

# WestConnex Inquiry responses from Dennis Cliche

## Reponses to Supplementary Questions

1. You indicated to the Committee that after October 2015 you were no longer involved in the planning functions of WestConnex, saying:

*"This was done in October 2015 and I was then appointed the chief executive officer of SMC. On the Government side, the functions of project development, planning approvals and property acquisition to name a few were vested with RMS, while SMC focused on project procurement, delivery and finance. Mr Kanofski spoke in more detail about the description of the roles between RMS and SMC so I will not bother going into any further detail but it should be stressed that SMC's role throughout this time has been to deliver government policy, not formulate it."*

In December 2015, you gave an interview to the Sydney Morning Herald in which you were quoted as follows:

*"The rail link is right in the middle of this zone," he said of the plans to build the motorway links to the airport terminals from the interchange at St Peters. "By moving the rail, we have got more opportunity."*

- a. What was the involvement of SMC in the Sydney Gateway planning as of December 2015?
- b. When did SMC cease being involved in the Sydney Gateway?
- c. What obstacles did SMC encounter in delivering Sydney Gateway as part of WestConnex?
- d. On what date was SMC informed that the Sydney Gateway was no longer part of WestConnex?
  - i. What reasons were given for the separation of the Sydney Gateway from the Westconnex Project?

### Response

*The WestConnex budget includes a contribution of \$800 million to the road component of Sydney Gateway.*

*The Sydney Gateway project is being delivered by Roads and Maritime Services so any questions regarding that project are best directed to RMS representatives or the responsible Minister for Roads, Maritime and Freight.*

*I also refer you to my evidence from the recent Parliamentary Inquiry:*

**The Hon. DANIEL MOOKHEY:** When were you informed that it was no longer within the remit of the Sydney Motorway Corporation to deliver the gateway?

**Mr CLICHE:** Almost immediately upon the wind-up of WDA. Up to that point, the WestConnex Delivery Authority [WDA] was essentially an arm of the RMS. During that time, we had project development resources working within the WDA. Upon the wind-up of the WDA and the formation and my move across to SMC, all of those development staff were moved over to RMS and continued to develop Sydney Gateway, the F6, the Western Harbour Tunnel and all of those other projects. At that point in time, we were effectively involved but not leading any of it.

**The Hon. DANIEL MOOKHEY:** When you say you were involved but not leading, what does "involved" mean—you were attending meetings, participating in briefings, receiving information and stuff to that effect?

**Mr CLICHE:** Early in the piece, yes, but as time progressed, no. As you are aware, progressively SMC became more of an arms-length company or a Corporations Act company, with less and less direct involvement with government. There was a period of time during which we worked with RMS to ensure that there was a proper handover of the project. But from that point on we had limited visibility.

The Hon. DANIEL MOOKHEY: What time frames are we talking about here?

Mr CLICHE: RMS released the business case in November.

The Hon. DANIEL MOOKHEY: November 2015?

Mr CLICHE: It was approximately around that time that we progressively moved to the back. I draw your attention to the testimony I gave at the tolling inquiry, which has been—

The Hon. DANIEL MOOKHEY: That is okay—I was there and I heard it. I have limited time, Mr Cliche. When did SMC cease all work on the gateway according to the wind-down procedure that you have just described? When was the last time any substantial work was performed?

Mr CLICHE: I would say within a couple of months of the wind-up of SMC.

The Hon. GREG DONNELLY: The wind-up of the WestConnex Development Authority?

Mr CLICHE: WDA, yes.

**2. Did SMC decide that the Rozelle Interchange should be underground and advise the government or did RMS inform SMC that the decision had been made to take the exchange underground?**

#### Response

*Construction of the Rozelle Interchange and Iron Cove Link is being managed by Roads and Maritime Services (RMS). Please refer this question to RMS representatives to respond.*

**3. Was any SMC executive present at any meetings between RMS or a government minister when the Sydney Gateway was discussed after October 2015?**

**a. If so, was any person representing Lendlease present at any of these meetings?**

**i. If so, what was the date of that meeting and who represented Lendlease?**

*The Sydney Gateway project is being delivered by Roads and Maritime Services so any questions regarding that project, including meetings are best directed to RMS representatives or the responsible Minister for Roads, Maritime and Freight.*

**4. How long after a complaint about Westconnex was lodged did you receive a text message to inform you?**

#### Response

*Each stage of the WestConnex project has a Community Communication Strategy, which outlines a Complaints, Enquiries and Escalation Procedure.*

*This is a requirement of the Conditions of Approval set out by the Minister for Planning, and the Strategy is approved by the Secretary of the Department of Planning and Environment.*

## Responses to Questions on Notice

The Hon. DANIEL MOOKHEY: In your tenure as CEO, did you enter into a sponsorship agreement with the Greater Western Sydney [GWS] Football Club?

Mr CLICHE: Yes.

The Hon. DANIEL MOOKHEY: When did you do that?

Mr CLICHE: I would have to check and take that on notice, but it would have been about 1½ years to two years ago.

#### Response

*In 2017 Westconnex entered into a community partnership with the GWS Giants as part of a three-year deal to support its GIANTS Care programs, which directly benefit communities living in western Sydney.*

*GIANTS Care delivers community programs with a specific focus on health, harmony, education and employment outcomes for the people of Western Sydney.*

*As part of the partnership, SMC has naming rights to the GWS GIANTS community and training facility at Sydney Olympic Park - the WestConnex Centre.*

**The Hon. DANIEL MOOKHEY:** Was that agreement reached when Tony Shepherd was your chair?

**Mr CLICHE:** Yes, it was.

**The Hon. DANIEL MOOKHEY:** Did he participate in the decision to give the sponsorship?

**Mr CLICHE:** No, he did not. To make sure I am 100 per cent correct, he may have been off the board at that point. I believe that by the time we took that decision Peter Brecht was our chairman. I would have to check that to be 10

### **Response**

*Tony Shepherd's chairmanship of SMC/WDA concluded in September 2015 well before any dialogue with the GWS Giants commenced regarding partnership opportunities.*

*Mr Shepherd was not involved in any dealings or privy to any communications regarding the partnership.*

**The Hon. DANIEL MOOKHEY:** I appreciate that, and you have said that now three times, but I am asking you specifically: What are the claims that are available that have been made? You have said that there are a variety. It is the Public Accountability Committee. It is not that unreasonable a question for me to ask you. What are the claims that have been received, for what parts of the project—and now that I am here—what value?

**The CHAIR:** You can take that question on notice as it has a lot of details in it.

**Mr CLICHE:** Yes. Thank you.

### **Response**

*The management of contract claims and variations is a standard part of any large scale infrastructure project and risk allowances are factored into the overall budget.*

*I am no longer an employee of Sydney Motorway Corporation so I'm not in a position to comment on current business activities.*

**The Hon. DANIEL MOOKHEY:** Moving forward, were you aware of the collapse of a contractor by the name of RCA that was working on parts of the WestConnex while you were chief operating officer?

**Mr CLICHE:** To be honest, I am not 100 per cent sure that I have. Were they a trucking company?

**The Hon. DANIEL MOOKHEY:** No, they were a landfill company, but they did organise to provide the movement of spoil.

**Mr CLICHE:** Okay, then I have a recollection, yes.

**The Hon. DANIEL MOOKHEY:** What is your recollection?

**The CHAIR:** You can take it on notice if you want to check some details.

**Mr CLICHE:** Yes.

### **Response (SMC provided)**

*I am no longer an employee of Sydney Motorway Corporation however am advised:*

*RCA (Road Constructions Australia) Civil Contractors Pty Ltd was a former sub-contractor on both the New M4 and New M5 projects.*

*Notices regarding the liquidation of companies is a matter for ASIC who have oversight as the appropriate regulatory body.*

*Sydney Motorway Corporation expects all sub-contractors involved in the delivery of WestConnex to meet their contractual obligations and adhere to all relevant laws and regulations.*

**The Hon. DANIEL MOOKHEY:** There is a monthly regime of reporting to the Secretary of the Planning and Environment Department that is specified as a condition of planning.

**Mr CLICHE:** Yes.

**The Hon. DANIEL MOOKHEY:** How many reports did you have to file with the secretary?

**Mr CLICHE:** That is what I am saying: I am not aware of breaches of the planning conditions. I am aware that there have been notifications. Those are the 33 that I referred to.

**The Hon. DANIEL MOOKHEY:** The Department of Planning and Environment came before us and said that they determined them to be 33, and you are right to say that they specified that some of them came from multiple numbers.

**Mr CLICHE:** Yes.

**The Hon. DANIEL MOOKHEY:** They did not specify how many of them fell within that category.

**Mr CLICHE:** Yes.

**The Hon. DANIEL MOOKHEY:** They said that they issued three penalty notices on you—actual penalty infringement notices on you. What did you do?

**Mr CLICHE:** I would have to take that one on notice but I can say that we looked at all of them. I am not aware that they were on us directly, but I, you know—

## **Response**

*Sydney Motorway Corporation (SMC) takes environmental responsibilities very seriously and expects its contractors to operate in accordance with all their contractual obligations, including environmental licences.*

*One penalty notice was issued by the Department of Planning and Environment (DPE) directly to the M4 East contractor and following a review process has since been withdrawn.*

*Last year two penalty notices were issued by DPE directly to the New M5 contractor, and following a review process both were revoked.*