DEPARTMENT OF PLANNING & ENVIRONMENT

BOS Support for Assessors & Local Government

Accredited Assessor Audit and Department's response

Tatjana Nedelkoska
Senior Regulatory Auditor
Audits & Strategic Project Team
Compliance & Licensing Branch

Louisa Mamouney
Director
Biodiversity Offsets Scheme

Carlie McClung
Principal Project Officer
Accreditation Programs Team
Biodiversity Offset Scheme Branch

Thursday 17th February 2022, 1:00 PM – 2:00 PM

John Spencer/DPIE

1

BOS Webinar – Accredited Assessor audit and Department's response

1. Introduction (Louisa Mamouney)
2. Scope and process (Tatjana Nedelkoska)
3. Findings (Carlie McClung)
4. Recommendations (Carlie McClung)
5. Response to the audit (Louisa Mamouney)

Rod Pietsch/DPE

2

2. Audit scope and process

John Spencer/DPE

3

Audit objectives

- Evaluate assessor compliance with select accreditation conditions including applying aspects of the Biodiversity Assessment Method (BAM)

- Support Accredited Assessors (AAs) to comply and deter non-compliance, to improve biodiversity assessment and report quality, and

- Gather strategic intelligence to assist the Department to better understand the practical operation of this area of the Biodiversity Offsets Scheme.

Ken Stepnell/DPE

Stephen Douglas/DPE

4

David Milledge/DPE

Self initiated audit

- DPE self initiated a compliance audit of AAs as part of our commitment to continuous improvement and providing assurance for the Biodiversity Offset Scheme.

- Conducted in 2020/21 in accordance with section 20 of the Accreditation Scheme Order 2017 under the *Biodiversity Conservation Act 2016* (BC Act) which may include:

  (1) compliance by an accredited person with the conditions of their accreditation, or

  (2) biodiversity assessment reports prepared by an accredited person, or

  (3) the application of the BAM by an accredited person.

- In accordance with the Accredited BAM Assessor Code of Conduct, an AA must cooperate with and provide the necessary information and records requested by the Department during an audit.

Audit scope and focus

- Part 4 Council Development Applications (DAs) that required a BDAR

- Outcome of AA Strategic Project conducted in 2018/19

   i.   DAs new to the scheme

   ii. AAs preparing BDARs likely to be new to BOS (not previously accredited under Biobanking)

   iii. BDARs are assessed by Council under Part 4 of EP&A Act as part of Council DA review processes not under the BC Act

   iv. Review of DAs that required a BDAR

   v.   Council may not have internal officers with technical capability to review BDARs

- Major Projects were not included in the first audit because BDARs are reviewed by Biodiversity Conservation Division (BCD) Regional Planning teams

Lachlan Copeland/DPE

Mick Roderick/DPE

6
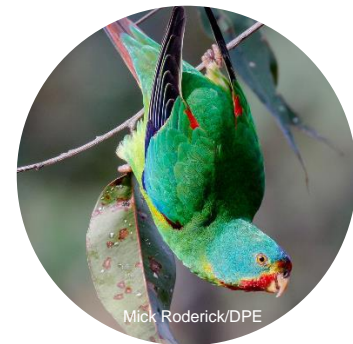
What did we audit?

✓ **Accreditation conditions**

- Application of the BAM and Operational Manuals
- Code of Conduct
  - BDAR team management
  - Data validity and quality assurance (QA)
  - Assessment and disclosure of conflicts of interest
- Record keeping
  - Targeted field survey record management

✓ **Relevant sections of the BC Act**

- AA qualifications and experience and BDAR team details (s6.8)
- BDAR certification and currency requirements (s6.15)

7

Dean Ingwersen/DPE

Audit process

- Initial consultation through BDAR request with Councils in each region

- To be eligible for selection, BDARs had to be submitted to council but not yet determined and certified by an AA

- A sample of 83 underdetermined BDARs met the audit criteria

- 13 BDARs were formally audited

- This represented a 16% representative sample of BDARs audited across NSW (13/83)

The audit included:

- Assessment 13 BDARs against audit criteria

- Interviews with 17 certifying AAs

- Interviews with 15 participating Councils

- 13 AAs were formally audited

Dr Ian Baird

8

8

BDARs audited in each region

| Region	No. of BDARs met sample rules	No. of Audits completed	% of sample BDARs in region	Audit no.	Local Government Area
Hunter Central Coast (HCC)	24	4	17%	HCC 1	Central Coast
				HCC 2	Lake Macquarie
				HCC 3	Maitland
				HCC 4	Muswellbrook
South West (SW)	1	1	100%	SW 1	Balranald
				Council interview only	Wentworth
Greater Sydney (GS)	25	3	12%	GS 1	The Hills
				GS 2	Liverpool
				GS 3	Penrith
North West (NW)	1	1	100%	NW 1	Narromine
				Council interview only	Lithgow
South East (SE)	20	2	10%	SE 1	Shellharbour
				SE 2	Queanbeyan-Palerang
North East (NE)	12	2	17%	NE 1	Port Macquarie-Hastings
				NE 2	Ballina
Total	83	13	16%		

9

3. Audit findings

Adrian O Hara/DPIE

10

Audited BDARs and AA overall performance

- None of the audited BDARs and certifying AAs were fully compliant when assessed overall against selected audit criteria

- The high compliance risk category had the highest % of audited AAs

- Audited AAs were ranked based on compliance risk including number of non-compliances and major non-compliances allocated

- Major non-compliances allocated were generally related to technical representative samples assessed under Stage 1 of the BAM (habitat suitability – species credit species)

Pie chart: High 46%, Medium 31%, Low 23%

Legend: ■ High ■ Medium ■ Low

11

Laura Canackle/DPIE
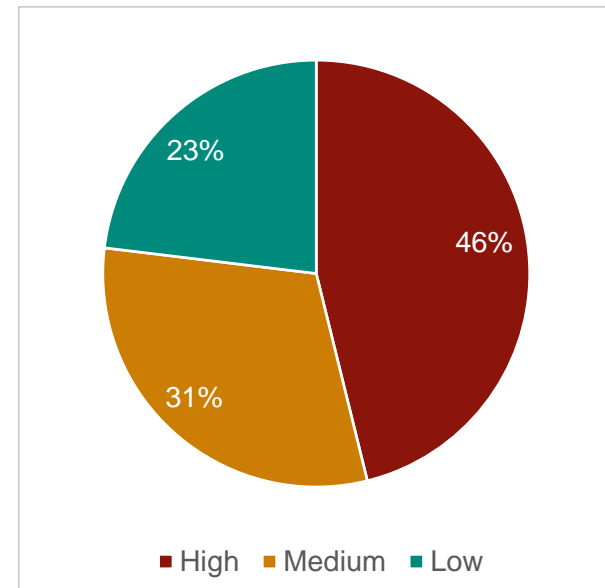
Key audit outcomes and improvements

Administrative

- BDAR currency and ensuring BAM credit (BAM-C) calculator is finalised (i.e. save as read only) prior to submission

- Quality assurance, particularly consistency between BDAR / BAM-C data and technical review of BDAR content (minimum BAM requirements)

- Inclusion of information on the entry point into the BOS

- Consistent application of the BAM and use of systems (BOAMS / BAM-C)

12

Key audit outcome and improvements - BAM

Introduction to the Proposal

• Adequate proposal details including detailed site plans showing area of on-ground impact (construction and operational) consistent with DA documentation

BAM Stage 1 – Biodiversity Assessment

• Adequate justification for outcomes of steps undertaken (including evidence) to assess threatened species in accordance with the BAM and detailed targeted survey information for threatened species assessments

BAM Stage 2 – Impact Assessment

• Demonstrating adequate consideration of avoidance (including mapped avoided areas), indirect impacts and impacts to threatened species recorded on site and their habitats (both ecosystem and credit species)

Barry Collier/DPIE

13

Other audit observations

BAM (2017) and BDAR consistency

- As a general observation, BDAR templates created by AAs were varied in design and interpretation of the BAM minimum requirements

- BDAR templates that followed the same structure as the BAM were the easiest to read and generally provided the key data, table and map information required by the BAM

- There was an inconsistent set up and close out of BOAMS cases by audited AAs observed across the representative sample of BDARs

Kelly Nowak/DPIE

Peter Richards/DPIE

14

4. Audit recommendations

James Maguire/DPIE

15

Audit recommendations

Key themes	Total no. of recommendations	Recommendation status		
		Completed	Partially completed	Commenced
Audited BDARs & AA non-compliances	1	1	0	0
Biodiversity Assessment Method (BAM)	9	1	3	5
Accredited Assessor Support	8	2	5	1
Systems and processes	9	7	2	0
Complaints & feedback Management	2	1	1	0
Local Government Support	3	0	3	0
Total	32	12	14	6

David Martin/DPIE

16

Completed recommendations - 12 completed

Recommendations

Audited BDARs & AA non-compliances

> Respond to audited AAs with individual findings and recommended actions

Biodiversity Assessment Method

> Updates to BAM 2017

Accredited Assessor Support

> Accreditation Training

> Reaccreditation Training

Systems & processes

> Section 6.15 BC Act
> Currency of BDAR

> BDAR BOS Entry (BAM C)

> Code of Conduct
> BOAMS Quality Assurance

> Confirmed Candidate Species
> Targeted Surveys
> (BAM C exported report)

Complaints & feedback management

> Complaints and Feedback
> Management Policy

17

Partially completed recommendations - 14 partially completed

Recommendations

Biodiversity Assessment Method

BAM Operational Manuals
Stage 1 & 2

Consistent BDARs

Accredited Assessor Support

Code of Conduct
Conflicts of Interest

Accreditation Conditions
Record Keeping

Systems & processes

BOAMS / BAM C
case management

Evidence of submission
to consent authority

Local Government Support

LG Support (In person)

LG BOS training

LG Guidance
support and material

18

Commenced recommendations - 6 commenced

Recommendations

Biodiversity Assessment Method

> AA support material

> Species data and information in the TBDC

> BioNet and Atlas data – use by AAs

Accredited Assessor Support

> Code of Conduct – AA Quality Assurance

Complaints & feedback management

> Complaint resolution support for disputes between determining authority & the AA

19

5. Response to the audit

Laura Canackle/DPE

Response to the audit

- The Department is committed to continuous improvement and providing assurance of the Accredited Assessor scheme

- The Department will implement all of the 32 recommendations. The majority are completed or underway.

- The Department is preparing a Compliance and Assurance Plan for Accredited Assessors (Plan).

- The Plan is in response to the first audit of accredited assessors finalised earlier this year, and other feedback in relation to accredited assessors.

Shane Ruming/DPE

21

Compliance and Assurance Plan

- The Compliance and Assurance Plan for Accredited Assessors will include:

  1. An auditing program to uncover systemic quality or integrity issues

  2. Robust processes for assessor compliance, including formalising a fair and transparent process for removing accreditation based on evidence and formal review.

  3. Seeking to establish a dedicated audit team to conduct further auditing under the plan and take follow up action.

Mick Roderick/DPE

Pavel German/DPE

22

Compliance and Assurance Plan

- The Plan will build on a broader program designed to improve confidence in the work that accredited assessors undertake in the scheme, including:

  - addressing conflicts of interest,

  - providing regular training and guidance updates, and

  - standardising templates for assessments.

- The Department is engaging an external compliance expert to prepare the draft Plan over the next two months.

- There will be opportunities for Accredited Assessors to be consulted on this work as it develops.

Dr Ian Baird

Gavin Phillips/DPE

23

Q&A

This session will not be included in the webinar recording.

Written questions and answers will be attached to the online webinar recording.

Questions asked during these webinars also contribute to the development of the Assessor Q&A page, future webinars and other Biodiversity Offsets Scheme supporting resources.

John Spencer/DPIE

Thank you for your participation

Webinar recordings will be available to view online on the BOS Vimeo Showcase
at vimeo.com/showcase/6271450 and via the BAM Support Webinar webpage

Contact us at www.environment.nsw.gov.au/biodiversity/bos-help-advice

Simone Cottrell/DPIE

25