Office of the Chief Executive

The Hon. David Littleproud MP
Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management
Parliament House
Canberra   ACT   2600

Dear Minister

Thank you for providing a copy of the report prepared by the Interim Inspector General, Murray–Darling Basin following his investigation into the release of the MDBA's report *'Monitoring first flush flows in the Namoi, Macquarie and Warrego Rivers – remote sensing for compliance and ecohydrology.'* (the **Interim I-G Report** and **First Flush Report** respectively). You sought my response within one week of my receipt of your letter (received 12 December 2019).

The Murray–Darling Basin Authority (**MDBA**) has reviewed and accepts all the recommendations in the Interim I-G Report. The MDBA's internal review and its recommendations, which have been approved by the Authority, identified similar areas for improvement.

The MDBA will seek to implement the recommendations by 31 December 2019, or as soon as practicable thereafter. We note that the recommendation to strengthen referral and compliance information sharing processes requires the agreement of third parties such the NSW Natural Resource Access Regulator. The MDBA's response, including an update on progress in implementing the recommendations, is at **Attachment A**.

The MDBA acknowledges that the publication of the draft First Flush Report caused concern and confusion. The MDBA is committed to improving its information handling and publication processes to ensure that the mistakes that resulted in this report's publication do not occur in the future. The MDBA is committed to improving its internal processes over how compliance information including from satellite monitoring, is managed and shared with other regulators.

The MDBA has been using satellite imagery to monitor and communicate information relating to the flow of water in the landscape. This information is relevant to a number of MDBA functions under the *Water Act 2007* (Cth), and improves compliance and enforcement practices relating to water use in the Murray–Darling Basin.

In times of drought it is critically important for communities and the river environment that the first flows after a dry spell can reach as far downstream as possible. Monitoring flows in

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this way greatly strengthens the MDBA's ability to provide assurance of water compliance arrangements in the Basin.

Yours sincerely

Phillip Glyde

19 December 2019

Attachment A: MDBA Response to Interim I-G Report recommendations

Interim I-G Report Recommendation	MDBA Response
Establish compliance report process, ensuring the purpose of the report is clear (recommendation 1a) Raise awareness and educate staff to ensure the identification, handling and dissemination procedures are followed and are continuously reviewed and strengthened if necessary (recommendation 1b) Undertake risk assessments when commissioning, developing and publishing compliance and/or technical reports. (recommendation 1d) Establish whether a matter is to be treated as a compliance matter at the outset in order to invoke the compliance process procedures rather than decide midway through an inquiry (recommendation 1d) Establish and communicate approval processes for publications, ensuring reports for publication are cleared by line area managers/technical experts and approved for publication by the relevant General Manager. Where the report overlaps line areas within MDBA, all relevant line managers should approve the report and associated release (recommendation 5).	The MDBA will formalise its report development procedure to ensure agency-wide consistency on scope setting, stakeholder engagement and review is conducted. The MDBA has established a Portfolio Management Office to monitor all MDBA projects and activities. It will strengthen project oversight, including risk management. The MDBA will undertake agency-wide awareness training for identifying and handling compliance information in early 2020 and ensure guidance material and training is available for staff (internal recommendation 4). Monitoring by the MDBA to identify potential unauthorised water take will be formalised so that scope, deliverables, referral processes and stakeholders are identified from the onset of a targeted monitoring project.
Strengthen current referral processes with relevant state compliance agencies, including between MDBA and NRAR to ensure the agreed referral process is written in the relevant governance documents including MOU's (recommendation 2).	The MDBA will implement internal policy and procedures for considering the distribution of compliance information outside of the agency, and update agreements with Basin state government agencies where necessary to reflect strengthen referral processes. The MDBA and NRAR are having a workshop in March 2020 on the handling and sharing compliance information.
Improve processes for drafting website material to reduce the risk of unintentional releases, including: - The publication checklist – an updated section in the checklist has been added to include a stakeholder risk assessment; the purpose of the report; whether the document relates to compliance; and if so, handling and dissemination information strictly applies. - Appropriate training in relation to loading and removing web content. - Establishing a detailed process document that helps guide people who are removing publications, including a follow up email to media team and relevant line area to note it has been unpublished, and then additional checks to ensure the publication has been removed (recommendation 3)	The MDBA has implemented changes to the publication process whereby reports are not published until the time they are announced (internal review recommendation 5). The MDBA has also improved processes for downloading documents from the website.

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Interim I-G Report Recommendation	MDBA Response
Provide out of hours website technical support for uploading and removal of material to the MDBA website (recommendation 4).	The MDBA will ensure relevant staff have the required skills and website authorisations to manage web publications, and that technical support is available out of hours.