

# APPENDIX C

## Scope of this audit

### Objective

We looked at whether the OCR effectively regulates timber harvesting operations.

#### Who we examined

#### Its key responsibilities

OCR (within DELWP)

OCR is responsible for monitoring timber harvesting compliance in state forests and enforcing legislation.

### What we examined

We examined whether OCR effectively monitors and enforces compliance with timber harvesting regulations through its assessment of forest reports and investigations.

### How we assessed performance

To form our conclusion against our objective we used the following lines of inquiry and associated evaluation criteria.

#### Line of inquiry

#### Criteria

Does OCR effectively monitor compliance with timber harvesting regulations?

1. OCR's information systems and tools provide key intelligence to inform its regulatory approach.
2. OCR uses a risk-based approach for conducting inspections, audits, investigations and assessments of forest reports (complaints) into timber harvesting operations.
3. OCR comprehensively reports on its performance and evaluates the effectiveness of its monitoring activities to drive continuous improvement.

Does OCR effectively enforce compliance with timber harvesting regulations?

1. OCR's use of its enforcement powers is timely, proportionate and consistent with OCR's statement of regulatory intent and compliance and enforcement policy.
2. OCR comprehensively reports on its performance and evaluates the effectiveness of its enforcement activities to drive continuous improvement.

## Our methods

As part of the audit we:

- reviewed timber harvesting compliance policies, legislation and guidelines
- analysed OCR's procedures for assessing forest reports and investigating allegations of noncompliance
- assessed key data systems used to monitor and enforce timber harvesting noncompliance
- interviewed key staff.

We conducted our audit in accordance with the *Audit Act 1994* and ASAE 3500 *Performance Engagements* to obtain reasonable assurance to provide a basis for our conclusion.

We complied with the independence and other relevant ethical requirements related to assurance engagements.

We also provided a copy of the report to the Department of Premier and Cabinet.

## Cost and time

The full cost of the audit and preparation of this report was \$520,000. The duration of the audit was 6 months from initiation to tabling.