
Appendix two – About the audit

Audit objective

This audit assessed how effectively the NSW Government provided emergency and temporary housing in response to the early 2022 Northern Rivers and late 2022 Central West flood events.

Audit criteria

We addressed the audit objective with the following audit criteria:

- Prior to the flood events the agencies effectively planned for the provision of accommodation and housing.
 - The NSW Recovery Plan and related plans identify roles and responsibilities to address accommodation and housing needs resulting from a flood event.
 - Agency-specific accommodation and housing response plans include actions required before, during and after flood events, and align with whole-of-government plans.
 - The agencies fulfilled any planned activities prior to the flood events.
- The agencies provided accommodation and housing to meet the needs of affected communities in response to the flood events.
 - Governance structures were in place to support effective coordination between agencies and the provision of emergency accommodation and temporary housing.
 - The agencies engaged effectively with flood-affected communities and other key stakeholders to understand and respond to their accommodation and housing needs and adapted activities accordingly.
 - The agencies coordinated and carried out accommodation and housing response activities to ensure that community needs were met.
- The agencies are effectively capturing lessons learned in relation to their provision of accommodation and housing as part of the flood response.
 - The State Emergency Management Committee (SEMC) and relevant agencies used lessons learned from previous disasters to inform the provision of emergency accommodation and temporary housing in these flood events.
 - The SEMC and relevant agencies have implemented mechanisms to capture lessons learned including formal evaluation processes.
 - The agencies have adjusted their plans for future disaster events based on the evaluations and lessons learned.

Audit scope and focus

The audit focused on the development of plans to guide the accommodation and housing response, the effectiveness of completing planned activities to meet the needs of flood affected communities and evaluation activities conducted.

The audit scope included:

- the NSW Recovery Plan and other government and agency-level plans
- governance arrangements and risk management activities performed
- the provision of emergency accommodation and temporary housing for flood affected communities
- lessons learned and evaluation activities completed by all agencies.

Audit exclusions

The audit did not seek to:

- examine other forms of response from the audited agencies
- examine the activities of other agencies, except insofar as they formed part of project governance
- examine the long-term housing response.

Audit approach

The audit team conducted the audit in accordance with ASAE 3500 'Performance Engagements' and ASAE 3000 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information'. The standards require the audit team comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance and draw a conclusion on the audit objective.

Our procedures included:

- Interviewing key staff at the NSW Reconstruction Authority, the Department of Communities and Justice, Premier's Department, the Department of Regional NSW and the Department of Planning and Environment, including:
 - staff responsible for planning activities related to the provision of emergency accommodation and temporary housing
 - staff responsible for the provision of emergency accommodation and temporary housing
 - staff responsible for evaluation activities relating to the provision of emergency accommodation and temporary housing.
- The audit team conducted fieldwork trips to the Northern Rivers and Central West.
- Examining key sources of documentation including:
 - government and agency-level plans
 - risk register and risk reporting
 - briefings to senior executives and Ministers
 - site selection process documentation, including assessment outcomes
 - decision-making documentation
 - meeting papers and minutes
 - evaluations and lessons learned 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 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 staff of the NSW Reconstruction Authority, the Department of Communities and Justice, Premier's Department, the Department of Regional NSW and the Department of Planning and Environment.

Audit cost

The estimated cost of this audit including disbursements is \$630,000.