

Appendices

Appendix 1: Response from Roads and Maritime Services



Your ref: PA6592
Our Ref: M17/0390

Ms Margaret Crawford
Auditor-General of NSW
Audit Office of New South Wales
GPO Box 12
SYDNEY NSW 2001

Dear Ms Crawford

Performance Audit Report – Sydney Region Road Maintenance Contracts

Thank you for the opportunity to respond to the final report on the Performance Audit of Sydney Region Road Maintenance Contracts, which was provided to the Transport cluster on 26 May 2017.

The audit has acknowledged that Roads and Maritime Services was justified in adopting the Stewardship Maintenance Contract approach to the outsourcing of road maintenance within the Sydney region and has achieved cost savings as a result. It has also confirmed the performance framework and pricing mechanisms established through the contracts operate to drive efficiency and effectiveness.

In managing the contracts, Roads and Maritime has established a comprehensive contract management framework that has been independently reviewed as fit for purpose. Roads and Maritime is committed to continually improving the management of the contract arrangements and has commissioned a number of studies and internal audits that have confirmed benefits realised and provided assurance that the management of the contracts maximises road maintenance outcomes across Sydney.

The Transport cluster has noted the recommendations in the report.

Yours sincerely

A handwritten signature in black ink, appearing to be 'TR'.

Tim Reardon
Secretary, TfNSW

7 JUN 2017

A handwritten signature in black ink, appearing to be 'K. Kanofski'.

Ken Kanofski
Chief Executive, RMS

7 June 2017

Transport for NSW

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