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Australian Government

Department of Infrastructure, Transport,
Regional Development and Communications

Secretary
Simon Atkinson

Phil Gaetjens
Secretary
Department of the Prime Minister and Cabinet

Peter Woolcott
Commissioner
Australian Public Service Commission

Phil and Peter

Dear Mr Gaetjens & Mr Woolcott

Further to our discussions regarding the Department of Infrastructure, Transport, Regional Development and Communications' response to the Australian National Audit Office's (ANAO) independent audit on the Purchase of the "Leppington Triangle" Land for the Future Development of Western Sydney Airport (the Report) released on 21 September 2020, I am writing to update you on my response to the audit and further actions I am undertaking.

The Department has agreed to all three recommendations of the Report, which relate to the administrative activities of officials of the Department two years ago.

The ANAO's recommendations and the Department's response are included at **Attachment A**.

The Department is also taking actions beyond the recommendations of the independent ANAO audit to ensure that all issues raised are addressed in detail and that the Government and the public can have full confidence in the integrity of the Department.

In addition to measures outlined in the Department's formal response to the Report, I have instigated:

- formal independent investigation processes under the APS Code of Conduct into the issues raised with regard to conduct of officers in the Department.
- an independent audit of the conduct of the transaction to identify any further areas for improvement or lessons learned.

I am also:

- putting in place protocols to ensure any future property acquisitions or disposals are agreed by the Department's Operations Committee, prior to the exercise of delegations.
- putting in place a protocol for the treatment of future ANAO recommendations to internally review issues, requiring independence of the reviewers (i.e. from outside the affected work

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area), agreement to the review approach by the Department's Operations Committee and consideration of the outcomes by the Secretary.

- commissioning an independent review of the systems, processes, culture and capabilities in the Western Sydney Unit (WSU), and WSU's systemic engagement with the Department's governance structures and enabling divisions, to ensure the Department has the right mix to deliver in future and any lessons learned are embedded in the Department.
- establishing an "Assurance" taskforce to drive implementation and provide oversight of the response to the ANAO's recommendations, the other measures and any lessons learned for the organisation.

We are also progressing a new values and culture framework for the Department over the next six months, which will draw on the lessons learned.

Most of the Department's activities do not involve land transactions and are well-established programs which have had detailed ANAO scrutiny over years, and have not raised the types of issues identified in the Leppington Triangle audit. As part of continuous improvement, however, we will ensure the learnings from the Leppington Triangle audit are embedded across the organisation.

Due to the sensitivity of the Report and its findings, it is imperative that the investigations be allowed to run their full course without interference, and that due process is followed.

I will keep you appropriately updated as this work progresses.

Yours sincerely

Simon Atkinson
6 October 2020

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