
Appendix one – Responses from agencies

Response from Sydney Metro



Your Ref: D2226172/PA6703
Our Ref: SM-23-00005862

25 January 2023

Ms Margaret Crawford
Auditor-General for New South Wales
GPO Box 12
SYDNEY NSW 2001

Dear Ms Crawford

I refer to your letter dated 19 December 2022 and thank you for the opportunity to provide a response on behalf of Sydney Metro to the Performance Audit Report (the Report).

Sydney Metro acknowledges the comprehensive work undertaken by the Audit Office and welcomes the Report's findings. In particular, the Report reinforced that Sydney Metro's property acquisition processes were conducted in compliance with legislative requirements and that governance and probity processes were followed consistently.

In addition to the above, the Report also confirmed that Sydney Metro consistently provided the necessary communication and support for those people directly affected by residential and small business acquisitions.

Sydney Metro accepts the Report's recommendation and is committed to implementing the necessary processes to support the recommendation by 30 June 2023.

Sydney Metro also recognises the non-compliance matter raised in the Report regarding issuing compensation notices within the statutory 45-day period. While Sydney Metro does not have full control over this process (as acknowledged in the Report), Sydney Metro will continue to explore internal and cross-agency mitigation options to address this non-compliance.

Finally, Sydney Metro would like to take this opportunity to thank you and your staff for the transparent and cooperative manner in which the Audit Office conducted this Performance Audit.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Regan', is written over a horizontal line.

Peter Regan
Chief Executive
Sydney Metro

Sydney Metro
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Response from Department of Planning and Environment



Department of Planning and Environment

Your ref: D2226174/PA6703

Margaret Crawford
Auditor-General for NSW
Level 19, Darling Park Tower 2
201 Sussex Street, Sydney NSW 2000

Subject: Performance audit – Property acquisitions for the Sydney Metro project

Dear Ms Crawford

Thank you for your correspondence regarding the Audit Office's final report into property acquisitions for the Sydney Metro project (Report) and opportunity to formally respond on behalf of the Department of Planning and Environment (Department).

I very much appreciate the opportunities the Audit Office has provided for the Department to provide input during the audit process.

Following a thorough review of the Report, I'm pleased to advise that the Department accepts the findings and recommendations made.

With reference to recommendation 2. (p.4), I note the Department has already commenced work to review the *Land Acquisition (Just Terms Compensation) Act 1991* in line with the Government's response to the *Inquiry into acquisition of land in relation to major transport projects*. This will include consideration of legislative timelines for issuing compensation determinations and is anticipated to be complete by end 2024.

With reference to recommendation 3. (p.4), I note the Department is continuing to monitor implemented reforms while undertaking regular and extensive consultation with major acquiring authorities.

The Department, in consultation with the Valuer General and Acquiring Authorities is focused on continual improvement of timeframes for compensation determinations. I believe good progress has been made in this regard and the Department makes the following comments for consideration:

Whilst the reforms known as Just Terms 21(JT21) were enacted on 10 January 2022 for new compulsory acquisitions, the Department has and continues to observe enhanced outcomes as a result. As examples:

- a. There were 118 matters that proceeded to compulsory acquisition for the Sydney Metro West acquisition program in 2021. These matters were not undertaken within the JT21 framework and resulted in an average of 96 days to issues a preliminary report and 168 days to issues a final determination by the Valuer General.
- b. In comparison, there were 58 matters that proceeded to compulsory acquisition for the Hunter Street and Pyrmont acquisition program in 2022. These matters were undertaken within the JT21 framework and resulted in an average of 62 days to issues a preliminary report and 87 days to issues a final determination by the Valuer General.

Department of Planning and Environment



This demonstrates the reforms are working, with similar acquisitions being determined more than 80 days faster on average. Whilst there is opportunity for further improvement, the Department notes the marked improvement achieved year-on-year for the Sydney Metro project – a trend that is broadly being observed across all compulsory acquisitions undertaken since the reforms.

Yours sincerely,

A handwritten signature in black ink, appearing to read "M. Cassel".

Mick Cassel
Secretary
3 February 2023

Response from Transport for NSW



Transport
for NSW

Your ref: D2226173/PA6703
Our Ref: A47537820

Ms Margaret Crawford
Auditor- General
Audit Office of NSW
GPO Box 12
SYDNEY NSW 2000

Dear Ms Crawford

Thank you for the opportunity to respond to the Performance Audit Report (the Report) on Government acquisition of private property.

Transport for NSW (TfNSW) has considered the Report and accepts the recommendations.

Transport for NSW's Centre for Property Acquisition (the Centre) does not have a direct role in acquiring properties but recognises its responsibilities, including developing guidance for acquiring agencies and monitoring and reporting on their activities.

TfNSW is committed to making the necessary changes to ensure the Centre is continually assessing its effectiveness and improving the experiences of people subject to residential property acquisition.

The Centre for Property Acquisition has work underway to improve its Annual Property Acquisition Survey to clearly separate the assessment of Personal Managers from Acquisition Managers. The Centre is also establishing a mechanism to seek feedback from its key stakeholders regarding the effectiveness and value it delivers. A process review will be undertaken to identify the potential inefficiencies and gaps limiting the survey response rate.

If you have any further questions, Richard Host, A/Deputy Secretary Customer Strategy and Technology would be pleased to take your call.

I look forward to updating you on our implementation of the recommendations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rob Sharp'.

Rob Sharp
Secretary

Transport for NSW
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