



Appendix two – About the audit

Audit objective

This audit assessed how effectively and economically Campbelltown City Council and Fairfield City Council are managing domestic kerbside waste collection, transportation and processing.

Audit criteria

We addressed the audit objective by assessing the following audit criteria:

1. Councils' activities lead to residents putting recyclable materials into correct recycling bins.
2. Councils have effective and economical arrangements to collect, transport and process domestic kerbside waste to maximise the recycling rates and minimise costs.
3. Councils are increasing the domestic kerbside recycling rate and meeting their targets.

Audit scope and focus

The audit examined domestic waste management and focus on domestic recyclable waste.

Audit exclusions

The audit did not:

- examine the management of:
 - kerbside bulk waste collection (clean ups)
 - illegal dumping
 - littering
 - building and demolition waste
 - problem and hazardous waste
 - liquid waste
- seek to validate data provided by the Councils, but examined their data quality assurance systems
- seek to estimate the contribution each Council made towards meeting the NSW Government targets for diverting waste from landfill and increasing the recycling rate for municipal solid waste
- question merits of government policy objectives.

Audit approach

Our procedures included:

- interviewing:
 - relevant staff in the selected local councils
 - representatives of key stakeholders
- examining:
 - NSW and Australian Government data and documents, including legislation, policies, strategies, plans, guidelines, and reviews
 - Campbelltown and Fairfield Councils' data and documents, including policies, strategies, plans, guidelines, and reviews
 - Campbelltown and Fairfield Councils' service contracts
- researching better practices and other approaches in New South Wales and other jurisdictions where relevant and appropriate.

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 Campbelltown City Council and Fairfield City Council. In particular, we would like to thank our liaison officers and staff who participated in interviews and provided evidence for the audit.

Also, we would like to thank consulted stakeholders for their participation.

Audit cost

Including staff costs, travel and overheads, the estimated cost of the audit is 370,000.