

**Supplementary
Submission
No 6a**

**EXAMINATION OF THE AUDITOR GENERAL'S PERFORMANCE AUDIT
REPORTS JUNE - DECEMBER 2020**

Organisation: Blacktown City Council

Date Received: 2 June 2022



Your ref: D22/20815
File no: C19/40267, C22/24386

2 June 2022

Mr Greg Piper
Chair - Public Accounts Committee
NSW Parliament Legislative Assembly
Macquarie Street SYDNEY NSW 2000

By email: PAC@parliament.nsw.gov.au

Dear Mr Piper

Auditor-General's performance audit report - Governance and internal controls over local infrastructure contributions - Blacktown City Council

Thank you for your letter about information required by the Public Accounts Committee in relation to the Auditor General's performance audit. I appreciate you bringing this matter to my attention.

Recommendation 1 - update

I confirm that the testing of most of the assumptions that inform our cash flow forecasting model are largely completed. However, our model is still subject to ongoing refinement to reflect increases in the Consumer Price Index and various construction costs indices.

Having regard with complexity of future cash flows of developer contributions, we have engaged an external software provider (Anaplan) to develop a program which enables us to project short, medium and long term projections of the future cashflow positions of our developer contribution plans. This program enables us to use alternative indices to project alternative future scenarios to help inform the likely end cash position of our contribution plans.

The model has been completed after a number of months of being trialled and refined by our Section 7.11 Finance team in conjunction with the software developer. This work did involve some refinements by the developer around how future cost increases are projected in both positive and negative economic conditions. Our staff are now more confident using this program and update it on a regular basis.

Recommendation 4 – update

The mandatory public reporting requirements detailed in Circular PS 21-002 take affect from 1 July 2022. We have been working on, and are confident that we will meet all requirements by the due date, noting that some of the new financial reporting requirements commence from 1 July 2022, but will be reported in our 2022/23 annual report and financial statements, as required by the amending Regulation.

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All correspondence to: The Chief Executive Officer - PO Box 63 - Blacktown NSW 2148

If you would like further updates on these 2 recommendations or any other recommendation from the performance audit, please contact our Manager Developer Contributions, [REDACTED]



Kerry Robinson OAM
Chief Executive Officer