



# Appendix three – About the audit

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## Audit objective

This audit assessed the extent to which Camden Council and Randwick City Councils 'pre-lodgement' and 'lodgement' stages of the development assessment process align with best practice principles for the effective and efficient determination of development applications.

## Audit criteria

We addressed the audit objective by following the audit criteria:

1. Councils provided pre-lodgement advice to help applicants understand what they need to do for their development application to be processed expeditiously.
2. Councils accepted, notified and referred development applications efficiently to support prompt assessment and determination.
3. Councils calculated, verified, billed and collected development application fees effectively and on a timely basis.

## Audit scope and focus

In assessing the criteria, we checked the following aspects:

- pre-lodgement, lodgement, notification, referral and allocation procedures associated with the initial two stages of the development assessment process
- pre-lodgement services accessed between 1 January 2018 and 30 September 2018
- development applications lodged between 1 January 2018 and 30 September 2018.

## Audit exclusions

The audit did not:

- examine complying developments (a fast-track approval process for straightforward residential, commercial and industrial development where a DA is not required)
- question the merits of government policy objectives.

## Audit approach

Our procedures included:

1. interviewing relevant staff in the selected councils
2. examining NSW and Australian Government data and documents, including legislation, policies, strategies, plans, guidelines and reviews
3. examining Camden and Randwick City Council's websites
4. examining Camden and Randwick City Council's data and documents, including policies, strategies, plans, guidelines and reviews
5. examining business systems used by Camden and Randwick City Councils (including online) used to facilitate and support the development application process
6. observing Council's interactions with applicants
7. walkthroughs and sample testing of key processes
8. interviewing representatives of key stakeholders
9. researching better practice approaches in New South Wales and other jurisdictions where relevant and appropriate

10. assessing Camden and Randwick City Council's performance against best practice approaches, principles, processes and procedures in the following key supporting documentation:
  - a) The 'Development Assessment Best Practice Guide' issued by the Department of Planning and Environment in March 2017.
  - b) The 'Development Assessment Internal Audit Tool' issued by the Independent Commission Against Corruption (ICAC) issued in April 2010.
11. examining the effectiveness of Randwick City Council's online lodgement system.

The audit approach was complemented by quality assurance processes within the Audit Office to ensure compliance with professional standards.

## **Audit methodology**

Our performance audit methodology is designed to satisfy Australian Audit Standard ASAE 3500 Performance Engagements and other professional standards. The standards require 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 requirements specified in the *Public Finance and Audit Act 1983* and the *Local Government Act 1993*.

## **Acknowledgements**

We gratefully acknowledge the co-operation and assistance provided by the liaison officers and other staff at Randwick City and Camden Councils.

## **Audit cost**

The total estimated cost of the audit is \$410,000.