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# Appendix one - Response from auditee

**Department of Customer Service**  
Office of the Secretary



Our reference: COR-05216-2023  
Your reference: D/PA6722  
Date: 24/11/23

By email: [mail@audit.nsw.gov.au](mailto:mail@audit.nsw.gov.au)

Ms Margaret Crawford  
Auditor-General for New South Wales

Cc

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Re: D/PA6722 Performance Audit – Procurement of services for the Park'nPay app

Dear Auditor-General,

Thank you for the opportunity to provide a formal response on behalf of the Department of Customer Service (DCS) to be incorporated into the published report.

I acknowledge the findings and accept the recommendations in the report. I note that the majority of the events that are the focus of this Audit occurred in 2019, including awarding the 3 year plus 3 x 1 years extension options contract to Duncan Solution that took place in July of that year.

Since 2019, DCS has commissioned three external reviews of procurement practices. In April 2021 an independent review was conducted of broad procurement practices in DCS, covering functions, frameworks, opportunities for automation, supplier management, data governance and technology solutions. A further independent Practice v Policy review was completed in November 2021 focusing more deeply on roles and responsibilities, opportunities for automation and technology solutions. Many of the recommendations from these reviews have been implemented or are in the process of being implemented. One of those recommendations was to restructure the procurement team to improve delivery capability and capacity, which occurred in the first quarter of 2022.

In April 2023, DCS commissioned a third independent review into contract management, with a focus on improving maturity in this area. DCS is currently working through the recommendations of this review. An internal Procurement Compliance and Governance audit has also commenced to review DCS procurement practices for compliance with internal policies and procedures and value for money.

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Noting that this is my final week as Secretary and the report is not due to be tabled in Parliament until 20 December, I have handed the report over to the incoming Secretary, Mr Graeme Head AO.

Throughout my four years in this role, the DCS team has continued to strive to improve processes and compliance. As part of my handover to Mr Head AO, I have suggested that in light of your findings, it may be timely to assess how well DCS has implemented recommendations from the earlier reviews.

Should you have any questions please contact Audrey Maag, A/Executive Director, Office of the Secretary, at

Sincerely,

A handwritten signature in black ink, appearing to read 'Emma Hogan', with a stylized flourish at the end.

**Emma Hogan**  
**Secretary**

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