



The Hon Catherine King MP

**Minister for Infrastructure, Transport, Regional Development and Local Government
Member for Ballarat**

Ref: MS23-004968

Mr Grant Hehir
Auditor-General
Australian National Audit Office
GPO Box 707
CANBERRA ACT 2601

Dear ~~Mr Hehir~~ *Grant,*

We write to request an urgent assurance review of the Australian Maritime Safety Authority's (AMSA) Aids to Navigation (AtoN) procurement (AusTender 22AMSA117).

The procurement was released on 23 August 2022 and closed on 27 February 2023. It included two components – AtoN Maintenance and Level 1 Emergency Towage. Both components of the procurement are now complete.

One tender was received for the AtoN maintenance services component, from the current provider Australian Maritime Safety (AMS) Group. At the completion of its assessment, AMSA advised that the AMS Group response did not meet the tender requirements, and that there was insufficient detail for AMSA to be able to make any further assessment. As a result, AMSA did not award a contract for that component of the combined procurement.

Since being notified they were not successful in the AtoN procurement, AMS Group have raised concerns regarding deficiencies with the tender process and the decision not to award a contract. Their most recent correspondence also raised concerns of bias by AMSA staff towards AMS Group.

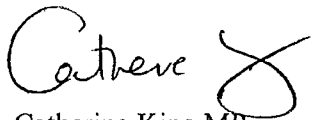
AMSA has advised us the procurement was undertaken in line with the Commonwealth Procurement Rules and the *Public Governance, Performance and Accountability Act 2013*. An independent probity adviser was engaged with the intention of ensuring integrity and compliance through the process. Additionally, an independent audit of the procurement, requested by the AMSA Board, supported the conclusion that the procurement met relevant legal requirements.

However, given the ongoing and serious nature of the concerns raised by AMS Group, we seek your agreement to conduct an urgent assurance review of this procurement as soon as possible. We consider a review by the ANAO is the best approach to ensure transparency and public trust in government procedures, giving assurance that ethical procurement processes have been followed.

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts has discussed this proposed approach with officers from the Department of Prime Minister and Cabinet and the Department of Finance, who support this referral.

Thank you for your consideration.

Yours sincerely

A handwritten signature in black ink that reads "Catherine" followed by a stylized flourish.

Catherine King MP
Minister for Infrastructure,
Transport, Regional Development
and Local Government

A handwritten signature in black ink that reads "Jim Betts" in a cursive style.

Jim Betts
Secretary, Department of
Infrastructure, Transport
Regional Development,
Communications and the Arts

29 JAN 2024