



# Appendix three – About the audit

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## Audit objective

To assess whether the clearing of native vegetation in rural areas is effectively regulated and managed.

## Audit criteria

We addressed the audit objective with the following lines of enquiry:

1. Is land clearing administered effectively and consistently?
  - Adequate guidance and advice is provided to landholders on land clearing and biodiversity
  - A systematic assessment process is in place to approve or reject requests to clear land
  - Adequate resourcing, information, guidance and training is available to staff to support administrative processes
  - Effective processes are in place to ensure approved requests to clear land are carried out in accordance with approvals.
  
2. Is land clearing being effectively regulated and the impacts of clearing counterbalanced with conservation investment?
  - Native vegetation areas requiring protection, areas requiring approval for clearing, and areas exempt from approval are adequately identified and communicated to stakeholders
  - Adequate resourcing, information and training is available to support mapping, monitoring and enforcement activities
  - Illegal land clearing is identified, steps taken to prevent or remediate harm and appropriate enforcement action undertaken
  - Land clearing and its impact on biodiversity are effectively monitored and reported
  - The biodiversity impacts of land clearing in rural areas are being counterbalanced with investment in conserving areas of native vegetation.

## Audit scope and focus

In assessing the criteria, we checked the following aspects.

The scope covered administrative processes for managing land clearing under the *Local Land Services Act 2013* (LLS Act) and the *Land Management (Native Vegetation) Code 2017 and 2018* (the Code). It will also examine relevant enforcement action undertaken under the LLS Act, the *Biodiversity Conservation Act 2016* and previous legislation covering land clearing, such as the *Native Vegetation Act 2003*.

The audit scope included:

- The activities of Local Land Services in identifying and categorising areas of native vegetation, in establishing guidelines and providing advice and information to landholders and developing and implementing administrative processes for managing land clearing.
- The activities of the Office of Environment and Heritage in identifying and categorising areas of native vegetation, including the development of regulatory mapping, and compliance and enforcement activities regarding unlawful clearing. It also examined how OEH estimates the amount of land clearing occurring each year.
- The activities of the Biodiversity Conservation Trust in implementing the Biodiversity Conservation Investment Strategy as a counterbalance to rural land clearing.

## Audit exclusions

The audit did not examine:

- approvals for land clearing in urban areas or for major development under the SEPP (Native Vegetation in Non-rural areas) 2017
- any work undertaken in National Parks and State Forests
- forestry on private lands
- the operation of Biodiversity Offsets Schemes.

## Audit approach

1. Interviewing:
  - key LLS, OEH and BCT staff, including staff at select regional offices
  - representatives of key stakeholder organisations.
2. Examining:
  - legislation, government policies, directions and regulations relating to LLS's role in providing guidance and advice to landholders and processing of applications
  - legislation, government policies, directions and regulations relating to OEH's role in developing and releasing Native Vegetation Regulatory maps and regulation of land clearing
  - LLS guidance to landholders, including publications policies, strategies and procedures
  - agency strategies, plans, policies, reports and procedures for reviewing and administration of authorisations for clearing
  - agency strategies, plans, policies, reports and procedures for Native Vegetation Regulatory mapping and regulation activities
  - agency strategies, plans, policies, reports and procedures for implementing the Biodiversity Conservation Investment Strategy
  - communications between LLS and OEH regarding mapping of land, oversight, management and regulation of land clearing
  - any relevant data pertaining to land clearing, including mapping of land, oversight, management and regulation activities
  - internal audits or reports produced by other bodies / agencies on relevant topics.
3. Analysing data, including:
  - any relevant data pertaining to mapping of land, including satellite imagery
  - any relevant data pertaining to oversight, management and regulation activities.

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 liaison staff in BCT, OEH and LLS.

## Audit cost

Including staff costs and overheads, the estimated cost of the audit is \$326,846.