
Appendix five – About the audit

Audit objective

This audit assessed whether the Department of Climate Change, Energy, the Environment and Water has effectively delivered outcomes to support threatened species and ecological communities across New South Wales.

For the purpose of this audit, ‘threatened species and ecological communities’ includes those listed under Schedules 1 and 2 of the *Biodiversity Conservation Act 2016*.

Audit criteria

We addressed the audit objective by assessing whether DCCEEW has:

1. implemented an effective long-term plan to deliver positive outcomes for threatened species and ecological communities.
2. delivered a statutory Biodiversity Conservation Program that contributes to positive outcomes for threatened species and ecological communities.

Audit scope and focus

In assessing the criteria, we checked the following aspects:

1. Has DCCEEW implemented an effective long-term plan to deliver positive outcomes for threatened species and ecological communities?
 - a) DCCEEW has developed a long-term plan with clear objectives and outcomes for its approach, defined roles and responsibilities and integrated with other government priorities for threatened species and ecological communities.
 - b) DCCEEW has analysed and provided advice to government on the resources required to achieve expected outcomes and maximise impact of its approach.
 - c) DCCEEW coordinates its approach with other activities across the department and across government that impact on the delivery of outcomes.
 - d) DCCEEW coordinates with communities and other stakeholders to plan its activities.
 - e) DCCEEW evaluates and reports on the progress of its activities and approach and uses this to inform long-term strategic planning.
2. Has DCCEEW delivered a statutory Biodiversity Conservation Program that contributes to positive outcomes for threatened species and ecological communities?
 - a) DCCEEW develops and implements its program plans and delivery arrangements consistent with identified priorities.
 - b) DCCEEW monitors and reports on the contribution of this program to threatened species outcomes at a statewide level.
 - c) DCCEEW has mechanisms to respond to program risks, opportunities and dependencies.
 - d) DCCEEW has implemented arrangements to maximise impact between this program and related activities.

This audit focused on the planning and coordination of biodiversity conservation activities to deliver positive outcomes for threatened species and ecological communities at risk of extinction.

Audit exclusions

The audit did not examine:

- The common assessment method and listing criteria used to determine if a species or ecological community is threatened under the *Biodiversity Conservation Act 2016*.
- The compliance and enforcement powers under the *Biodiversity Conservation Act 2016*.
- The design of the Biodiversity Offsets Scheme.
- The operating merits of planning instruments such as the State Environment Planning Policy (Biodiversity and Conservation) 2021 and biodiversity assessment and approval under the *Environmental Planning and Assessment Act 1979*.
- The merits of policy decisions regarding land clearing and regulation of native forestry.
- Conservation programs for threatened fish and marine plans protected under the *Fisheries Management Act 1994*, except to consider relevant governance or coordination with terrestrial threatened species activities.
- Threat abatement strategies of the Department of Primary Industries, except to consider relevant governance or coordination with terrestrial threatened species activities.
- The threatened species recovery activities of Local Land Services under the Commonwealth's Natural Heritage Trust funding program, except to consider relevant governance or coordination with DCCEE's threatened species activities.

The audit did not question the merits of government policy objectives.

Audit approach

Our procedures included:

1. Interviewing:
 - Relevant Department of Climate Change, Energy, the Environment and Water staff.
 - Staff from state government entities that are responsible for managing key threats and delivering conservation actions.
 - Sector stakeholders and subject matter experts.
2. Examining a range of documents held by the Department, including documents about:
 - a) Strategic planning
 - b) Governance and reporting arrangements
 - c) Resourcing allocations, budgets and business cases
 - d) Risk and dependency management
 - e) Communications and engagement activities
 - f) Case studies
 - g) Stakeholder submissions.
3. Examining data from the Saving our Species database.

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

Audit methodology

Our performance audit methodology is designed to satisfy Australian Auditing 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 *Government Sector Audit Act 1983* and the *Local Government Act 1993*.

Acknowledgements

We gratefully acknowledge the cooperation and assistance provided by the Department of Climate Change, Energy, Environment and Water. In particular, we wish to thank the audit liaison officers, and the staff from DCCEEW who participated in audit interviews and provided materials relevant to the audit. We are also grateful to the range of stakeholders who contributed time and expertise to the audit.

Audit cost

The cost of the audit was approximately \$550,000 including staff costs and overheads.