

September 2020

This document addresses the results of an audit of political donations disclosure statements associated with State Significant Development (SSD) applications.

Why are applicants required to report political donations when lodging a state significant development application?

The *Environmental Planning and Assessment Act 1979* (the Act) requires the public disclosure of donations or gifts when lodging or submitting comment on state significant development applications.

The law is important to provide transparency and minimise the perception of undue influence in the planning process. It is the responsibility of the applicant or submitter to ensure they have met the requirements specified under the Act.

When is a political donation disclosure statement required?

A Disclosure Statement is required if:

- A person/company making a planning application and the applicant, or a person with a financial interest in the application, have made reportable political donations adding up to or exceeding \$1,000 in the two years prior to an application or while the application is being assessed; or
- A person/company makes a submission in respect of a planning application and they, or their associate, have made reportable political donations adding up to or exceeding \$1,000 in the two years prior to the submission.

What were the 2020 audit findings?

In the 2020 audit, 61 out of the 61 applicants audited had fully complied with their obligations to disclose political donations in accordance with the Act.

How were applicants chosen to be audited?

In 2020, 16 applicants of state significant developments for the period 2010-2017 were chosen. Additionally, all 47 state significant development applications under assessment as at 24 February 2020 were audited, excluding government projects.

What are the results of previous audits?

- 2013–2016: 20 out of the 22 applicants audited had fully complied with their obligation to disclose political donations in accordance with the Act.
 - Shoalhaven Starches Pty Ltd, was fined \$107,000 by the NSW Land and Environment Court for failure to disclose political donations in five applications.
 - Kosciuszko Thredbo Pty Ltd was issued three \$3,000 penalty notices (totalling \$9,000) for failing to disclose political donations in three applications.
- 2016–2017: 15 out of the 15 applicants audited had fully complied with their obligation to disclose political donations in accordance with the Act.
- 2018–2019: 48 out of the 48 applicants audited had fully complied with their obligations to disclose political donations in accordance with the Act.

How was the audit conducted?

Audits are conducted by assessing the political disclosure statements of development applications against returns provided to the NSW Electoral Commission by persons with a financial interest in the development.

Who conducted the audits?

The Department's Compliance unit completed the audits of political disclosure statements lodged in accordance with state significant development applications.

How are political donations disclosures monitored?

The online application lodgement system ensures that all applicants from state significant developments cannot proceed with their application form unless a disclosure form is submitted.

In addition, as part of its regular work, the Department's compliance unit undertakes proactive auditing of political donation disclosure statements lodged in conjunction with State significant development applications. Where a breach is identified, the Department will assess it in accordance with the Compliance Policy to determine the appropriate enforcement action.

Where can I find out more?

- Call on 1300 305 695.
- If English isn't your first language, please call 131 450. Ask for an interpreter in your language and then request to be connected to our Information Centre on 1300 305 695.
- Email us on information@planning.nsw.gov.au

© State of New South Wales through Department of Planning, Industry and Environment !!<insert year>!!. The information contained in this publication is based on knowledge and understanding at the time of writing (!!<Month YYYY>!)). However, because of advances in knowledge, users are reminded of the need to ensure that the information upon which they rely is up to date and to check the currency of the information with the appropriate officer of the Department of Planning, Industry and Environment or the user's independent adviser.