## Appendix one – Response from agency

## Department of Planning and Environment



Our Reference: Your Reference: Contact: Phone: A861932 D2305651/PA6698 Karin Bishop

Ms Margaret Crawford NSW Auditor General

Via email: mail@audit.nsw.gov.au

Dear Ms Crawford

## Response to Audit Office Report – Performance Audit on the Regulation and Monitoring of Local Government

Thank you for the opportunity to respond to the NSW Auditor General's Report of the Performance Audit on the Regulation and Monitoring of Local Government within the Department of Planning and Environment.

The Office of Local Government (OLG) notes the comments made in relation to its role as a regulator of the local government sector and welcomes the opportunity to identify ways to strengthen our effectiveness in this area.

Many of the points raised by the report highlight long standing legacy issues that are already being addressed by the OLG through the introduction of new proactive and risk-based monitoring and assessment activities, a renewed focus on compliance and improved data gathering and analysis. Much work, however, remains.

This is a critical time for the local government sector, and OLG's regulatory role will also be guided by major sector-wide reforms currently underway such as the IPART rate peg review, the review of the councillor misconduct framework and a review of councils' performance benchmarking and financial modelling.

We will carefully review the recommendations from the report and implement further improvements over the next 12 months. The report and its recommendations will also assist in the implementation of OLG's new Strategic Plan and provide useful guidance as we review and refocus our operations to align with the priorities of the new Government.

I would be most happy to further discuss our ongoing program of work. I can be contacted on

Yours sincerely

Kiersten Fishburn

A/Secretary, Department of Planning and Environment

19 May 2023