



# Implementing a coastal management program

Preparing for a performance audit

Department of Climate Change,  
Energy, the Environment and Water





## Acknowledgement of Country

Department of Climate Change, Energy, the Environment and Water acknowledges the Traditional Custodians of the lands where we work and live.

We pay our respects to Elders past, present and emerging.

This resource may contain images or names of deceased persons in photographs or historical content.

© 2025 State of NSW and Department of Climate Change, Energy, the Environment and Water

With the exception of photographs, the State of NSW and Department of Climate Change, Energy, the Environment and Water (the department) are pleased to allow this material to be reproduced in whole or in part for educational and non-commercial use, provided the meaning is unchanged and its source, publisher and authorship are acknowledged. Specific permission is required to reproduce photographs.

Learn more about our copyright and disclaimer at [www.environment.nsw.gov.au/copyright](http://www.environment.nsw.gov.au/copyright)

Cover photo: Murramarang National Park. John Spencer/DCCEEW

Published by:

Environment and Heritage

Department of Climate Change,

Energy, the Environment and Water

Locked Bag 5022, Parramatta NSW 2124

Phone: +61 2 9995 5000 (switchboard)

Phone: 1300 361 967 (Environment and Heritage enquiries)

TTY users: phone 133 677, then ask for 1300 361 967

Speak and listen users: phone 1300 555 727, then ask for 1300 361 967

Email [info@environment.nsw.gov.au](mailto:info@environment.nsw.gov.au)

Website [www.environment.nsw.gov.au](http://www.environment.nsw.gov.au)

ISBN 978-1-923436-04-6

EH 2025/0069; May 2025

Find out more at:

[environment.nsw.gov.au](http://environment.nsw.gov.au)

# Contents

1.	Introduction	1
1.1	Purpose of this document	1
1.2	Summary of the performance audit framework	2
1.3	Overview of the performance audit process	2
2.	Legislative context	4
3.	Benefits to a local council	5
4.	What a performance audit is	6
5.	Why we conduct performance audits	7
6.	The performance audit process	8
6.1	How CMPs are selected for a performance audit	8
6.2	What a performance audit assesses	8
6.3	Performance audit criteria	9
6.4	Performance audit roles and responsibilities	13
6.5	Phases of the performance audit	14
6.6	How to prepare for a performance audit	16
6.7	How audit findings are reported	17
6.8	How local councils respond to a performance audit	18
7.	Capacity building	19
8.	Continuous improvement	20
9.	Performance audit framework review	21

# List of figures

Figure 1	CMP performance audit framework criteria	9
Figure 2	Criteria A sub-criteria and potential evidence	11
Figure 3	Criteria B sub-criteria and potential evidence	12
Figure 4	Criteria C sub-criteria and potential evidence	13
Figure 5	CMP performance audit process	16

# 1. Introduction

In New South Wales, the *Coastal Management Act 2016* (the Act) establishes the overarching objects for coastal management and the statutory requirements for coastal management programs (CMPs). CMPs are prepared by local councils to set the long-term strategy for the coordinated management of the coast, with a focus on achieving the objects of the Act.

Under section 26 of the Act, the minister responsible for the Act may ask the NSW Coastal Council to conduct a performance audit of the implementation of a local council's CMP. See Figure 5 for the performance audit process and associated key milestones.

The purpose of a performance audit is to determine whether a local council is effectively implementing a CMP, and to identify opportunities for local council capacity building. Audit findings and conclusions identify factors affecting implementation of the CMP. The audit may also include recommendations for improving the delivery of the CMP.

An audit provides assurance on the extent to which public money has been used to meet expectations, and whether the local council is delivering its CMP effectively, efficiently and economically in compliance with all relevant laws.

Not all CMPs will be audited. A risk-based 'audit by exception' approach is used to select CMPs and establish the scope of the performance audit.

## 1.1 Purpose of this document

The aim of this document is to help local councils understand more about CMP performance audits, including how they can gain maximum value from an audit and ensure the process runs smoothly.

The scope and scale of a performance audit may vary depending on the individual local council, the nature of its CMP, and the stage of the CMP's implementation.

This document is a general guide to a CMP performance audit and is indicative only. It sets out:

- the general process and timeframe for a CMP performance audit and what it would examine
- the benefits of proactive and early preparation for a CMP performance audit
- how to leverage existing local council governance, systems and processes to ensure performance audit documentation and evidence is readily available ahead of time
- how to align performance audit recommendations with internal audit and risk committee processes
- potential considerations and requirements.

## 1.2 Summary of the performance audit framework

Performance audits do not question the merits of a CMPs objectives; rather, they assess how well the objectives are being achieved.

Performance audits provide independent assurance to the NSW Parliament and the public on whether a local council is effectively implementing its CMP.

The CMP performance audit framework aims to assess a local council's effective implementation of a CMP across 3 criteria (Figure 1):

- A Implementation of actions and progress towards outcomes
- B Implementation planning, monitoring and reporting
- C Opportunities for capacity building.

These criteria align with the following questions:

- Have CMP actions been effectively implemented, and has delivery achieved or is likely to achieve stated objectives of the CMP?
- Has the local council effectively planned, delivered and reported CMP actions to give effect to stated objectives in the CMP?
- Are there opportunities, including for local council capacity building, to improve the effectiveness of CMP implementation?

The criteria have sub-criteria that reflect different time scales – early to mid (0 to 5 years) and late (5 to 10 years) stages of CMP implementation.

## 1.3 Overview of the performance audit process

The CMP performance audit process follows a 6-phase approach detailed in Section 6.4, Figure 5. The audit process is designed in accordance with best practice and aims to ensure timely examination and completion.

While local councils help with the performance audit by timely providing information or records required by the NSW Coastal Council to conduct the audit, there will be no cost to them. The cost of a CMP performance audit is borne by the NSW Government.

Independent experts appointed by members of the NSW Coastal Council will undertake performance audits in accordance with the Australian auditing standards that provide best practice recommendations for consideration.

Once completed, the final performance audit report is submitted to the minister administering the Act. Within 3 months of the end of each calendar year, the minister will arrange for the performance audit report to be tabled in both houses of parliament; it is a public document.

Once the report is finalised, local councils are encouraged to prepare a response plan that details how they intend implementing performance audit recommendations over a 24-month period. The response plan should be prepared within 3 months of the final performance audit report.

Outcomes from the performance audit process, where appropriate, may be integrated into the CMP performance audit framework to help improve the delivery of coastal management in New South Wales.



**Camp Cove, Watsons Bay, harbour side of South Head, Sydney Harbour National Park. Photo: John Yurasek/DCCEEW**



## 2. Legislative context

The NSW Government's coastal management framework provides strategic and legislative direction for managing the coastal zone.

The Act and coastal management manual establish the statutory and mandatory requirements for CMPs. A summary of these requirements is included in the Coastal Management Program Checklist (DPIE 2020) and NSW Coastal Management Manual Part A (OEH 2018).

- [Coastal management manual](#)
- [Coastal Management Program Checklist \[PDF 1.2MB\]](#)
- [NSW Coastal Management Manual Part A \(OEH 2018\)](#)

Further legislative requirements for CMPs that relate to performance audits and the NSW Coastal Council's role in conducting them are set out under [Part 4](#) of the Act.

[Section 25](#) of the Act outlines the functions of the NSW Coastal Council which includes providing advice about performance audits.

[Section 26](#) of the Act includes specific provisions for performance audits of the implementation of CMPs. It enables the minister to ask the NSW Coastal Council to conduct a performance audit of the implementation of a CMP of a local council.

Section 26 also requires a performance audit report provided to the minister to be tabled in each house of parliament, making the report public:

The NSW Coastal Council, at the request of the minister, is to conduct a performance audit of the implementation of a coastal management program of a local council.

[Section 22](#) of the Act sets out specific obligations of local councils in the implementation of a CMP.

[Section 23](#) of the Act establishes other public authorities other than local councils to have regard to the coastal management program and coastal management manual.



### 3. Benefits to a local council

The CMP performance audit framework is designed to provide confidence on the extent to which a council is giving effect to its CMP and, in doing so, is having regard to the objects of the Act.

The performance audit process allows councils to consider the most pressing challenges they face implementing their CMPs. It is evidence-based and enables local councils to:

- integrate industry best practice
- apply due diligence that reflects the level of risk and complexity of CMP actions
- leverage independent and external experts, who can examine CMP implementation barriers and risks and provide advice and decision pathways on how to navigate them
- identify priority changes that may need to be considered by the local council executive
- implement performance audit recommendations that would strengthen CMP implementation
- identify mechanisms for escalating and resolving barriers to the implementation of CMPs.

To ensure performance audits benefit NSW coastal management policy and practice more broadly:

- the audit process identifies and informs local council capacity-building opportunities for NSW coastal management practitioners
- the lessons learnt may be proactively integrated into the NSW coastal management framework, including local council technical guidance and support.

## 4. What a performance audit is

CMP performance audits are an independent and objective assessment of the implementation of a CMP and how effective the council has been in delivering agreed actions.

A performance audit may also provide recommendations on areas where improvements can be made to aspects of the implementation of a CMP to help a local council improve performance on delivering intended actions.

The CMP performance audit is focused primarily on effectiveness (the extent to which intended actions and outcomes were achieved). Within this primary focus, an audit may also include considering:

- efficiency (maximising the ratio of outputs to inputs)
- economics (minimising cost)
- legislative and policy requirements.

A performance audit does not provide comments on the merits of management actions in a CMP.

## 5. Why we conduct performance audits

The purpose of undertaking a CMP performance audit is to determine the extent to which a local council is effectively implementing a CMP and to identify opportunities for capacity building.

To enable conclusions to be drawn against the purpose of completing a CMP performance audit, 3 areas of assessment have been established with specific criteria and sub-criteria outlined in Section 6.3.



Kayaking along the Hawkesbury River. Photo: Rosie Nicolai/DCCEEW

## 6. The performance audit process

Aside from in-kind contributions, there is no cost to local councils. The cost of a CMP performance audit is borne by the NSW Government.

### 6.1 How CMPs are selected for a performance audit

It is not practical, economically viable or materially beneficial to audit all CMPs. CMPs are selected for a performance audit by the minister using a risk-based 'audit by exception' approach.

The local council responsible for a CMP is formally notified about a CMP performance audit under section 26 of the Act once the minister has asked the NSW Coastal Council to undertake the audit and the scope or focus of the audit has been determined.

### 6.2 What a performance audit assesses

The CMP performance audit framework outlined below is not a step-by-step guide. It outlines what a performance audit may assess to ensure the legislative requirements of the Act are met.



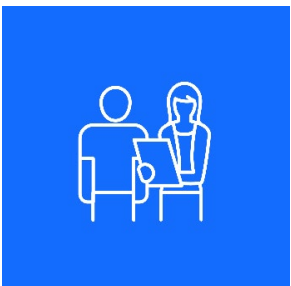
The following guidance should be interpreted as a minimum requirement only. The scope of an audit is defined by the minister and may contain similar or additional criteria. The audit scope is defined by section 26 of the Act and by the timeframe, geographic area, and actions the local council has adopted in its CMP.

Each audit is different because its scope is framed by the particular context of the CMP. Considerations include the number of local government organisations involved, the scope and geographic scale (for example, open coast, estuary or a combination), the complexity of public and private interests, and the resources a local council may employ while implementing a CMP.



## 6.3 Performance audit criteria

The CMP performance audit framework assesses local council's effective implementation of CMPs across the following 3 criteria (Figure 1).

	<b>A Implementation of actions and progress towards outcomes</b>	Have CMP actions been effectively implemented, and has delivery achieved or is likely to achieve stated objectives of the CMP?
	<b>B Implementation planning, monitoring and reporting</b>	Has the local council effectively, planned, delivered and reported CMP actions to give effect to stated objectives of the CMP?
	<b>C Opportunities for capacity building</b>	Are there opportunities, including for local council capacity building, to improve the effectiveness of CMP implementation?

**Figure 1** CMP performance audit framework criteria

The criteria and associated sub-criteria provide standard benchmarks. They are applied to evaluate the extent to which local council CMP implementation is effective and to identify any capacity-building opportunities.

The sub-criteria provide specific direction for the CMP's evaluation according to its implementation stage (status) using 2 time scales:

- early to mid CMP implementation stage (0 to 5 years)
- late-stage CMP implementation (5 to 10 years).

In addition to key council staff and program partner interviews, examples of evidence used by auditors to assess the extent to which a council meets the criteria are outlined below under the checklist headings.


This list of potential evidence (documents and records) is not exhaustive and should be used as a guide only. We recommend that councils have the governance, systems and processes in place to ensure this information is readily available in anticipation of an audit.



**Manning River. Photo: John Lugg/DCCEEW**

## Criteria A – Implementation of actions and progress towards outcomes


Figure 2 illustrates how a performance audit would examine the extent to which a local council's CMP actions have been effectively implemented and the likelihood the CMP objectives will be achieved.

<b>Criteria A</b>	<b>Implementation of actions and progress towards outcomes</b>	Have CMP actions been effectively implemented, and has delivery achieved or is likely to achieve stated objectives of the CMP?
	<b>Early to mid stage 0–5 years</b>	<ul style="list-style-type: none"> <li>• Actions have been completed in line with the timeframes and priorities of the CMP business plan</li> <li>• The local council can demonstrate that key investments of the CMP are cost-effective</li> <li>• Existing actions are still appropriate to address the CMPs' key management issues</li> </ul>
	<b>Mid to late-stage 5–10 years</b>	<ul style="list-style-type: none"> <li>• Actions have achieved their intended outcome and addressed the identified key management coastal issues</li> <li>• Key investments are likely to deliver net social, environmental and financial benefit</li> </ul>
	<b>Checklist: potential evidence required</b>	<ul style="list-style-type: none"> <li>• Key council staff and program partner interviews</li> <li>• NSW Coastal Council survey response</li> <li>• Information from the Department of Climate Change, Energy, the Environment and Water including the department's assessment of local council's CMP scoping study and CMP certification</li> <li>• The department's and local council's CMP implementation progress reporting, including delivery and financial management</li> <li>• Local council executive and operational management committee meeting minutes and reporting</li> <li>• Coastal and Estuary Grants Program applications, funding agreements, variations and milestone reporting</li> <li>• CMP actions and/or financial payments</li> <li>• Program partner reporting demonstrating progress towards intended CMP outcomes</li> <li>• CMP monitoring, evaluation and reporting program</li> </ul>

**Figure 2** Criteria A sub-criteria and potential evidence

## Criteria B – Implementation planning, monitoring and reporting

Figure 3 illustrates what a performance audit would examine to determine the extent to which a local council has planned, monitored and reported CMP actions and the likelihood objectives will be achieved.


<b>Criteria B</b> 	<b>Implementation planning, monitoring and reporting</b>	Has the local council effectively, planned, delivered and reported CMP actions to give effect to stated objectives of the CMP?
<b>Implementation timeline</b>	<b>Early to mid stage 0–5 years</b>	<ul style="list-style-type: none"> <li>• CMP actions have been given effect in the local council's preparation, development and review of, and the contents of, the plans, strategies, programs and reports, including commitment of sufficient funding to facilitate implementation</li> <li>• The local council has established a monitoring, evaluation and reporting program, with suitable indicators of CMP actions that are reported in the local council's annual reports</li> <li>• The local council has prepared planning proposals and development control plans that give effect to the CMP</li> </ul>
	<b>Mid to late-stage 5–10 years</b>	<ul style="list-style-type: none"> <li>• The local council has identified and is managing risks to delivery of the CMP</li> </ul>
<b>Checklist: potential evidence required</b>	<ul style="list-style-type: none"> <li>• Key council staff and program partner interviews</li> <li>• CMP actions readily identified and integrated into local council's Integrated Planning and Reporting (IP&amp;R) framework:               <ul style="list-style-type: none"> <li>○ community plans</li> <li>○ strategic plans</li> <li>○ resourcing strategies</li> <li>○ delivery programs</li> <li>○ operational plans</li> </ul> </li> <li>• Local council annual reports identifying CMP progress relative to the local council business plans</li> <li>• Strategic planning and local development data recorded on the NSW Planning Portal and local council's e-planning and records management system including:               <ul style="list-style-type: none"> <li>○ Planning proposals and development control plans in the coastal zone – number, type and relevant provisions</li> </ul> </li> </ul>	

**Figure 3** Criteria B sub-criteria and potential evidence



## Criteria C – Opportunities for capacity building

Figure 4 illustrates how a performance audit may evaluate the assessment and findings of the first 2 criteria to identify possible opportunities for capacity building and to improve the effectiveness of CMP implementation.

<b>Criteria C</b> 	<b>Opportunities for capacity building</b>	Are there opportunities, including for local council capacity building, to improve the effectiveness of CMP implementation?
<b>Implementation timeline</b>	<b>Mid to late-stage 5–10 years</b>	<ul style="list-style-type: none"> <li>• Opportunities to improve local council's effective implementation of CMP actions and progress towards stated objectives of the CMP</li> <li>• Opportunities to improve local council's effective implementation of CMP planning and reporting</li> </ul>
<b>Checklist: potential evidence required</b>	<ul style="list-style-type: none"> <li>• CMP action planning determinations – number, approval type and relevant conditions</li> <li>• Local council executive meeting (internal and external e.g. partner agencies) terms of reference, minutes, correspondence and reporting</li> <li>• Key council staff and program partner interviews</li> <li>• Risk management policy and CMP risk documentation</li> <li>• Performance audit findings in accordance with criteria A and B and associated sub-criteria</li> </ul>	

**Figure 4** Criteria C sub-criteria and potential evidence

## 6.4 Performance audit roles and responsibilities

The 3 main parties to a CMP performance audit are the auditor, the auditee and the intended users. The auditor is the NSW Coastal Council, the auditee is the local council being audited, and the intended users are the minister, the NSW Parliament, and the public.

### NSW Coastal Council (auditor)

The NSW Coastal Council appoints an independent service provider to carry out the necessary tasks to fulfill the requirements of a performance audit. Audits are conducted by 2 independent, external experts comprising a lead and support auditor.

The role of the NSW Coastal Council in a performance audit is as a steering committee providing oversight, review and endorsement of the performance audit process and final

report. The NSW Coastal Council exercises its functions under section 25(2)(b) of the Act to 'seek independent expert advice on technical, scientific, legal and policy matters'.

### Local council (auditee)

Once a performance audit request from the minister has been established, the local council involved in the performance audit is required to appoint an audit liaison officer or team and a nominated person who holds appropriate delegation, authority and accountability for decision making on behalf of the local council.

The role of a local council's audit liaison officer and local council's authorised delegate is to work with the auditor to provide timely and appropriate background information and records necessary to enable the performance audit to be completed. This may also involve coordinating and participating in auditor interviews. A local council can also review the performance audit through a right-of-reply process (see Section 6.8).

Where appropriate, other public authorities involved in the implementation of a CMP, as prescribed by section 23 of the Act, may also be asked to participate in a performance audit.

### Minister, Parliament and public (intended users)

At the completion of the performance audit process, the NSW Coastal Council submits the audit report to the minister for consideration. It is then necessary for the minister to table the performance audit report to each house of parliament. At this point, the performance audit report becomes public information, within 3 months of the end of the calendar year.

## 6.5 Phases of the performance audit

Once the requirement for a CMP performance audit has been established by the minister under section 26 of the Act, a specific process is followed to enable an audit report to be prepared and then tabled in NSW Parliament.

The 6 phases of a CMP performance audit process are illustrated in Figure 5.

## Planning phase

---

1



### 1 Request for performance audit

- Minister requests a CMP performance audit

2



### 2 Planning

- Minister defines the performance audit scope
- The audit specific Terms of Reference and audit work plan are developed
- The audit provider is engaged
- An Inception meeting with the audit provider is held to agree on the audit work plan including responsibilities, governance, timeframes and deliverables
- The local council (auditee) is formally notified and engaged
- A meeting is held to confirm the terms of reference and agree on the audit scope

3



### 3 Engagement, evidence and analysis

- Audit provider analyses CMP and local council operating environment
- Audit provider identifies and requests appropriate and sufficient evidence
- Local council provides requested evidence, in digital format, within 2 weeks of the audit provider's request
- Audit provider reviews and analyses local council evidence
- Audit provider interviews relevant local council elected officials, executive, staff and external stakeholders
- Audit provider sends work-in-progress review to NSW Coastal Council (auditor)
- Audit provider shares draft audit report with local council, including preliminary findings
- Audit provider, local council and NSW Coastal Council meet to discuss audit recommendations and opportunities for local council capacity building

4



### 4 Performance audit report finalisation

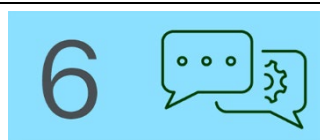
- Audit provider provides draft final report to the local council
- Council sends formal response to the report to the audit provider
- Audit provider sends draft final report to NSW Coastal Council
- NSW Coastal Council reviews and approves final report

5



### 5 Performance audit report tabling in NSW Parliament

- NSW Coastal Council provides advice and recommendations relating to the performance audit report to the minister
- Minister tables the audit report in both houses of parliament
- Audit report becomes a public document



## **6 Monitoring of opportunities and recommendations**

- Local council prepares and submits an audit response plan to the NSW Coastal Council and the department within 3 months of final draft report being prepared
- Local council implements critical recommendations within 3 months, essential within 6 months, and suggested within 12 months
- Local council monitors progress with implementation of their response plan and reports biannually to the department

**Figure 5 CMP performance audit process**

## **6.6 How to prepare for a performance audit**

CMPs provide an overview of how and when coastal management actions are to be implemented under the council's Integrated Planning and Reporting (IP&R) framework and the land-use planning system. As a minimum, a CMP includes a business plan of all proposed actions identified throughout the CMP and the recommended timing of proposed actions.

The IP&R reporting system (including annual operational reporting and longer-interval strategic reporting) provides the opportunity to formally report on monitoring the implementation of a CMP and its outcomes.

Local councils should consider what information and evidence may be required as part of a performance audit when developing the monitoring, evaluation and reporting program for a CMP. This helps ensure an appropriate CMP governance, implementation and reporting structure is in place to assist local councils when preparing for a performance audit.

In general, the evidence sources relevant to a CMP performance audit relate to strategic background documents and operational information. The strategic sources of information that are important to assist with completing a performance audit include documents related to the IP&R framework such as the council's Community Strategic Plan, Resourcing Strategy, Delivery Program and Operational Plan and other strategies and plans.

Other more specific evidence sources include:

- administrative and financial records associated with CMP implementation
- organisational reporting outputs under the IP&R framework
- governance information associated with CMP implementation
- reporting outputs associated the requirements of CMP funding mechanisms, for example the NSW Coastal and Estuary Grants Program
- details that relate to implementing specific CMP actions including procurement and financial information.

Before a performance audit starts, local council staff should:

- understand the objectives, scope and timing of the audit – these are outlined in the audit plan



- review relevant strategies, plans, and datasets to make sure they are up-to-date and readily available
- compile relevant monitoring and reporting documentation on the implementation of the CMP to be audited and have any reviews or recent self-assessment results available
- check that staff likely to be needed will be available at the times set out in the audit plan.

Importantly, local councils should also determine how they will communicate:

- internally regarding the audit
- with other public authorities where appropriate.

The local council audit liaison officer or team needs to keep internal stakeholders informed of the audit's progress at critical points in the process.

## 6.7 How audit findings are reported

Each performance audit report includes an overarching conclusion, a series of key findings followed by a number of time-based recommendations detailing how to improve the service delivery and implementation of a CMP. It may also include best practice advice.

In addition, the report includes:

- the legislative context
- key roles and responsibilities
- audit objective, criteria, scope, focus, exclusions, approach and method
- a summary of the audit process employed by the auditors.

Before finalising the audit report, the auditors prepare a preliminary or draft report to give local councils an opportunity to correct matters of fact and ensure the report is balanced and fair. Local councils will have an opportunity to submit a written response. This is usually included in the final report which is tabled in NSW Parliament.

Report recommendations are time-based and should be implemented completed within the following specified time periods:

- 12 months – this item is critical and urgent. The local council should act immediately to address the concerns.
- 18 months – the recommendation is important but not urgent. The local council should act before further key decisions are taken.
- 24 months – the recommendation is not considered critical or urgent, but the CMP's implementation may benefit from implementing this recommendation.

Exceptions to the timing of implementing recommendations, must be negotiated with the department.

By accepting the report's recommendations, the local council agrees to resolve gaps in performance and improve the implementation of the CMP within the established timeframes.

## 6.8 How local councils respond to a performance audit

Responses to each recommendation need to be captured in a CMP performance audit response plan. The response plan should be prepared and finalised by the local council and signed by the local council audit and risk committee. The response plan documents the local council's right-of-reply to the performance audit findings and recommendations.

The CMP performance audit response plan should be submitted to the NSW Coastal Council and the department within 3 months of the date of the final draft of the CMP performance audit report.

The response plan outlines the actions the council will undertake in response to the performance audit recommendations. If any of the recommendations are not supported by the local council, this should be justified in the response plan.

The local council should respond to each recommendation using the time-based classifications included in the audit report: 12, 18 and 24 months (Section 6.7). Exceptions to the timing of implementing recommendations should be negotiated with the department.

### Responses to the audit recommendations

**Accept:** the local council will take steps to implement this recommendation.

**Accept in principle:** the local council agrees with the recommendation, but further investigation is needed to determine the plausibility of implementing it.

**Not supported:** the local council has considered the recommendation and has determined that the recommendation is not relevant. Justification is provided.

The local council then implements the audit recommendations, monitors this progress, and documents it with biannual reporting, with oversight by the department.

## 7. Capacity building

Performance audits may form the evidence base for identifying capacity-building opportunities. The auditors identify these opportunities to collectively improve local council implementation of CMPs and the NSW Government's delivery of the NSW coastal management framework.

Capacity-building solutions are collated by performance auditors during and after the audit process. These may be drawn from several sources, including:

- local council stakeholder interview responses
- observations on how the local council representative responds to requests during the audit process
- findings and recommendations in the audit report
- responses made by local councils about specific recommendations.

Although performance audit recommendations are specific to local council auditees, the learnings from a performance audit may be applicable to other local councils situated along the NSW coast. Where applicable, findings may also be integrated into delivery of the NSW coastal management framework, including the CMP performance audit framework.

## 8. Continuous improvement

The performance audit framework identifies areas of good practice and opportunities for improvement. These inform a continuous improvement process for both existing and future work through lessons learnt. By adopting a continuous improvement approach, the department strives to improve its approach to the implementation of the NSW coastal management framework and local council CMP technical guidance and support.

By committing to continuous improvement, the department has access to better intelligence to aid the design, resourcing, and delivery of the NSW coastal management framework. Common barriers, risks and issues associated with the implementation of CMPs can be identified and addressed quickly, increasing opportunities to successfully deliver outcomes.



## 9. Performance audit framework review

The NSW Government will review this framework at least 2 years from its initial adoption, or sooner if required.



**Smokey Cape, South West Rocks. Photo: Jessica Robertson/DCCEEW**