

18 February 2022

██████████
██████████████████

██

Tēnā koe ██████████

Thank you for your Official Information Act request to the Department of Conservation (the Department), received on 30 November 2021 in which you asked for:

A copy of the Deloitte report that has been completed and is held by the Director, Business Assurance.

On 11 January 2022, I informed you that more time was required to respond to your request, as the Department needed to consult with third parties about the release of their information. You were informed that you could expect a response from the Department on 11 February 2022, or earlier if possible.

From your previous OIA request (OIAD-754) you are aware of the context in which the Tū Te Rakiwhānoa Drylands (the Drylands Project) sits within the Department so in the interest of brevity I will not repeat it.

You will also be aware that the Tregaskis Brown Independent Quality Assurance Report (IQA) for the Drylands Project made specific improvement recommendations which have been acted on by the Department. Included in these was a recommendation for project spending to be reviewed.

In March 2021, the Department paused the Drylands Project and engaged with Deloitte to address specific recommendations about the financial risks noted in the IQA. Deloitte sourced a summary of project funds expenditure to January 2021 and undertook a focussed review of five suppliers to provide assurance that the Department's procurement processes had been correctly followed.



Please find a copy of the following document attached:

Item	Date	Document description	Decision
1	28 September 2021	Project Elliptical Report – Tū Te Rakiwhānoa Drylands	Released in part.

I have decided to release the relevant parts of the document listed above, subject to information being withheld under one or more of the following sections of the Official Information Act, as applicable:

- names and contact details, under section 9(2)(a) – to protect the privacy of the natural person.

In making my decision, I have considered the public interest considerations in section 9(1) of the Official Information Act and determined there are no public interests which outweigh the grounds for withholding.

The Deloitte report determined that the use of project funds in the audited sample of transactions did not follow the Department's procurement processes, and that several invoices had been incorrectly coded. A normal part of such reviews also includes conducting due diligence over any potential for fraudulent activity. I can confirm there is no evidence to support any allegations of fraud in relation to this project.

The Department has a Project Management Framework which provides a structure for governing complex projects such as the Drylands Project. The Framework provides strong controls and allows the Department to closely monitor expenditures and results.

Since receiving the recommendations in the IQA report, responsibility for the project has moved to the Department's Operations group and the Project Management Framework has been applied. A Project Governance Terms of Reference has been established to ensure roles, responsibilities and capabilities are clearly defined. A formal taskforce within the Department was established and is monitoring the project's adherence to the Project Management Framework. Standard Operating Procedures for procurement have also been reviewed and found to be fit for purpose.

You are entitled to seek an investigation and review of my decision by writing to an Ombudsman as provided by section 28(3) of the Official Information Act.

Please note that this letter (with your personal details removed) and enclosed documents may be published on the Department's website.

If you wish to discuss this with the Department, please contact media@doc.govt.nz.



Department of Conservation
Te Papa Atawhai

Nāku noa, nā



Graeme Ayres
Director Business Assurance
Department of Conservation
Te Papa Atawhai

