
Appendix three – About the audit

Audit objective

The audit assessed the effectiveness of the Fast-tracked Assessment Program. Effectiveness was defined for this audit as:

- planning outcomes were not comprised due to the fast-tracked assessment
- program objectives were achieved:
 - the fast-tracked planning proposals and DAs proceeded to the next stage of development within six months of determination
 - the fast-tracked assessment process provided a suitable foundation for development of medium and longer-term planning acceleration.

Audit criteria

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

1. The selection of projects and planning proposals for fast-tracking was objective and transparent.
2. Planning controls ensured the assessment process delivered optimal planning outcomes.
3. Objectives of the fast-tracked assessment process were achieved.

Audit scope and focus

In assessing the criteria, we checked the following aspects:

1. The selection of projects and planning proposals for fast-tracking was objective and transparent.
 - a) DAs and planning proposals were selected based on clear and measurable criteria.
 - b) Conflicts of interest were managed and addressed effectively.
 - c) Applicants with projects or planning proposals not selected for fast-tracking were advised of the reasons.
2. Planning controls ensured the assessment process delivered optimal planning outcomes.
 - a) Assessment was carried out according to the requirements of the relevant planning instruments.
 - b) Relevant stakeholders were consulted as required by the NSW planning framework.
 - c) Determinations were approved in line with delegations.
3. Objectives of the fast-tracked assessment process were achieved.
 - a) Fast-tracked DAs proceeded to construction within six months.
 - b) Fast-tracked planning proposals proceeded to development application within six months.
 - c) DPIE assessed the Fast-tracked Assessment Program and incorporated recommendations into the Priority Assessment Program and Horizons Projects.

The audit focused on tranches three to six of the program, which were determined between July 2020 and October 2020. The rationale for focusing on these four tranches was that the program design had been slightly modified after the first two tranches to address identified risks.

The audit was informed through a detailed examination of seven fast-tracked DAs and five planning proposals. This sample was selected to include:

- government and private applicants
- planning proposals and DAs expected to generate the largest number of jobs as reported by DPIE
- planning proposals and DAs with high value
- a mix of different types of DAs including transport, mining, education, housing and commercial developments
- representation from all four tranches included in the audit scope.

The audited agency is the Department of Planning, Industry and Environment (DPIE).

Audit exclusions

The audit did not:

- re-assess DAs or planning proposals
- question the merits of government policy objectives.

Audit approach

Our procedures included:

1. interviewing DPIE officers who were involved in the program
2. examining documents:
 - a) relevant legislation, regulations and policies
 - b) DAs and planning proposals and associated documents
 - c) assessment and determination reports
 - d) program design documents
 - e) correspondence between DPIE and applicants
 - f) internal DPIE reporting and reports to the Minister
 - g) media releases
 - h) minutes of meetings
 - i) delegations
 - j) conflict-of-interest declarations.

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 *Government Sector Audit Act 1983* and the *Local Government Act 1993*.

Acknowledgements

We gratefully acknowledge the co-operation and assistance provided by DPIE staff.

Audit cost

Total cost of this audit including disbursements is estimated to be \$172,000.