



The Hon. Matt Kean MP
Member for Hornsby

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Our ref: R014-633634940-3854

20 March 2024

Dear Mr Kean

Performance Audit – WestInvest

Thank you for your letter of 12 March 2024 regarding the performance audit "Design and administration of the WestInvest program".

This audit followed all standard processes underpinned by relevant legislation, secrecy provisions, and professional standards issued by the Auditing and Assurance Standards Board. Unfortunately in relation to your circumstances, these processes do not permit sharing the report with persons other than the audited agencies prior to tabling in the Parliament.

Under the *Government Sector Audit Act 1983* (GSA Act), the Auditor-General is required to give audited entities an opportunity to make a submission to a performance audit report before it is tabled. This and other statutory requirements for the tabling of reports of performance audits were met for the WestInvest performance audit.

I have carefully reviewed the findings of the WestInvest performance audit that you described in your letter as factual errors. I am satisfied that the findings you referred to remain factually correct as reported. The evidence relied on to reach these findings included comprehensive primary documents provided by the audited agencies relating to:

- the documentation of the government's consideration of the potential impact of funding the WestInvest program on the state's AAA credit rating
- the documentation of the rationale for your decision to fund four additional projects for the community projects competitive round of the WestInvest program
- the documentation of the rationale for decisions about funding allocations for the NSW government projects round of the WestInvest program
- the alignment between projects allocated funding through the NSW government projects round and the stated purpose of the WestInvest program.

I note your request that your letter be published on the Audit Office of NSW website. The Auditor-General is required to include in a report of a performance audit any submissions or comments made by report recipients (as defined in section 38EB(1) of the GSA Act). I am not required to publish any other correspondence relating to performance audits, but have asked that your letter and this response be published in an appropriate place on the website.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Margaret Crawford PSM'.

Margaret Crawford PSM
Auditor-General for New South Wales