



Ms Kathrina Lo  
Assistant Auditor-General  
Performance Audit  
Audit Office of NSW  
GPO Box 12  
SYDNEY NSW 2001

Dear Ms Lo

Thank you for your correspondence of 8 December 2016 about the Performance Audit on the CBD and South East Light Rail Project.

I am writing to confirm Transport for NSW's acceptance of the recommendations in the audit.

Further, a summary of Transport for NSW's response to the audit's recommendations and details of actions taken to date is enclosed in the format you nominated.

If you have any further questions regarding this matter, Mr Phil Thomas, Director, Audit and Risk in Transport for NSW would be pleased to take your call on 0401 148 675.

Yours sincerely

**Tim Reardon**  
**Secretary**

Encl

10 FEB 2017

**Performance Audit – CBD and South East Light Rail Project  
Implementation of Recommendations**

	<b>Recommendation</b>	<b>Accepted or Rejected</b>	<b>Actions to be taken</b>	<b>Due Date</b>	<b>Status (completed, on-track, delayed) Comment</b>	<b>Responsibility</b>
1	<p>1. For the CSELR project, Transport for NSW should by December 2016:</p> <p>a) Finalise outstanding design and scope issues.</p>	Accepted	<p>a) Determine all modifications and claims received to date.</p>	Dec 2016	<p>a) Transport for NSW confirms that scope has been agreed (and confirmed by the PPP Contractor 'ALTRAC'). Any areas still under consideration are minor and do not impact the Project's critical path.</p> <p>Any claims will be managed through the Project Deed.</p>	Project Director, Sydney Light Rail
	<p>b) Ask the project Advisory Board to confirm that controls over the budget and use of contingency funds are consistent with NSW Government decisions and NSW Treasury guidelines.</p>		<p>b) Request Advisory Board to confirm controls over budget and contingency funds are consistent with NSW Government decisions and NSW Treasury guidelines.</p>		<p>b) In addition to the regular ongoing reviews, the Advisory Board has committed to formally confirming that the controls over budget and use of contingency funds are, in their view, consistent with NSW Government decisions and NSW Treasury guidelines.</p>	Chairman, CBD and South East Light Rail Advisory Board

	Recommendation	Accepted or Rejected	Actions to be taken	Due Date	Status (completed, on-track, delayed) Comment	Responsibility
	c) Update and consolidate information about project costs and benefits and ensure that it is readily accessible to the public.		c) Ensure publicly accessible information is accurate and up-to-date.		c) This action is complete. The fact sheet on benefits on the website was updated in December 2016. All new information is now updated on the website as it arises/emerges.	Coordinator General, CBD Coordination Office

Released under NSW GIPA Act 2009

	Recommendation	Accepted or Rejected	Actions to be taken	Due Date	Status (completed, on-track, delayed) Comment	Responsibility
	d) Ensure the Sydney Light Rail Project Director provides six-monthly briefings to the TfNSW Audit and Risk Committee.		d) Commence six-monthly briefings from the Project Director, Sydney Light Rail to the TfNSW Audit and Risk Committee.		d) The Project Director has undertaken to provide six-monthly updates to the TfNSW Audit and Risk Committee, the first of which is scheduled for 9 March 2017.	Project Director, Sydney Light Rail
2	For all capital projects, TfNSW should comply with the Infrastructure Investor Assurance Framework	Accepted		On-going	TfNSW is fully compliant with the Infrastructure Investor Assurance Framework.  This has been confirmed by the CEO of Infrastructure NSW.	Deputy Secretary, Finance and Investment