBRMPA was established as a Commonwealth statutory authority in 1976 under the *Great Barrier Reef Marine Park Act 1975* (the Act), to be the principal adviser to the Commonwealth on the care and development of the Marine Park. The GBRMPA states that the outcome of its activities will be the protection, wise use, understanding and enjoyment of the GBRMP.

1.6 The GBRMPA consists of a full-time Chair and three part-time members, one of whom is nominated by the Queensland Government, and a staff of 171 (at 30 June 2003). Its main office is located in Townsville, while operational centres for day-to-day management of the Marine Park are located at Cairns, Townsville, Airlie Beach, Rockhampton, Gladstone, Port Douglas, Cardwell and Rosslyn Bay.

1.7 The Chief Executive Officer (CEO) of the GBRMPA is also the Chair of the Marine Park Authority (MPA) Board, which reports to the Commonwealth Minister for the Environment and Heritage, and also to a Ministerial Council consisting of two Commonwealth and two Queensland State Ministers. A number of permanent advisory and consultative committees assist the GBRMPA in executing its responsibilities, including the Great Barrier Reef Consultative Committee established under the Act as an independent advisory body for the GBRMPA and for the Minister.

1.8 The GBRMPA works with a number of other Commonwealth and Queensland Government agencies, which make significant contributions to the operations of the Marine Park. In particular, the Queensland Government's Environmental Protection Agency (EPA), through its Queensland Parks and Wildlife Service (QPWS) has joint responsibility for day-to-day management of the Marine Park, subject to GBRMPA guidelines. A full list of the agencies involved is included at Appendix 1.

1.9 The GBRMPA's total revenue in 2002–03 was \$33.5 million. Some 15 per cent of this (\$5.1 million) was generated from sources other than Commonwealth and Queensland Government funding<sup>1</sup>. Total revenue includes \$6.6 million in Special Appropriation that is derived from collection of the Environmental Management Charge<sup>2</sup>. This funding is used to fund research, provide user education and assist in managing the Marine Park.

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<sup>1</sup> However, it should be noted that this includes \$1 million received from the Natural Heritage Trust, which could be regarded as a Commonwealth funding source.

<sup>2</sup> The Environmental Management Charge is levied on most commercial operators with Marine Park permits, including operators conducting tourist programs and those operating facilities in the GBRMP. A major proportion of the funds is allocated to the Cooperative Research Centre for the Great Barrier Reef for research.

## The previous audit

**1.10** A performance audit of the GBRMPA was undertaken by the ANAO in 1997–98. The objective of that audit was to assess the efficiency and effectiveness of the Commonwealth’s management of the GBR, as implemented by the GBRMPA. The audit was conducted because of the environmental significance of the GBR region and changes to the GBRMPA’s budget arrangements just prior to that time.

**1.11** The audit focussed on the GBRMPA’s planning systems and procedures, organisational structure and performance reporting to Parliament, and the day-to-day management of the Marine Park carried out by the then Queensland Department of Environment (QDoE).

**1.12** The ANAO’s Audit Report No.33 of 1997–98, *Commonwealth Management of the Great Barrier Reef*, was tabled in February 1998. The report made seven recommendations for improvement. The GBRMPA accepted six of the recommendations and agreed in broad principle with the other recommendation relating to day-to-day management.

**1.13** Overall, the audit found that:

- the complexity of the GBRMPA’s planning hindered the development of practical and useful performance information for management and accountability purposes;
- a more comprehensive risk assessment would lead to an improvement in the day-to-day management of the reef, partly through revision of the GBRMPA’s data requirements of the QDoE, which conducts day-to-day management subject to the GBRMPA;
- the GBRMPA did not have adequate data to determine whether it was achieving its primary objective of protecting, conserving and allowing for reasonable use of the GBRMP, and that this lack of performance data had a flow-on effect to the development of strategies and plans to achieve its objectives, and on stakeholders’/agencies’ abilities to assess the GBRMPA’s performance; and
- as a result, the GBRMPA had inadequate data to report comprehensively to Parliament on its effectiveness.

**1.14** It also noted, however, that while there were features of the GBRMPA’s systems and procedures which limited its efficiency, the GBRMPA had identified, and was taking steps to address, those limitations through an extensive review process.

## Recent developments

**1.15** In the six years since the previous audit, and in response to its findings, the GBRMPA has made a number of fundamental changes, including:

- restructuring in order to focus its resources on the most significant risks to the Marine Park, as identified in the 25 Year Strategic Plan for the GBRWHA. This restructure established four Critical Issues Groups that reflected its broad priorities;
- revising its planning structure and developing an annual Strategic Work Program (SWP) to assist with the allocation of resources to priorities and the review of progress. This program details its objectives and strategies, and links them to the outcomes and outputs in its Portfolio Budget Statements (PBS);
- implementing joint coordination arrangements for day-to-day management of the Marine Park by the GBRMPA and QPWS through the establishment of a Day-to-day Management Coordination Unit located in Townsville. Joint Day-to-day Management Strategy and Operations Groups were also set up to provide direction and advice to the day-to-day management program; and
- establishing an Audit Committee reporting to the Board, which, since 1999, has also taken on the role of regularly monitoring the GBRMPA's implementation of the recommendations made by the previous ANAO audit.

**1.16** In 1998, the GBRMPA produced the *State of the Great Barrier Reef World Heritage Area* report<sup>3</sup>, the first comprehensive synthesis of information from available scientific research, monitoring and assessment studies on the state of the environment, human pressures on the environment and management responses to those pressures, for the whole World Heritage Area (WHA). Although this report indicated that there were numerous areas where further work was still required, it found that the GBRWHA compared very favourably overall with other World Heritage Areas and coral reef systems in terms of its general condition and management response.

**1.17** The GBRMPA has recently updated this report to provide an indication of the current status of the GBR at June 2003. This report shows that, while many areas of the reef are still in very good condition, there is no room for complacency on the part of its managers or the community.

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<sup>3</sup> D R Wachenfeld, J K Oliver & J I Morrissey, *State of the Great Barrier Reef World Heritage Area 1998*, GBRMPA, Townsville, 1998, <[www.gbrmpa.gov.au/corp\\_site/info\\_services/publications/sotr](http://www.gbrmpa.gov.au/corp_site/info_services/publications/sotr)>.

**1.18** The report found that the GBR is under mounting pressure as a result of a number of factors, such as:

- a four-fold increase in the annual flow of sediments and nutrients from the land into the reef lagoon since the time of European settlement of Australia;
- since 1998, the two worst ever recorded instances of coral bleaching caused by unusually hot sea water;
- the doubling of fishing activity in the Reef Line Fishery since 1995; and
- the continuing increase in recreational fishing as population increases, and fishing and boating technology improves.

**1.19** These factors have had major impacts on the reef and its biodiversity. For instance, over the past 40 years, the numbers of nesting loggerhead turtles have declined by between 50 and 80 per cent. Estimates of dugong populations adjacent to the urban coast of Queensland indicate that they are currently only about three per cent of what they were in the early 1960s.

**1.20** There have been a number of recent developments in response to these reported pressures that will impact on the GBRMPA's management of the GBR. These include a proposal to increase the number of protected areas in the Marine Park, and Commonwealth–State actions to develop solutions for improving water quality in the reef lagoon catchment areas.

**1.21** The GBRMPA commenced a program in 1996 to identify and adequately protect representative examples of all bioregions in the Marine Park. The Representative Areas Program (RAP) involved the identification of different habitat types, mapping of bioregions, assessing threats, identifying appropriate levels of protection, and extensive consultation with stakeholders. As a result of this process, the GBRMPA has proposed a six-fold increase in the number of protected zones (green zones or 'no-take' areas), where extractive practices such as fishing and the collection of coral and shells are prohibited.

**1.22** The RAP will present further challenges to the GBRMPA's management of the GBRMP, as it will significantly increase its responsibilities in relation to impact assessment, monitoring of activities and compliance enforcement. To this end, the GBRMPA recently hosted a compliance management workshop, with the aim of attaining a more integrated approach to day-to-day management. This brought together representatives of the large number of agencies involved in surveillance, enforcement and related activities in the GBRMP, to determine strategies for better cooperation and the more effective sharing of resources and information.

**1.23** A draft plan to protect water quality on the GBR from land-based pollution was released by the Commonwealth and Queensland Governments in May 2003 for community consultation. The Reef Water Quality Protection Plan is designed to protect the reef by reducing the amount of sediment and nutrient run-off, while ensuring the ecological and economic sustainability of the agricultural industries on the land adjacent to the reef.

**1.24** This draft plan implements the commitment made by the Prime Minister and the Premier of Queensland, in their August 2002 Memorandum of Understanding, to address the impact of declining water quality entering the reef lagoon. It also drew on recent Productivity Commission<sup>4</sup> and Science Panel<sup>5</sup> reports, and the GBRMPA's report on targets for pollutant loads from onshore activities prepared for the Ministerial Council<sup>6</sup>. The GBRMPA will have an ongoing involvement in developing water quality action plans for each region along the coast.

**1.25** In addition, the GBRMPA and the Queensland Government in April 2002 initiated a further review of day-to-day management operations, to be conducted by an independent consultant. This involved a review of the core services required by Queensland and the Commonwealth for the GBRMP and WHA, an assessment of the current operations in addressing those priorities, and recommendations for adjustments if necessary.

**1.26** This review provided independent assessment and comment on issues and impediments to the resolution of problems faced by the day-to-day management program. It suggested a range of initiatives, which have been accepted by the MPA, to address the immediate concerns facing the program.

## The follow-up audit

### Audit objective

**1.27** The objective of the follow-up audit was to assess the extent to which the GBRMPA has implemented the recommendations of Audit Report No.33 of 1997–98, taking account of any changed circumstances or new administrative issues identified as impacting the implementation of these recommendations.

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<sup>4</sup> Productivity Commission, *Industries, Land Use and Water Quality in the Great Barrier Reef Catchment*, Research Report, Canberra, 2003, <[www.pc.gov.au/study/gbr/finalreport/index.html](http://www.pc.gov.au/study/gbr/finalreport/index.html)>.

<sup>5</sup> Intergovernmental Steering Committee on GBR Water Quality Science Panel, *A Report on the Study of Land-Sourced Pollutants and their Impacts on Water Quality in and Adjacent to the Great Barrier Reef*, 2003, <[www.ea.gov.au/coasts/pollution/reef/science/pubs/full-science.pdf](http://www.ea.gov.au/coasts/pollution/reef/science/pubs/full-science.pdf)>.

<sup>6</sup> The Great Barrier Reef Marine Park Authority, *Great Barrier Reef Catchment Water Quality Action Plan: a report to Ministerial Council on targets for pollutant loads*, GBRMPA, Townsville, 2001, <[www.gbrmpa.gov.au/corp\\_site/key\\_issues/water\\_quality/action\\_plan](http://www.gbrmpa.gov.au/corp_site/key_issues/water_quality/action_plan)>.

**1.28** The audit criteria tested whether the GBRMPA has implemented all of the recommendations from Audit Report No.33 and, where the GBRMPA has not implemented a recommendation, whether it has addressed satisfactorily the issue identified by that audit recommendation.

## **Audit methodology**

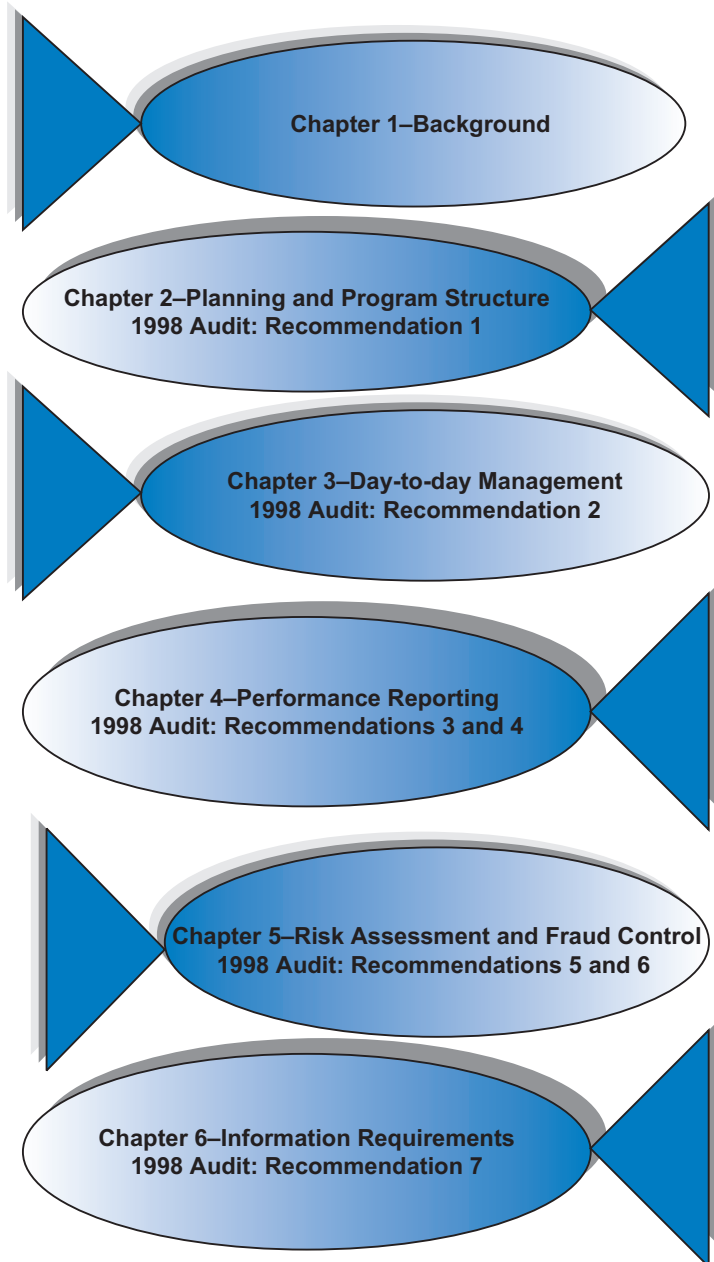
**1.29** The GBRMPA provided the ANAO with a written statement commenting on progress against the seven recommendations of the original audit report. The ANAO then assessed the GBRMPA's progress in implementing the recommendations by analysing its statement, conducting interviews with its staff and stakeholders, checking documentation and reviewing data. Fieldwork was conducted at the GBRMPA's offices in Townsville during April and June 2003.

**1.30** The ANAO held discussions in Brisbane and Townsville with staff of EPA, due to its joint responsibility for day-to-day management of the Marine Park, and QPWS, whose staff carry out the day-to-day management activities. No Queensland Government agency was audited, either in the original audit or in this follow-up audit. However, the Queensland Government was consulted because of its critical responsibility in reef management. We invited the Queensland Department of the Premier and Cabinet to comment on the draft report on behalf of the Queensland Government. It had no comments on the report.

**1.31** The follow-up audit was conducted in conformance with ANAO Auditing Standards and cost approximately \$180 000.

## Report structure

**Figure 2**  
Report structure



## 2. Planning and Program Structure

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### Simplified planning and program structure and responsibility for monitoring and reporting program effectiveness (Recommendation 1)

#### Background

2.1 The 1998 audit found that the complexity of the GBRMPA's planning and program structure inhibited the delivery of practical performance information to management. It also found that its planning systems and procedures, and the resulting products, were too complex for effective management. In addition, the GBRMPA had not designated particular officers with the responsibility to monitor or report on its performance, resulting in an insufficiency of performance information for effective management and reporting.

#### Recommendation 1 of Audit Report No.33 1997–98

2.2 The ANAO recommends that the GBRMPA takes steps to simplify its planning and program structure and to clearly allocate responsibility for the monitoring and reporting of program effectiveness to allow efficient and effective management and reporting to Parliament as part of its functional accountability.

#### Findings of this audit

2.3 The ANAO found that the GBRMPA has implemented this recommendation.

2.4 In the period since the previous audit was completed, the GBRMPA has moved to a much simpler planning and program structure designed to assist in the better allocation of resources to priority areas. A Senior Management Team is now responsible for developing an annual work program, called the Strategic Work Program, with clear objectives and performance indicators, and for monitoring and reporting on the effectiveness of their programs. In addition, key planning and reporting documents are aligned and include relevant performance information.

2.5 In implementing this recommendation, the GBRMPA simplified its organisational and program structure prior to addressing the complexities of its planning framework. In this chapter, we discuss the changes to the program structure before looking at the planning structure modifications.



### *Simplified program structure*

2.6 Following the 1998 audit, the GBRMPA restructured its overall operational and program structure using a risk management approach to address the critical issues, or major threats to the Marine Park. This resulted in the creation from 1998 of the four Critical Issues Groups that reflected its main priorities, namely:

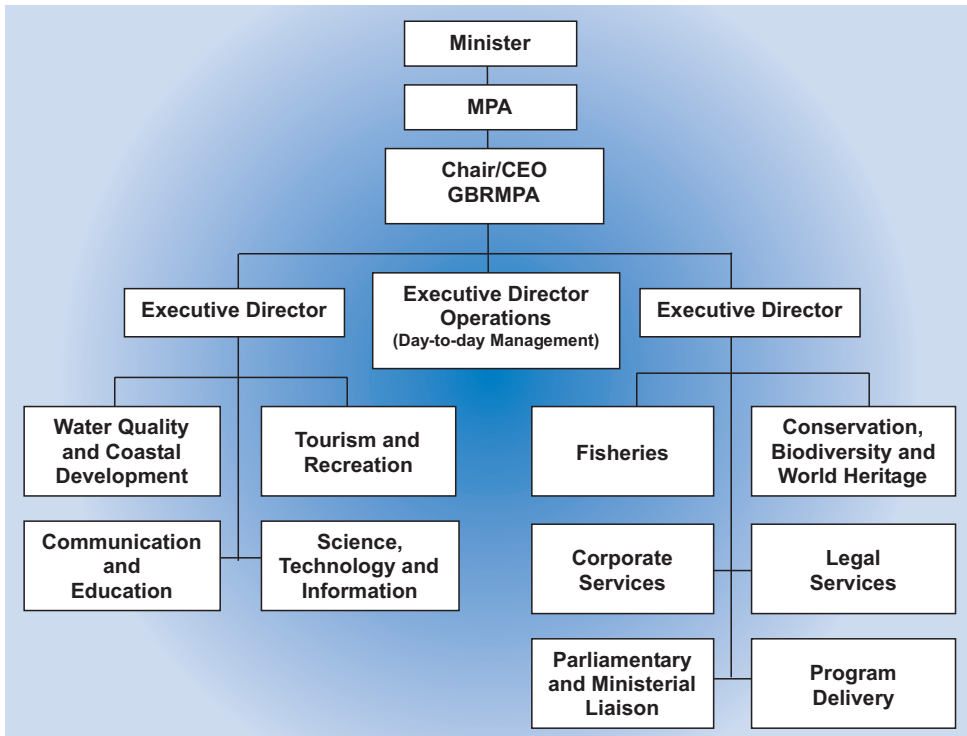
- Water Quality and Coastal Development;
- Tourism and Recreation;
- Fisheries; and
- Conservation, Biodiversity and World Heritage.

2.7 At the same time, three Service Groups were established to provide support to the Critical Issues Groups. In addition, a review of day-to-day management in April 1998 resulted in the implementation by the GBRMPA and QPWS of the new joint co-ordination arrangements for Marine Park operations. The Day-to-day Management Coordination Unit was created with the aim of simplifying and improving the operational and administrative links between the GBRMPA and the Queensland EPA, while providing high levels of accountability to both organisations.

2.8 The organisational structure has continued to be modified and improved since 1998. The ANAO noted that the GBRMPA has reduced the number of its organisational sub-divisions from 27 to 10 between November 1996 and April 2003. The current organisational structure is shown in Figure 3. It consists of the Executive Group (the Chair/CEO and two Executive Directors), the Critical Issues Groups and six Service Groups, and is designed to ensure a focus on key business areas and to provide clear internal reporting and accountability. In addition, there is an Executive Director Operations who also heads the Day-to-day Management Coordination Unit.

2.9 The MPA is responsible for overseeing the GBRMPA's operations and making high-level decisions on Marine Park management matters, based on advice and recommendations received from the GBRMPA Executive, Senior Management Team and advisory committees. The MPA also sets the GBRMPA's policy framework.

**Figure 3**  
**The GBRMPA's organisational structure**



Source: GBRMPA

### *Simplified planning structure*

**2.10** The GBRMPA has two types of planning—strategic planning (which relates to the activities of the GBRMPA and the QPWS day-to-day management staff) and statutory planning (which relates to the regulation of activities in the GBRMP, such as zoning plans). The issues raised in this audit report focus on the GBRMPA's strategic planning.

**2.11** In the previous audit the ANAO found the GBRMPA had a large number of top level planning statements and documents that had different purposes and focuses, and which lacked a clear strategic starting point. This had resulted in the development of overlapping but separate reporting lines within the organisation that could have led to duplication in data collection and unnecessary data processing.

**2.12** The ANAO considers that the GBRMPA's simplification of its organisational and program structure has assisted it to develop a simpler planning structure that better reflects the agency planning, management and

governance framework outlined in the ANAO’s Better Practice Guide<sup>7</sup>. The current planning framework, shown in Figure 4, consists of a smaller number of logically structured plans that are clearly linked.

**Figure 4**  
**The GBRMPA’s planning framework**



Source: ANAO

2.13 The GBRMPA now organises its programs and budget priorities through a strategic planning process which is developed from a ‘bottom-up’ approach, using the SWP developed by the Directors of the Critical Issues and Support Groups, and the Day-to-day Management Coordination Unit, rather than the ‘top-down’ approach based on the 25 Year Strategic Plan for the GBRWHA that was used previously.

<sup>7</sup> ANAO, Better Practice Guide, *Performance Information in Portfolio Budget Statements*, May 2002, p. 6, <[www.anao.gov.au](http://www.anao.gov.au)>.

**2.14** While the ANAO found that the GBRMPA had revised and simplified its planning process in accordance with better practice, there are still some areas that could benefit from enhancement. In particular, it needs to continue to develop a clearer understanding of its planning cycle and the linkages between all of the elements, and to incorporate its risk assessment review process into the annual cycle. ANAO also recognises that while the 25 Year Strategic Plan for the GBRWHA needs revising, as it was developed in 1994, the GBRMPA must establish a clearer understanding of what role this plan has in its strategic planning process.

**2.15** The GBRMPA advised the ANAO that part of the process of the 25 Year Strategic Plan was that it was to be reviewed after five years. The Cooperative Research Centre for the Great Barrier Reef (CRC Reef) has identified a researcher who may conduct such a review, and in February 2003 the GBRMPA referred the issue to the Great Barrier Reef Consultative Committee for input to the review.

**2.16** The GBRMPA recognises these issues and in order to address them, it is currently developing its new corporate plan for 2003–2008 as its main planning document. This will identify the organisation's role, key goals and targets over the next five years, reflecting the future directions of the 25 Year Strategic Plan. The GBRMPA will then be able to use the structure adopted in the corporate plan, in all other subordinate strategic planning documents (including for the day-to-day management programs). This will simplify its strategic planning structure, provide continuity across, and avoid multiple cross referencing between, planning documents, and facilitate direct reporting lines.

**2.17** In the previous audit report, the ANAO noted that the set of goals and aims of the GBRMPA, while containing acceptable and appropriate statements, was not structured in a useful way for management purposes. The ANAO suggested that the GBRMPA adopt a clear, simple and structured set of goals and objectives to replace the specified goals and aims. The ANAO found that the GBRMPA has now achieved this with the inclusion of clear and specific outcomes and outputs in its PBS, which are reflected in the strategies and objectives for each of the work groups in its SWP. These outcomes and outputs will also be used in its new corporate plan and included in its Annual Report for 2002–03.

### *Monitoring and reporting program effectiveness*

**2.18** The Chair/CEO of the GBRMPA is responsible for its overall strategic direction, its governance and for managing the organisation. The Executive Group assists and advises the Chair in carrying out the GBRMPA's functions and provides a forum for discussing and coordinating programs, recommending priorities and direction, and reviewing program performance.

**2.19** The ANAO found that Executive Directors have been allocated responsibility for monitoring and reporting the effectiveness of the GBRMPA operations, including the development of key performance indicators. Similarly, Directors of the Critical Issues and Support Groups, and the Director of the Day-to-day Management Coordination Unit, are each responsible for developing the SWP, implementing, monitoring and reporting on their group's work programs and operational plans, as well as providing advice and reporting on issues relevant to their program's effectiveness.

**2.20** The Senior Management Team, consisting of the Executive Group and the Directors of each of the major work areas, is responsible for developing policy direction, coordinating programs, internal communications and budget control. It meets fortnightly, and it also holds workshops twice a year to review progress and achievements against the outputs in the SWP and to set program and budget priorities.

**2.21** The GBRMPA has also taken steps to improve its current performance measures and to develop new measures, which are used to assess the level of achievement against its output groups and included in its reporting to Parliament. For example, the GBRMPA's PBS now provides the required information on its effectiveness in achieving its goals and objectives. In addition, the GBRMPA has published a number of reports relating to the state of the GBR that can be used to assess its effectiveness in attaining its overall outcome of protection, wise use, understanding and enjoyment of the GBR.

## **Conclusion**

**2.22** The GBRMPA has simplified its planning and program structure, and is regularly monitoring and reporting program effectiveness internally, resulting in more efficient and effective program management and better reporting to Parliament in its PBS.

## 3. Day-to-day Management of the Marine Park

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### Marine Park management arrangements (Recommendation 2)

#### Background

3.1 The previous audit found a number of areas of concern during its examination of the operations of day-to-day management of the GBRMP. As a consequence, the ANAO came to the opinion that there were significant and unnecessary impediments to the efficiency of day-to-day management systems and procedures; and the GBRMPA was not in a position to assess the risk of non-compliance with its management instruments or whether it was receiving value for money for the funds provided to the Queensland Government for park management. The ANAO concluded that an improvement in the day-to-day management would occur through revision of the GBRMPA's data requirements of the (then) QDoE, and improved use of risk management processes.

#### Recommendation 2 of Audit Report No.33 1997–98

3.2 The ANAO recommends that, in order to establish an adequate level of management control over day-to-day management, the GBRMPA should:

- cost and separately identify in the day-to-day management budget, GBRMP day-to-day management activities (which can be clearly delineated) to minimise the level of uncertainty regarding value for money outcomes;
- establish a quality assurance program examining day-to-day management activities stated to be undertaken by QDoE to verify Departmental reports of efficiency and effectiveness (upon which part of the GBRMPA's reports to Parliament are based);
- develop better day-to-day management planning, reporting and accountability mechanisms which are oriented to the GBRMPA's organisational structure, reporting and accounting practices rather than those used by the QDoE; and to reduce any inefficiencies due to different systems and procedures between the GBRMPA and QDoE; and
- allocate priorities to the agreed recommendations of the various day-to-day management reviews and arrange for their early implementation.

## Findings of this audit

3.3 The ANAO found that the GBRMPA has implemented this recommendation.

3.4 Following the 1998 audit, and the further review of day-to-day management in liaison with the then QDoE, the GBRMPA revised arrangements for day-to-day management to ensure planning, reporting and accountability mechanisms were better oriented to its needs. This resulted in the creation of a Day-to-day Management Coordination Unit with functions aligned to the GBRMPA's objectives. The Unit consists of GBRMPA and QPWS staff managed by the GBRMPA, who are guided by, and report to, joint Strategy and Operations Groups. These changes have reduced inefficiencies, enabled better identification of costs and improved the quality assurance of day-to-day management outputs.

3.5 Before discussing these findings in detail, relevant developments in day-to-day management are described under the headings: defining day-to-day management, day-to-day management operations and management control of day-to-day management.

### *Defining day-to-day management*

3.6 A number of agreements made between the Commonwealth and Queensland Governments in the period 1979 to 1988 defined the division of administration of the GBRMP. The Queensland Government is responsible for field operations, subject to GBRMPA guidelines, and the Commonwealth, through the GBRMPA, is responsible for policy and planning. Both the Commonwealth and Queensland Governments provide matching funds for the day-to-day management program, which primarily relates to compliance enforcement, surveillance, monitoring and education/interpretation. The Queensland Government allocated its responsibilities for day-to-day management to QPWS, which is now part of EPA (previously QDoE).

### *Day-to-day management operations*

3.7 The Day-to-day Management Coordination Unit was established to coordinate the day-to-day management of the Marine Park and Island National Parks within the GBR region, in accordance with the inter-governmental agreements. While the Unit currently consists of five staff from the GBRMPA and four staff from QPWS, the Unit is managed by the GBRMPA. There are also around 100 QPWS Marine Parks Officers—professional rangers and conservation staff—employed under the day-to-day management program working with industries and coastal communities out of 14 centres between Cooktown and Gladstone.

**3.8** A number of other Commonwealth and State agencies with compliance responsibilities in the marine areas of the GBR also assist the GBRMPA and QPWS in surveillance, enforcement and other activities. These are listed in Appendix 1. Some of these organisations provide their assistance on a fee for service basis, for example, the Queensland Boating and Fisheries Patrol (QBFP), while others carry out the work at no charge to the GBRMPA as part of their normal activities, such as Coastwatch.

**3.9** This cooperative approach to day-to-day management recognises the efficiencies to be made through the integration of Marine Park and Island National Park management, and the utilisation of existing infrastructure and resources strategically located in Queensland coastal centres, as well as the expertise and resources of other agencies involved in GBRMP compliance management.

### *Management control of day-to-day management*

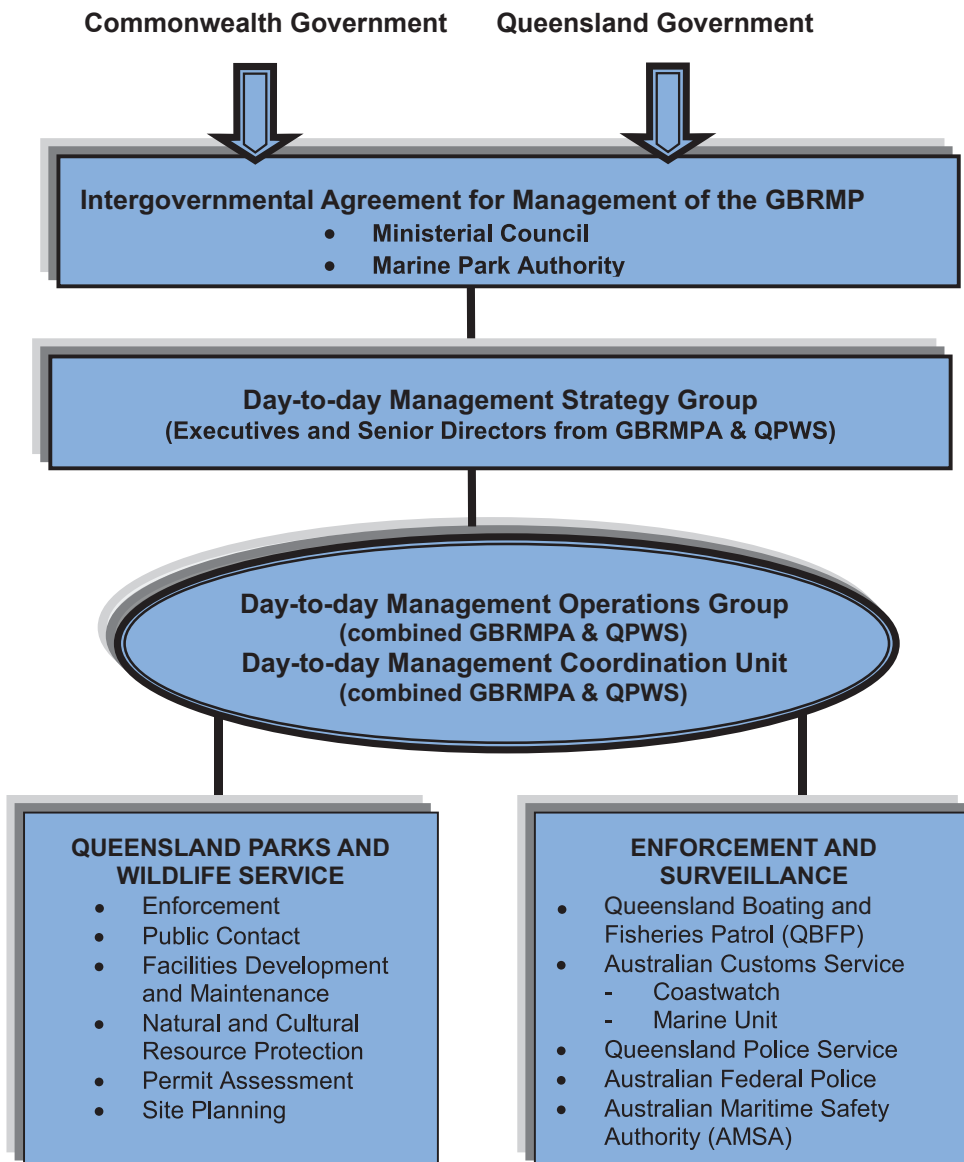
**3.10** The day-to-day management arrangements for the Marine Park and Island National Parks are shown in Figure 5. The MPA is responsible for administering the inter-governmental agreement for management of the GBRMP and setting the priorities for the day-to-day management work program. One member of the four-person Board is a Queensland Government representative (currently the Director-General of the Department of the Premier and Cabinet).

**3.11** A Strategy Group, comprising Executive Directors from the GBRMPA and QPWS, and Regional Directors from QPWS, provides overall direction for the day-to-day management program and reports to the MPA. A Day-to-day Management Operations Group is accountable for implementation of the approved day-to-day management program, and it is responsible for ensuring that advice on operational requirements is provided to the Strategy Group. Members of the Operations Group are nominated district and program delivery managers from the GBRMPA and QPWS.

**3.12** A Director with a dual reporting role—reporting to the Director, Northern QPWS, on daily activities and State matters, and to an Executive Director of the GBRMPA on matters concerning the GBRMPA—manages the Day-to-day Management Coordination Unit. The Director also reports directly to the Strategy Group on strategic direction and reporting. The ANAO found that management of the Unit is in a transition period, while proposals for a new structure, as requested by the Board, are developed and a further commissioned review of day-to-day management is carried out. At present, the GBRMPA's Executive Director Operations is managing the Unit while also performing other tasks for the GBRMPA.



**Figure 5**  
**Day-to-day management arrangements for the Marine Park and Island National Parks**



Source: GBRMPA

**3.13** The ANAO considered that effective and integrated day-to-day management is being achieved through a variety of means, including having a single independent agency (the GBRMPA) with an Act that, if necessary, provides overriding powers, strong cooperation with the State Government through formal agreements, complementary legislation for most adjoining State waters and a single Day-to-day Management Coordination Unit operating under both Commonwealth and Queensland legislation.

**3.14** Effective management is also assisted by regular consultation with stakeholders, including other departments, industry, universities and research institutions (especially the Australian Institute of Marine Science (AIMS) and the CRC Reef), and the development of strategic zoning plans and site-specific management plans.

**3.15** ANAO noted, however, that there have continued to be some areas of disagreement between the GBRMPA and EPA relating to the day-to-day management of the Marine Park, which led to them commissioning a further review in 2002–03 by an independent consultant. This review aimed to determine the core services required by Queensland and the Commonwealth for the GBRWHA, assess the effectiveness of current operations in addressing these priorities and examine areas of duplication of activities between the two parties.

**3.16** The review made a number of recommendations for initiatives to address the concerns raised by the GBRMPA and EPA. These recommendations have been recently considered and agreed by senior officers of both agencies and the MPA. These decisions reinforce the current arrangements of the day-to-day management program being a shared activity that gains its authority from and is answerable to the Board of the GBRMPA, and the Day-to-day Management Coordination Unit being accountable to the MPA Board. The decisions also strengthen the role of the Strategy Group and reconstitutes its membership to include the Executive Director responsible for the Day-to-day Management Coordination Unit, Executive Directors of the GBRMPA and QPWS and a representative of the Director-General of the Department of Premier and Cabinet. This will improve the capacity for all agencies to respond more effectively to Board requirements.

### *Cost of day-to-day management activities*

**3.17** Funding arrangements for the day-to-day management program are prescribed in agreements between the Commonwealth and Queensland Governments, namely the Main Agreement 1988 (deemed to operate from

1 August 1980<sup>8</sup>) and the Deed of Agreement 1988. These provide for a 50:50 appropriation for program costs in accordance with an annually agreed program. The Ministerial Council considers cost-sharing arrangements annually when it is requested to approve the rolling three-year day-to-day management Business Strategy.

**3.18** In line with these funding arrangements, the Commonwealth Government and the Queensland Government each provided \$4.4 million in 2002–03, or a total of \$8.8 million, for the operations of the day-to-day management program. The total budget for day-to-day management activities in 2003–04 will be \$9.3 million.

**3.19** In addition, either Government may undertake work, at its own cost, that is additional to agreed programs. For example, in 1999–2000 the Commonwealth provided an additional \$3.4 million over three years to the GBRMPA for an enhanced surveillance and enforcement program. This program was outside the existing day-to-day management program but was co-ordinated through the Day-to-day Management Coordination Unit, with much of the work contracted to Queensland Government agencies.

**3.20** The ANAO noted that the day-to-day management program is supplemented by contributions from a variety of sources, including:

- additional funding from;
  - o the GBRMPA;
  - o QPWS;
  - o the National Moorings Program;
  - o Recreation Area Management Board funding for Green Island; and
  - o State capital works funding;
- additional resources provided by the GBRMPA and QPWS to support the day-to-day management program, including but not limited to, managing permit applications, plans of management and zoning plans;
- management and operational systems provided by the GBRMPA and QPWS that support the delivery of day-to-day management activities; and

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<sup>8</sup> The Main Agreement signed in 1988 reiterated the statutory basis for the GBRMP and the GBRMPA, and confirmed the desire of both Governments to manage the GBRMP and provide funds for this purpose, made by the Prime Minister and Premier in the initial Emerald Agreement of June 1979 and the Basis of Agreement endorsed on 1 August 1980. It was therefore deemed to operate from the date that the Basis of Agreement, which anticipated this action, was endorsed.

- in-kind operations contributions by Commonwealth and State agencies involved in compliance activities along the Queensland coast, as noted above.

**3.21** The day-to-day management budget is operated by EPA, and accounting is consistent with Queensland requirements, as stipulated in the inter-governmental agreements. The ANAO found that since 2001–02 the budget has been based on the GBRMPA’s work program, which is aligned with the annual business plan for day-to-day management developed jointly by both agencies. Staffing and operations/project resources are allocated according to the objectives and strategies in the work program, and the Day-to-day Management Coordination Unit administers the program funding.

**3.22** Within the Unit, QPWS staff have worked with the GBRMPA to develop detailed costings for day-to-day management activities that are aligned with the objectives, strategies and outputs in the SWP. In addition, supplementary documentation to the day-to-day management annual business plan includes information on the allocation of specific resources to particular projects down to a fine level of detail. The ANAO noted that this allows the delineation of most park management activities, and the separate reporting of outcomes in relation to the achievement of targets set in the strategy and budget documents.

**3.23** The agencies that provide additional funding or in-kind contributions to Marine Park management have their own budgeting processes. It is not possible, therefore, to entirely separate the outcomes achieved by the Unit with the supplementary funding from the outcomes achieved from the day-to-day management program itself. However, the improved accounting and reporting systems now in place in the Unit mean most activities, and their outcomes, can be separately identified.

### *Quality assurance of day-to-day management*

**3.24** The ANAO found that the regular reporting now produced, particularly the Twelve-Month Report, provides much useful information and quality assurance on the operations of the day-to-day management program. QPWS is now reporting on trends, for example, in the number of vessel patrol days and prosecutions and infringements, and providing evidence of achievements, such as the numbers of public toilets built and walking tracks constructed or restored on islands. The Director of the Unit also carries out quality assurance checks on QPWS’s day-to-day management activities.

### *Day-to-day management planning and reporting*

**3.25** Along with simplifying and improving its own strategic planning and reporting structure, as outlined in Chapter 2, the GBRMPA has at the same time,

in liaison with QPWS, redeveloped the planning and reporting structure for day-to-day management and aligned this with its own planning framework. The creation of the joint GBRMPA and QPWS Day-to-day Management Coordination Unit, with joint management controls in the Strategy and Operations Groups, enabled the development of planning, reporting and accountability mechanisms that better reflect the GBRMPA's practices and requirements. The Unit Manager (as noted above) reports to both the GBRMPA and QPWS.

**3.26** The GBRMPA and QPWS work together in developing the Three-Year Business Strategy for Day-to-day Management of the GBRMP and Related Areas. The ANAO noted that this business strategy, which is approved by the MPA, sets out the objectives of the program for three years and includes key strategies and performance indicators. The annual Business Plan for day-to-day management is developed from the business strategy. This is then reflected in the Day-to-day Management Coordination Unit's operational plan and the GBRMPA's work program for day-to-day management, both of which include strategies, outputs and performance indicators for each objective.

**3.27** The Day-to-day Management Coordination Unit produces regular quarterly reports for the GBRMPA, the Strategy and Operations Groups, and the MPA Board. The Six-Month Report includes an assessment of activities in the first half of the year and whether performance is on target to meet the agreed objectives. The Twelve-Month Report contains a comprehensive program performance review of what it has achieved against each objective and information on the status of key projects, as well as a financial analysis.

### *Implementation of day-to-day management review recommendations*

**3.28** As the ANAO reported in the previous audit, a large number of reviews of day-to-day management of the GBRMP were undertaken throughout the 1990s. The Day-to-day Management Coordination Unit was created as a result of a further review of the day-to-day management functions of QPWS and the GBRMPA in early 1998. This evaluation, and the resulting management structure and functions of the Unit, drew on many of the recommendations of those earlier reviews.

**3.29** The ANAO considers that this part of the previous recommendation was implemented effectively by the creation of the Unit, including the restructuring of its planning, reporting and accountability mechanisms.

**3.30** However, as noted earlier, a further review of day-to-day management arrangements recently made a number of recommendations. A Senior Officer

group has devised a practical implementation schedule to achieve these recommendations and provide a basis for ensuring the implementation of the initiatives of the review. These reinforce the current management arrangements for the Unit.

## **Conclusion**

**3.31** The GBRMPA has established an adequate level of management control over the day-to-day management of the GBRMP through the revision of arrangements for planning, reporting and accountability. These revisions allow it to better identify the costs and obtain assurance of the quality and value for money of outputs.

# 4. Performance Reporting to Parliament and External Accountability

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## Informing Parliament and the Minister (Recommendation 3)

### Background

4.1 The 1998 audit found that the GBRMPA did not regularly provide to the Commonwealth Parliament or the public a clear statement of its own obligations, or the roles and responsibilities of other agencies undertaking management activities in the GBRMP, leading to uncertainty about the extent of the GBRMPA's powers. In addition, the ANAO considered that the GBRMPA needed to be able to examine the cost and resource implications of externally imposed and internally accepted new obligations so that its reports to the Minister could portray more realistically its operational constraints and limitations.

### Recommendation 3 of Audit Report No.33 1997–98

4.2 The ANAO recommends that the GBRMPA should, for the purposes of better informing Parliament and improving annual programming:

- summarise and report its statutory and other agreed obligations to Parliament;
- summarise and report to Parliament the areas of the GBRMP management in which other agencies play a significant role. This should include a cross-reference to where the respective agencies performance reports (as they relate to the GBRMP) can be obtained; and
- ascertain and advise its Minister on the cost and resource implications of significant current commitments and on significant new commitments.

### Findings of this audit

4.3 The ANAO found that the GBRMPA has implemented this recommendation.

4.4 The GBRMPA's current reporting to Parliament includes summaries of its statutory and other agreed obligations, and the roles played by other agencies

in Marine Park management. The development of its SWP has enabled the GBRMPA to better determine the impact of significant commitments on its outputs and to regularly inform its Minister of the operational implications of such commitments.

### *Reporting statutory and other obligations*

4.5 As a statutory authority, the GBRMPA provides an Annual Report to Parliament as obliged by section 9 of the *Commonwealth Authorities and Companies Act 1997*. The ANAO found that the GBRMPA's recent Annual Reports include a section specifying its enabling legislation, the *Great Barrier Reef Marine Park Act 1975*, and the regulations in force under the Act. Provisions of the Act relating to its objectives and its specific functions and obligations are included in an appendix. The report also lists the legislation that the GBRMPA administers under its regulatory role and refers users to a more comprehensive list of all Commonwealth and State legislation specific or relevant to the operations of the GBRMP, with explanatory comments and links to that legislation, available on its website. This site also contains a list of the international conventions relevant to the operations of the GBR.

4.6 Similarly, the GBRMPA provides its PBS (as part of the Environment and Heritage PBS) to Parliament in accordance with its obligations under the Appropriation Acts. The ANAO found that the GBRMPA's PBS clearly specifies the relationship between the Commonwealth's planned outcome for the environment, the GBRMPA's sub-outcome, and the output groups that contribute to achieving its primary obligation of conserving the GBR.

4.7 The 1998 audit found that the GBRMPA had no exhaustive listing of its compliance requirements and other obligations. In the period since that audit was completed, the ANAO noted that the GBRMPA has restructured its management programs in line with its critical policy issues, which are aligned with its output groups in the PBS. It also developed its SWP to better reflect its obligations in these areas. In addition, the GBRMPA has assembled information on all its policies that are still current into one documentary system and made this accessible to all staff.

### *Reporting the roles and responsibilities of other agencies*

4.8 As outlined in Chapter 3, day-to-day management of the GBRMP is predominantly delivered by QPWS, which is responsible for enforcement, public contact, facilities development and maintenance, natural and cultural resource protection, permit assessment and site planning. As also noted previously, activities of other Commonwealth and State agencies provide major contributions to enforcement and surveillance operations and other tasks in the Marine Park.



4.9 The GBRMPA's Annual Report includes a list of the other agencies with which it has external relationships and a section relating to the operations of the day-to-day management program, which incorporates a description of the range of processes and activities performed during the year as part of the program. However, the ANAO noted that it did not link specific activities with the agency or agencies that performed them, and there was no reference to where information about the performance of those agencies could be obtained, such as in their Annual Reports.

4.10 The ANAO suggests that the GBRMPA refer readers of its Annual Report to its website, which contains more comprehensive information about the other organisations participating in day-to-day management and their contributions, as well as links to the agencies involved. The GBRMPA has advised that its 2002–03 Annual Report will provide extensive links to its website.

### *Advice to the Minister on commitments*

4.11 The ANAO found that the GBRMPA regularly reports to and briefs its Minister and the Great Barrier Reef Ministerial Council. Regular contact with the Minister is facilitated by the use of video conferencing and the placement of two liaison staff in Environment Australia's Canberra office.

4.12 The GBRMPA holds Senior Management Team workshops twice each year to develop and revise its SWP, taking into account its current and new commitments. The detailed objectives and strategies in the finalised SWP are linked to the outputs and performance indicators in the PBS, where the price of outputs is also given. The GBRMPA provides its annual work program to its Minister to inform him of the allocation of resources to current priorities and the impact on outputs of any new commitments.

4.13 Executive Directors and Directors are responsible for developing new policies and directions for their Critical Issues Groups, and for advising the Minister of likely developments that may affect GBRMPA's ability to effectively manage the Marine Park.

4.14 The ANAO found that the GBRMPA is examining the costs and resource implications of externally imposed and internally accepted new obligations, and clearly advising its Minister of the impact of these on its budget and on its ability to generate revenue and meet program objectives. The ANAO noted, for example, that the GBRMPA has been keeping its Minister informed of future commitments in relation to development of the RAP.

## Conclusion

4.15 The GBRMPA is reporting its statutory and other obligations, and the roles and responsibilities of other agencies involved in Marine Park management, to Parliament. It is also regularly advising its Minister on the cost and resource implications of current and new commitments.

## Reporting effectiveness to Parliament (Recommendation 4)

### Background

4.16 The previous audit found that while the GBRMPA reported details of its work to Parliament, it did not report its effectiveness in achieving its legislated objectives, goals or associated aims. In addition, its performance measures were predominantly activity related rather than effectiveness related.

### Recommendation 4 of Audit Report No.33 1997–98

4.17 The ANAO recommends that the GBRMPA annually reports its effectiveness in achieving its goals and objectives to Parliament to ensure compliance with the Commonwealth's reporting guidelines.

### Findings of this audit

4.18 The ANAO found that the GBRMPA has partially implemented this recommendation.

4.19 While the GBRMPA has made good progress in reporting its effectiveness by including performance information relating to its outputs and outcome in its PBS, it is not including this information in its Annual Report, as required by the guidelines. In addition, other information about its overall effectiveness in managing the GBRMP, which is published separately, is not included in its regular reports to Parliament.

4.20 The ANAO would consider this recommendation fully implemented when the GBRMPA's Annual Report includes information about how effectively it has performed during the year in relation to its outputs and outcomes. The GBRMPA is aware of this and has advised that it has included this information in its 2002–03 Annual Report.

## *Reporting effectiveness in achieving goals and objectives*

**4.21** Legislation relating to Commonwealth authorities<sup>9</sup> addresses the subject of accountability and reporting to Parliament, and encourages agencies to give more attention to reporting their effectiveness in achieving goals and objectives. Under the current Annual Report requirements, agencies ‘must include a review of how the agency has performed during the year in relation to the agency’s outputs and contribution to outcomes.’ The guidelines also state that ‘descriptions of processes and activities should be avoided.’

**4.22** The ANAO found that the GBRMPA lists in its PBS the performance information that it uses to assess the overall level of its achievements for each of its output groups. This performance information includes quantitative, qualitative and price indicators. While the ANAO considers that these are still somewhat activity related rather than totally effectiveness related, targets for effectiveness have been included where they are applicable and available.

**4.23** The ANAO’s examination of the GBRMPA’s recent Annual Reports, however, found that achievements against these sub-outcome and output performance indicators have not so far been included. Rather, work processes and activities continue to be reported instead of information on effectiveness of the operational Critical Issues and Support Groups. There is also no statement included as to whether the GBRMPA is effective in protecting, conserving and allowing for reasonable use of the GBRMP, or of its progress in that particular year towards attaining this outcome.

**4.24** In addition, the ANAO found it difficult to link the information in these reports due to differences in terminology. Where the PBS is clear in describing a specific outcome and the output groups and outputs contributing to achieving this outcome, the Annual Report sets out a ‘goal’ and ‘aims’ for the GBRMPA and specifies a ‘broad outcome’ and ‘strategic objectives’ for each key issue. The ANAO suggests that, if the GBRMPA were to use the ‘outcomes/outputs’ terminology used in the PBS (and in the SWP) in all its reporting, this would more clearly show the links between what it has set out to achieve and what progress has been made towards attaining its objectives.

**4.25** As noted in Chapter 1, the GBRMPA published, and provided to Parliament, a report, *State of the Great Barrier Reef World Heritage Area*, that summarised information about the state of the reef in 1998. A revision of this report, available on the GBRMPA’s website<sup>10</sup>, provides a more recent assessment of the state of the GBR based on an analysis of the range of factors affecting the reef.

<sup>9</sup> The *Commonwealth Authorities and Companies Act 1997* and Orders made under section 48 of that Act.

<sup>10</sup> <[www.gbrmpa.gov.au/corp\\_site/info\\_services/publications/sotr](http://www.gbrmpa.gov.au/corp_site/info_services/publications/sotr)>.

4.26 The GBRMPA also prepares a *Report on the State of Conservation of the Great Barrier Reef*, which is used as part of the Australian contribution to required periodic reporting on World Heritage Areas. Within the last report<sup>11</sup>, as at December 2002, it provided conclusions regarding the state of the World Heritage values of the property, and the management and factors affecting the property.

4.27 Both of the above reports include information that the ANAO considers could be used by the GBRMPA in its reports to Parliament, since they are general statements of overall effectiveness in attaining its objectives. The information also provides a sound basis for an evaluation of its performance in managing the GBRMP.

4.28 The ANAO found that the GBRMPA is currently developing a set of overall key performance indicators (KPIs) to act as broad measures of effectiveness that are linked to the output groups reported in the PBS. The KPIs include environmental parameters and measures of human use, and are based on the information contained in the abovementioned reports. The GBRMPA will include these KPIs in its revised corporate plan for 2003–2008 and intends to report against them in its 2002–03 Annual Report.

4.29 ANAO considers that while the KPIs are still only in draft form, and do require further consideration and development, on the whole they appear to be indicators that will give relevant information externally on the GBRMPA's progress towards achieving its outputs, and its overall outcome, and be useful for management decision-making within the GBRMPA. In accord with better practice, the indicators include information on trends over time presented as charts and graphs.

### *Reporting whole-of-government costs of managing the GBR*

4.30 An issue that arose during the conduct of this audit was whether the GBRMPA should be regularly including in its annual reporting to Parliament all Commonwealth and State Government costs of management of the GBRMP. This would be consistent with the intent of Commonwealth reporting requirements for lead agencies to provide information on whole-of-government outcomes.<sup>12</sup>

4.31 The total cost of managing the reef is far greater than the GBRMPA's budget alone. ANAO considered that the GBRMPA, as the agency that has been given the responsibility by the Commonwealth for the conservation and management

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<sup>11</sup> The Great Barrier Reef Marine Park Authority, *Report on the State of Conservation of the Great Barrier Reef (Section II of the Australian Contribution to the Regional Synthesis Report for World Heritage Periodic Reporting Asia-Pacific Region 2003)*, December 2002, p. 13.

<sup>12</sup> ANAO, Better Practice Guide, *Performance Information in Portfolio Budget Statements*, May 2002, p. 19.

of the GBR, should be in a position to provide an estimate of the total expenditure by government on reef management. This would include the costs of the other Commonwealth and Queensland State Government agencies that provide assistance.

**4.32** The GBRMPA stated in the December 2002 *Report on the State of Conservation of the Great Barrier Reef*, that it is difficult to estimate the total annual expenditure of managing the GBRWHA across all relevant agencies. However, it was able to include an estimate of the annual expenditure on the GBR for policy development, management, monitoring and research, involving agencies of the Commonwealth and Queensland Governments, universities and the private sector, of \$78 million.

**4.33** The Commonwealth and Queensland Government expenditure that was included in that estimate totalled some \$69 million, as follows:

- \$25 million from the GBRMPA's total operating budget (for 1997–98) including joint funding and the Queensland contribution;
- \$30 million from other Commonwealth agencies (such as Coastwatch, Australian Quarantine Inspection Service, Department of Defence, AMSA and AIMS); and
- \$14 million from the GBR-related operating expenditure of Queensland agencies (such as QPWS, QBFP, QFS, QDoT and QWP).

**4.34** ANAO suggests that, as the GBRMPA has shown that it can provide an estimate of the Commonwealth and Queensland Government expenditure on managing the GBRMP, it should include this in its regular reporting to Parliament. This would provide a better indicator to the Parliament of the total cost of supporting the conservation of the GBR.

## Conclusion

**4.35** The GBRMPA is reporting its performance against its outputs and outcome, and its overall effectiveness in managing the GBR, in its PBS but not in its Annual Report. The ANAO considers that the GBRMPA needs to include such information in its Annual Report to fully implement this recommendation as a means of improving its accountability. The ANAO also recommends that the GBRMPA's Annual Report include the total expenditure of the Commonwealth and State Government on GBR management.

## **ANAO Recommendation from this follow-up audit**

4.36 The ANAO *recommends* that the GBRMPA include in its Annual Report, an estimate of the total Commonwealth and State Government expenditure on managing the GBR.

### *GBRMPA's response*

4.37 The GBRMPA agrees with the recommendation, noting the difficulty in accurately estimating the expenditure by the wide range of government agencies involved in managing their respective responsibilities in the GBR region.

# 5. Risk Assessment and Fraud Control Systems

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## Risk assessment systems and procedures (Recommendation 5)

### Background

5.1 The previous audit found that developing a more comprehensive risk assessment system and extending the improved use of risk assessment processes would assist the GBRMPA in planning and day-to-day management, and place the GBRMPA in a better position to report on its effectiveness in conserving the natural resources in the Marine Park.

### Recommendation 5 of Audit Report No.33 1997–98

5.2 The ANAO recommends that the GBRMPA develops its risk assessment systems and procedures so that this information can be better used for management and reporting purposes.

### Findings of this audit

5.3 The ANAO found that this recommendation has been implemented.

5.4 Over the past five years, the GBRMPA has conducted a comprehensive risk assessment review and developed Risk Management Guidelines and a Risk Management Plan for the organisation. The GBRMPA is now regularly using risk analysis procedures to focus its strategic planning and policy development, and in program management and the reporting of outcomes.

### *Risk management systems development*

5.5 The GBRMPA developed Risk Management Guidelines in 1999. A Risk Management Position Statement, which sets out the principles and responsibilities for risk management in the Agency, was disseminated to staff in November 2000. A Risk Management Plan was completed in 2001 following a risk assessment review that involved consultations with managers throughout the organisation.

5.6 The risk assessment reflects the risks as they impact on the GBRMPA, particularly on its ongoing operations, rather than on the natural environment and the Marine Park overall. It therefore constituted the first comprehensive

review of risks to the GBRMPA, as distinct from risks to the GBR. The plan includes a Risk Treatment Schedule, which was reviewed in August 2002.

5.7 The ANAO found that these documents identify a range of possible risks and preferred treatment options, as well as allocating an action officer and specifying a timetable for action to be taken to reduce the risks and how progress is to be monitored. The identified risks include both internal factors, such as lack of management knowledge and awareness and ensuring assets are properly managed and accounted for, and external risks, such as threats to the protection of biodiversity and lack of industry awareness and concern for water quality impacts on the GBR. Partnerships are also identified as an area of risk.

### *Communication and assessment*

5.8 The GBRMPA's Risk Management Plan and Risk Management Guidelines outline the principles of risk management and provide a framework for the GBRMPA's application of these to strategic and operational decision-making. Copies were provided in December 2001 to all staff, who were required to confirm that they had received and read them. The risk management documents are made available to all staff on the GBRMPA's internal website. The GBRMPA also provides specific training and information sessions on risk management to its staff.

5.9 The ANAO noted that the GBRMPA used the Comcover Risk Assessor software to assist with its preparation of Risk Registers and Risk Treatment Action Plans. This tool followed the risk assessment process outlined in the Australian Standard<sup>13</sup>, and the Australian Public Service guidelines for risk assessment and management. Its use allowed the GBRMPA to adhere to the risk management process of establishing the context, identifying and analysing the risks, and evaluating and treating them.

### *Risk management procedures*

5.10 The GBRMPA is using the concept of 'managed risk' as an integral part of its approach to balancing accountability and effectiveness. The Audit Committee monitors and considers the GBRMPA's risk management processes. The Internal Audit Contractor reports to the Audit Committee on internal control processes and risk management.

5.11 In developing the 2003–04 Strategic Audit Plan for the GBRMPA, the Internal Audit Contractor identified areas of risk and examined the acceptable degrees of risk for each area. An assessment of the various risks produced a risk analysis matrix to ensure that effort was concentrated on critical business

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<sup>13</sup> Standards Australia, *AS/NZS 4360:1999 Risk Management*, <[www.standards.com.au/catalogue](http://www.standards.com.au/catalogue)>.



processes and high-risk areas. Along with revenue management, project administration/consultancy and information management (including policy advice) were areas considered to have high risk potential as they have a major impact on the ability of the GBRMPA to ensure the sustainability of the Marine Park and manage the existing biodiversity.

**5.12** A Compliance and Enforcement Plan developed jointly by the GBRMPA and QPWS in 2000 used a risk assessment matrix to identify the probability and impact of anticipated illegal activities in the Marine Park and Island National Parks in order to rank compliance action. This plan is designed to maximise voluntary compliance while still providing effective deterrents to non-compliance with the resources available.

### *Risk management and reporting*

**5.13** The restructuring of the GBRMPA to set up the four Critical Issues Groups has focussed strategic planning, policy development and program management on the areas of greatest threat to the GBR. The ANAO found that the GBRMPA is using risk assessment and risk-based approaches in developing its policies and strategies, and the Critical Issues Groups are using risk assessment procedures and risk analysis in their management of current projects and in reporting their results.

**5.14** A new framework for tourism management agreed by the MPA some two years ago sets priorities based on a risk management approach. This framework<sup>14</sup> specifies simplified management of the industry and more incentives for tourist operators, and allows users flexibility and choice within defined operating standards but with performance and compliance monitoring. The risks are managed through the issue of permits.

**5.15** The work priorities for the Species Conservation Program for flora and fauna were also determined using a risk assessment. The approach selected was to identify and protect areas that are representative examples of the diversity of habitat and processes upon which all species depend, rather than focussing on individual species or specific habitats. In addition, maps of the bioregions developed by experts, using all the scientific information available to them, and a risk assessment strategy, were used in the classification phase of the RAP to determine where protected areas should be allocated.

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<sup>14</sup> The Great Barrier Reef Marine Park Authority, *The Co-operative Framework for the Sustainable Use and Management of Tourism and Recreation Opportunities in the Great Barrier Reef Marine Park, Proposal of the Tourism and Recreation Reef Advisory Committee*, GBRMPA, Townsville, February 2002.

**5.16** The ANAO also found examples of recent policy outcomes that have been guided by risk analysis. The standards for output levels of effluent from aquaculture projects along the coast were determined after a risk assessment analysis of the effects of the discharges on the surrounding areas. The GBRMPA then instituted legislation under the Act to introduce new regulations for the industry, and the State Government had to adopt procedures that met the Commonwealth standards in order to be accredited. Arrangements for this accreditation are still being finalised.

**5.17** The *Great Barrier Reef Catchment Water Quality Action Plan* was prepared by the GBRMPA as a report to the Ministerial Council on targets for pollutant loads from onshore activities. Using information that the scientists and researchers at AIMS and the CRC Reef had collected over the years, they were able to identify the threats to water quality from individual catchments using a risk profile for the status of the onshore regions of the reef, and to develop the most cost effective solutions to the problems. This led to the agreement between the Prime Minister and the Premier of Queensland to take action to protect the GBR from land-based pollution, and a commitment to jointly develop the Reef Water Quality Protection Plan discussed in Chapter 1.

## **Conclusion**

**5.18** The GBRMPA has developed risk assessment systems and is using risk analysis procedures in its management and reporting.

## **Fraud control systems (Recommendation 6)**

### **Background**

**5.19** The Commonwealth requires agencies to develop a fraud control plan in accordance with its fraud control guidelines. Formal risk assessments are prerequisites for the development of such plans. The 1998 audit found that the GBRMPA had not developed a fraud control plan in compliance with Commonwealth requirements.

### **Recommendation 6 of Audit Report No.33 1997–98**

**5.20** The ANAO recommends that the GBRMPA develops a fraud control plan based upon a formal risk assessment, to comply with the Commonwealth's requirements.

## Findings of this audit

**5.21** The ANAO found that the GBRMPA has implemented Recommendation 6.

**5.22** At the time of the fieldwork for this audit, the ANAO considered that the GBRMPA's fraud control plan did not comply with the Commonwealth's requirements. To do so, it required the incorporation of a more comprehensive risk assessment, an outline of the strategies developed to address the risks, and a timetable for implementing those strategies. However, the GBRMPA has recently revised its plan to address these issues.

### *Fraud control plan development*

**5.23** The GBRMPA developed a fraud control plan, including a fraud risk assessment, in 2001. However, the Attorney-General's Department advised the GBRMPA that its plan did not comply with the Commonwealth policy current at that time, due to the lack of risk assessment information and any strategies to address fraud risks.

**5.24** Additionally, during the fieldwork for this audit, the ANAO assessed that the plan did not comply with the new guidelines released by the Commonwealth in May 2002, which require fraud control plans to include a timetable for implementation of the fraud control strategies devised to address the fraud risks identified in the risk assessments.

### *Coverage of fraud risk assessment*

**5.25** The GBRMPA's 2001 Fraud Control Plan included consideration of a range of internal fraud risk areas where there is potential for loss, misappropriation or inefficiency, such as the misuse of GBRMPA funds. The ANAO noted, however, that a number of external compliance issues that it would have expected to see included, such as breaches of zoning plans or breaches of permit conditions, were not specifically addressed. Similarly, 'environmental loss' or 'harm to the resources of Australia', such as the loss through illegal commercial or recreational fishing, were not explicitly covered as fraud risks in the plan.

**5.26** The ANAO considers that the work done by the GBRMPA to identify and manage risks as part of the risk assessments used in developing the Risk Treatment Report and Schedule, the Risk Management Plan, and the Compliance and Enforcement Plan, could be used to develop the more comprehensive fraud risk assessment and fraud control strategies required for the fraud control plan. These certainly cover a broader range of external risks such as biodiversity loss and water quality degradation impacts, and breaches to the GBRMPA's management instruments, such as zoning plans, management plans and permits. They also include preferred treatment options, responsibilities and timetables for addressing the risks.

### *Strategies to address fraud risk*

5.27 While the plan developed in 2001 stated that the GBRMPA's main objective in fraud control was to minimise the risk of fraud against its programs, and that it would achieve this by identifying and implementing strategies to manage risk, it did not address these issues in that document. Rather, the separate Compliance and Enforcement Plan contains a risk assessment matrix that identifies and ranks anticipated illegal activities within the Marine Park and Island National Parks, and sets out the strategies devised for dealing with the risks, such as detecting and addressing activities that contravene the legislation.

5.28 In the ANAO's opinion, the GBRMPA's Fraud Control Plan needed to refer to and/or be directly linked with the Compliance and Enforcement Plan, which identified the strategies for treatment of external risks.

5.29 The GBRMPA was aware of the deficiencies in its 2001 Fraud Control Plan and has now revised it in order to comply with the Commonwealth's guidelines. The revised plan for 2003–2005, which the GBRMPA provided to the ANAO in September 2003, is based on a detailed fraud risk assessment, and includes strategies to implement the plan and address fraud risks. It also makes reference to the Risk Management Plan and Compliance and Enforcement Plan, which cover the external risks and compliance issues, as well as internal fraud.

### **Conclusion**

5.30 The GBRMPA has produced a fraud control plan based on a risk assessment, which now complies with the Commonwealth's current fraud control guidelines.

## 6. Information Requirements

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### Information for management and reporting (Recommendation 7)

#### Background

6.1 An issue that arose during the course of the previous audit was the adequacy of data that the GBRMPA had available for management and reporting. This led to the ANAO concluding that there was a need for the GBRMPA to better determine the information it required for management and external reporting purposes.

#### Recommendation 7 of Audit Report No.33 1997–98

6.2 The ANAO recommends that the GBRMPA expresses clearly its information requirements and links these to its strategic planning structure, day-to-day management reporting and reports to Parliament.

#### Findings of this audit

6.3 The ANAO found that the GBRMPA has implemented this recommendation.

6.4 In recent years the GBRMPA has dedicated significant effort to identifying and regularly updating its information requirements, and to communicating these to its own staff, the CRC Reef and other research organisations. The ANAO also found clear links between the information needs specified by the GBRMPA and its planning and reporting requirements.

#### *Determination of information requirements*

6.5 As the agency with responsibility for the care and management of the GBR, the GBRMPA requires a large amount of scientific and research information in order to carry out its role and to assess its performance in achieving its objectives. It uses this information as an internal management tool for ranking objectives and managing programs, and to meet its external reporting obligations.

6.6 Following the establishment of the four Critical Issues Groups, the GBRMPA identified and ordered its management information needs for each of these areas. This process included a series of workshops and discussions involving staff and representatives from other agencies and research institutions.

The outcomes of this process enabled it to determine its research priorities and identify the specific research tasks that would address its information needs. This then allowed it to make informed decisions regarding the research projects it wished to support (both financially and in principle).

### *Information collection*

6.7 The GBRMPA obtains most of the information it needs from external research agencies, consultants and institutions, primarily the CRC Reef and AIMS. In addition, it carries out or contracts a large number of monitoring programs to collect information that can be used to report environmental impacts and the effectiveness of management actions. Over 100 separate monitoring projects are currently underway. All major commercial activities in the Marine Park are subject to environmental impact monitoring conducted by independent consultants and managed by the GBRMPA.

6.8 The ANAO noted that the GBRMPA also collects information as a by-product of its administration of programs. For example, along with the collection of revenue, the Environmental Management Charge Section collects information on the numbers of visitors to the reef. This information is then used to monitor trends for planning purposes, and will be reported as one of the GBRMPA's key performance indicators.

### *Communication of information needs*

6.9 To inform its providers of its information needs and research priorities for each of the critical issue areas, the GBRMPA produced a report<sup>15</sup> which is now available on its website and is reviewed and revised regularly. This report also specifies a number of particular information needs for GBRMPA-wide tasks that are important to all or most groups, including developing performance indicators and monitoring natural variability and long-term trends in the GBR.

6.10 Within the GBRMPA, the Science, Technology and Information Group is responsible for providing and coordinating scientific, technical and information services for all areas of the GBRMPA. This Group maintains a close relationship with research institutions and, in particular, liaises regularly with the CRC Reef to ensure that its research program closely reflects the GBRMPA's information needs. The GBRMPA also holds two positions on the CRC Reef Board and its staff actively participate in the CRC Reef's committees.

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<sup>15</sup> The Great Barrier Reef Marine Park Authority, *Research Priorities for the Management of the Great Barrier Reef Marine Park and the World Heritage Area*, Research Publication No.73, GBRMPA, 2001.

### *Links to strategic planning and reporting*

6.11 The ANAO found that information obtained from the research and monitoring studies is incorporated into the GBRMPA's planning, policy and decision-making processes, and is used as the basis for reporting on the state of the GBRWHA. Research has provided information to assist with planning for the management of fisheries and tourism in the Marine Park, and recently provided the data needed to prepare the biodiversity mapping of the reef required for the RAP.

6.12 The GBRMPA's SWP provides a reference framework for the information requirements of each of its Critical Issues and Support Groups that are linked to its output groups in its PBS. Performance indicators for the outputs of each strategy for all of the GBRMPA's objectives, and for the day-to-day management program, are specified in the SWP, and reported in the PBS. The ANAO found that these include, where appropriate, quantitative and qualitative measures that require the collection of specific information.

6.13 Day-to-day management reporting in respect of monitoring programs and outcomes of strategies specified in the SWP, as outlined in Chapter 3, are aligned with the GBRMPA's output group 'Park Management' in its PBS. This links its information requirements relating to Marine Park management to day-to-day management strategic planning and reporting.

6.14 The ongoing revisions of sections of the *State of the Great Barrier Reef World Heritage Area* report are dependent upon information obtained from research and monitoring studies. The availability of this report demonstrates the GBRMPA's effectiveness in obtaining the information required to enable it to report on its achievements in conserving the reef, and the adequacy of its public information role.

### **Conclusion**

6.15 The GBRMPA has clearly expressed its information requirements and has linked these to its strategic planning structure and its requirements for reporting to management and to Parliament.

Canberra ACT  
20 October 2003



Oliver Winder  
Acting Auditor-General





# Appendices



## Appendix 1

### Organisations Involved in Day-to-day Management of the GBRMP

1. As a result of the agreements made between the Commonwealth and Queensland Governments, the GBRMPA and EPA, through its QPWS, have joint responsibility for the day-to-day management of the Marine Park.
2. QPWS undertakes surveillance, monitoring and enforcement, is instrumental in the design, construction and maintenance of Marine Park facilities, and the management of these resources, and issues permits for commercial collecting, moorings and education programs.
3. A number of other agencies from the Commonwealth Government and the Queensland Government, with compliance responsibilities in the marine areas of the GBR, also assist the GBRMPA and QPWS in surveillance, enforcement and other day-to-day management activities.
4. These agencies, and their main responsibilities, are:
  - The Australian Customs Service's Coastwatch—provides aerial surveillance patrol reports of coastal areas, from both dedicated flights and flights for other clients, and forward air support for surface vessels;
  - The Australian Customs Service's National Marine Unit—carries out vessel surveillance operations in the Marine Park and takes inspectors with them during patrols;
  - The Australian Fisheries Management Authority—manages all fisheries within the 200 nautical mile Australian fishing zone by providing advisory, compliance and licensing services and implementing appropriate fisheries management arrangements, and monitoring movements of tuna boats in the East Coast Tuna Fishing Areas using a satellite tracking system;
  - The Australian Maritime Safety Authority—manages shipping activities throughout the GBRMP as the regulatory authority for ship-sourced pollutants, ship routing, ship safety and marine pollution response (e.g. oil spills), and has officers operating as inspectors under the Act;
  - The Australian Federal Police—share resource information and tactical technical surveillance expertise with the GBRMPA, and all Officers are inspectors appointed under the Act;

- The Commonwealth Director of Public Prosecutions—provides advice and assistance in investigating and prosecuting offences under the Act;
  - The Queensland Department of Primary Industries—is involved in Marine Park management through the Queensland Boating and Fisheries Patrol, and undertakes research programs that are used to develop management plans and arrangements;
  - The Queensland Boating and Fisheries Patrol—operates a fleet of vessels in the Marine Park which will act on fisheries and vessel compliance matters during normal patrols, and will undertake specific operations where funded;
  - The Queensland Fisheries Service—is responsible for Queensland’s marine and freshwater fisheries and works closely with the GBRMPA on management plans for fisheries, compliance monitoring, enforcement and educational programs;
  - The Queensland Department of Transport—is the lead response agency for oil and chemical spills from shipping in the GBR, and is a consultative body that offers advice on particular issues relating to the Marine Park; and
  - The Queensland Water Police—conduct enforcement and educational activities by checking vessels during regular patrols of GBR waters, and all members of the Water Police are appointed fisheries inspectors, shipping inspectors and inspectors under the Act.
5. Some of these organisations provide their assistance on a fee for service basis, for example, the Queensland Boating and Fisheries Patrol, while others carry out the work at no charge to the GBRMPA as part of their normal activities, such as Coastwatch.

## Appendix 2

### The GBRMPA's Response to this Report

#### New Recommendation

The GBRMPA agrees with the ANAO recommendation that it include in its Annual Report, an estimate of the total Commonwealth and State Government expenditure on managing the GBR. An estimate of such expenditure is included in the GBRMPA Annual Report 2002–03. An estimate of expenditure by tourism participation in management of the GBR is also included.

#### Other comments

As indicated by the ANAO in relation to Recommendation 2 (of the previous audit), considerable progress has been made including the establishment of a joint GBRMPA/EPA coordination unit and the provision of clear priorities through the GBRMPA Board. Additionally, in 2002–03, the GBRMPA and the relevant Queensland authority conducted a further review of day-to-day management. The recommendations of the Review will ensure the long-term viability of the arrangements for day-to-day management of the GBRMP.

The GBRMPA considers that its Annual Reports since 1996–97 have included information against its performance on achievement of objectives. In preparing the Annual Report for 2002–03 it has taken into account the comments of the ANAO regarding reporting against output performance indicators contained in the Portfolio Budget Statements in the format introduced with the implementation of Accrual Budgeting in 1999–2000. The GBRMPA believes that the Annual Report for 2002–03 will meet the requirements of Parliament and that it should now be considered to have implemented Recommendation 4 (of the previous audit).

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