

Appendix 3: About the audit

Audit objective

To assess the extent to which the Planning Assessment Commission's decisions on major development applications are made in a consistent and transparent manner.

Audit scope and focus

We addressed the audit objective by answering the following questions:

1. Does the Commission have sound processes in place to help it make decisions on major development applications that are informed and made in a consistent manner?
2. Does the Commission ensure that its decisions are free from bias and transparent to stakeholders and the public?

By 'making decisions on major development applications' we mean planning decisions made under the EP&A Act on behalf of the Minister for Planning.

By making decisions 'in a consistent manner' we mean that the Commission is consistent in its approach, not that outcomes are consistent. We acknowledge that the Commission's decisions are ultimately judgments on individual cases.

Audit criteria

For Question 1 we assessed the extent to which the Commission:

- has developed and applies a methodology to help it make decisions on major applications and which is based on the key considerations outlined in the EP&A Act
- has access to relevant information needed to make decisions on major applications, including expert advice where needed
- consults relevant parties where necessary, including the applicant, stakeholders, and the community, and takes their views into account as part of their decision-making process
- has processes in place for allocating panel members to matters which relate to their area of expertise and ensure consistency in decisions.

For Question 2 we assessed the extent to which the Commission:

- has probity measures in place to ensure that decision-making processes are transparent and impartial
- documents the work it undertakes to make decisions, including any meetings with applicants and stakeholders
- ensures that its decision-making processes and the reasons for decisions are clearly communicated to stakeholders and the public.

Audit exclusions

The audit did not specifically assess:

- the appropriateness of individual decisions
- the Commission's advice and review functions
- the Department of Planning and Environment's role in the planning process.

Audit approach

The audit team conducted the audit in accordance with 'ASAE 3500 Performance Engagements and ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information'.

We collected evidence by:

- interviewing staff within the Commission that are responsible for carrying out decisions on applications including:
 - committee members who make decisions on applications
 - the Commission secretariat staff who assist Commissioners make decisions
- interviewing staff within Department of Planning and Environment that are responsible for producing assessment reports
- reviewing policies and procedures relating to the key functions of the Commission
- analysing data from the Commission on planning decisions
- reviewing a sample of case studies
- meeting key stakeholders where necessary as part of our case study review.

We also examined approaches in other Australian states and territories.

Case study file review

We reviewed nine decisions to test our criteria. We selected decisions based on the following factors:

- the date of the decision – must be made in the last two years
- the nature of development application – included a mix of mines/resource applications and urban development
- the referral trigger – our sample of cases covered the three triggers (i.e. at least one each of the following - 25 or more public submissions, local council objection, an applicant donated over \$1,000 to a political party or member of parliament)
- status – matters were finalised and not subject to review by the Land and Environment Court or any other court
- whether the application had been seen by the Commission previously – we selected an application that had been reviewed by the Commission.

Audit methodology

Our performance audit methodology is designed to satisfy Australian Audit Standards ASAE 3500 on performance auditing. The Standard requires the audit team to comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance and draw a conclusion on the audit objective. Our processes have also been designed to comply with the auditing requirements specified in the *Public Finance and Audit Act 1983*.

Acknowledgements

We gratefully acknowledge the co-operation and assistance provided by the Planning Assessment Commission. In particular, we would like to thank the Chair, the Secretariat Director, and the Commissioners and staff who participated in interviews and provided material relevant to the audit.

We would also like to thank our consultant, Mr Terry Byrnes of Terry Byrnes and Associates Pty Ltd, who provided technical guidance during the audit.

Audit team

Sandra Tomasi and Andrew Gill conducted the performance audit. Tiffany Blackett provided direction and quality assurance.

Audit cost

Including staff costs, printing costs and overheads, the estimated cost of the audit is \$291,700.