

Political Donations Audit

FAQs

December 2017

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 commencing 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 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
- 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 did the audit find?

The result of the 2016 audit were that:

- 20 out of the 22 proponents had fully complied with their obligation to disclose political donations in accordance with the Act.
- One prosecution has commenced. One proponent, Shoalhaven Starches Pty Ltd, failed to disclose political donations in 8 applications. Prosecution proceedings have been commenced in the NSW Land and Environment Court in relation to these breaches; and
- One investigation resulted in the issuing of 3 penalty notices of \$3,000 totaling \$9,000 to Kosciusko Thredbo Pty Ltd, for failing to disclose political donations in 3 applications.

The result of the 2017 audit were that 15 out of the 15 proponents had fully complied with their obligation to disclose political donations in accordance with the Act.

How were proponents chosen to be audited?

In 2016 the Proponents were selected using two methods:

- By reviewing the political disclosure statements associated with state significant development applications lodged on nine dates over the past three years, and

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- Selecting proponents who reported political donations over \$20,000 to the NSW and Australian Electoral Commission.

In 2017 proponents were selected by reviewing the political disclosure statements associated with state significant development applications lodged on random dates in the period August 2016 to July 2017.

How was the audit conducted?

In 2016 audits were conducted by assessing the political disclosure statements of 114 applications made by 22 selected proponents against returns provided to the NSW Electoral Commission. In 2017 audits were conducted by assessing the political disclosure statements of 64 applications made by 15 selected proponents against returns provided to the NSW Electoral Commission.

Political disclosure statements are required to be submitted as a part of all state significant development applications. An investigation was commenced in cases where the Department determined that a breach of the Act occurred.

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 lodgment 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 will undertake 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 [Click here to send an email to information@planning.nsw.gov.au](mailto:information@planning.nsw.gov.au)