



Annual Report 2019-20



Acknowledgement of Country

Infrastructure WA (IWA) acknowledges the traditional custodians throughout Western Australia (WA) and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.





Hon Mark McGowan, BA LLB MLA; Premier; Minister for Public Sector Management; State Development, Jobs and Trade; Federal-State Relations

Dear Premier

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament the Annual Report of Infrastructure WA for the reporting period 1 July 2019 to 30 June 2020.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

John Langoulant AO, Board Chairperson

Wayne Zekulich, Audit, Risk and Finance Committee Chairperson

Philip Helberg, Chief Executive Officer

This report is a review of Infrastructure WA's (IWA) performance for the financial year ending 30 June 2020. It informs our stakeholders and the broader community about our governance, the strategic priorities which have driven our activities during the year, and our operational performance. As 2019-20 is IWA's first year of operation and this is our first annual report there is no comparative data for previous years.



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Highlights

1 new agency established

10 inaugural Board members appointed

195 Board and Committee resolutions

15 employees as at 30 June 2020



28 roundtable meetings held



6 regional forums hosted

19 presentations given at industry events



2,173 followers gained on LinkedIn

3 step staff development plan adopted

0 hours lost to injury

950+ attendees at IWA-hosted events



6,600 website visitors

14 responses to the Disability Access and Inclusion Plan consultation

9 national and international infrastructure bodies met with



1 Discussion Paper launched

3 launch events to support the Discussion Paper release



71% stakeholder satisfaction



Chairperson foreword

I am delighted to provide this first annual report on behalf of the Board of Infrastructure WA.

On 24 June 2019 the Governor, His Excellency the Hon Kim Beasley, AC signed into law the *Infrastructure Western Australia Act 2019* (The Act) and IWA commenced its

operations the following month. This Act sets out what IWA is required to do and how it will go about these functions. It also includes the governing arrangements that apply, including the composition of the Board and how it should operate.

The first thing IWA must prepare is a 20-year State Infrastructure Strategy (the Strategy). Since July 2019 this has been the Board's main focus. A Strategy of this nature, which addresses the infrastructure needs of the whole State over a 20-year period, has never been undertaken before. The Premier stated, in his second reading to Parliament in February 2019, that the establishment of IWA and tasking it with undertaking such a strategy were intended to “create a pipeline of secure jobs for Western Australians” and to “provide

business and industry the long-term certainty they need to invest”.

In preparing to undertake the work required to form a 20-year Strategy the Board has worked to establish the office and workforce of IWA and to ensure appropriate policies and procedures are in place to support their activities. I am pleased to report that these efforts have seen a highly capable group of people being attracted from a diverse background of experiences to form the inaugural IWA team. Mr Lance Glare has held the position of Acting Chief Executive Officer and has provided excellent leadership throughout the first year of operation.

The impacts of COVID-19 have been extensive and profound. While IWA team members have remained free of the virus, the disruption it has caused to the early stages of developing the 20-year Strategy has been significant. Nevertheless, it was pleasing that we were able to release the first Discussion Paper *A Stronger Tomorrow* on 26 June 2020. This paper explains how we intend to approach the task of developing the Strategy, including how we

propose to seek the feedback and community contributions which will be essential to this work. An intensive program of engagement across all regions of the State was initiated with the release of this paper, as was a request for formal submissions in response to the Discussion Paper.

In addition to developing the Strategy, IWA has a number of other responsibilities. These include co-ordinating the State's engagement with Infrastructure Australia. This is especially important as the Commonwealth is an important partner and funder in many substantial infrastructure projects. In 2019-20, for instance, Commonwealth Budget allocated \$6.5 billion* for WA transport infrastructure projects.

A number of other responsibilities will fall to IWA once the initial 20-year Strategy is completed. These include assessing the merits of State projects which exceed \$100 million. Advising the Premier on the main programs and projects which should flow from the Strategy will be another key task.

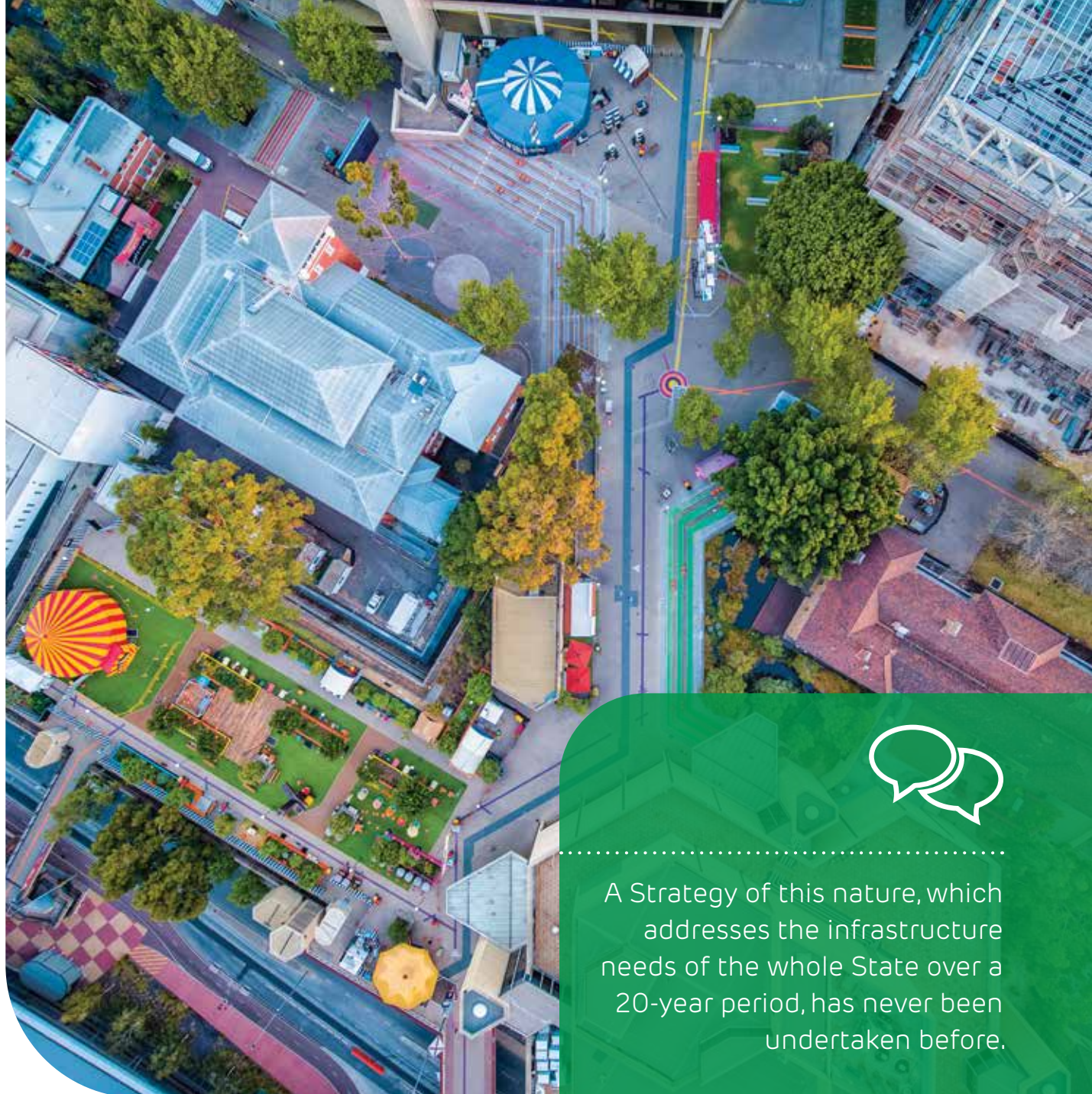
* 2019-20 WA National Partnership Agreement on Land Transport Infrastructure.

I have mentioned that the Board of IWA has been actively engaged since its formation. The Board consists of ten members, six from the private sector and four senior public office holders. The Board's membership is detailed later in this report. Since June 2019 the Board has met on 11 occasions and I am extremely grateful for the contribution all members have made in this first year.

Finally, I will close these comments by thanking the very capable team of people who have agreed to work for IWA and for their considerable achievements in progressing the 20-year Strategy. I would particularly like to thank Lance Glare for his commitment to seeing IWA off to such a strong start.



John Langoulant AO
Chairperson



A Strategy of this nature, which addresses the infrastructure needs of the whole State over a 20-year period, has never been undertaken before.



Acting Chief Executive Officer message

I am honoured to be able to write this report following an important inaugural year for IWA. As we began this annual report process for the very first time, I reflected on just how far we have come since our establishment in late July 2019.

2019-20 has been a period of formation, progress and engagement for IWA. We have been proud to come together

as an organisation, as an outcome of the *Infrastructure Western Australia Act 2019*. With a vision to delivering the first 20-year State Infrastructure Strategy for Western Australia, in partnership with government, industry and community stakeholders – we continue to formulate and progress our development of the Strategy.

During the first year, extensive work was done to bring together a highly functioning team to deliver tangible outcomes for the State. Our role as Western Australia's dedicated infrastructure planning and advisory agency enables us to set out the long-term roadmap for the State's future needs. Our initial stakeholder engagement forums provided us with insight into the infrastructure opportunities across the state, and also allowed us to deepen relationships with our key regional stakeholders.

Roundtable discussions with key government agencies commenced in September 2019,

where we gained a deeper understanding of the task at hand. I would like to thank all the government agency representatives we've met with in the past year for their interest and engagement in the work we're doing. On the national level, our relationship with Infrastructure Australia has been a key focus, as we work towards achieving better outcomes for the State. This is a fundamentally important relationship for IWA, and we look forward to working collaboratively with Infrastructure Australia into the future.

In early 2020, we saw the impact of COVID-19 slowing Western Australia's economy. The pandemic delayed the release of our Discussion Paper as a major milestone in developing the Strategy, and put a pause on our plans to engage with our stakeholders on the paper. As the State began to ease restrictions in recent months, releasing the highly anticipated Discussion Paper was once again firmly in the spotlight.

On 26 June 2020 we were able to show the extensive work the team had undertaken in less than 12 months. From the outset, the reception to the Discussion Paper was overwhelmingly

positive. This is a testament to the entire IWA Board and team, and their commitment to shaping a strong future for our State.

It is through this hard work and resilience of IWA staff that we have seen the achievements laid out in this annual report. The team's knowledge and professionalism has led to IWA's success so far, and will also drive our future success as we work towards the release of the inaugural Strategy in 2021. Thank you for being part of the journey.

I extend a warm welcome to the incoming Chief Executive Officer Philip Helberg, whose experience and passion for infrastructure is set to drive IWA into the future. The team, the Board and stakeholders will be in good hands.

I would like to thank the Chairperson, Deputy Chairperson and our Board members for their continued support since IWA's inception. Your leadership has brought us to where we are today.

Lance Glare
Acting Chief Executive Officer



2019-20 has been a period
of **formation, progress and
engagement** for IWA.

Year in review

July-August 2019

IWA Board Announcement

The Infrastructure Western Australia Act 2019 officially commenced on 24 July 2019 initiating the creation and functions of IWA.

On the 29 July 2019, the Premier announced the appointment of IWA's inaugural Board, comprising of four government members and six non-government members. The Board met for the first time in August.



October 2019

Corporate planning

The IWA Board and senior management participated in two facilitated corporate planning sessions to develop IWA's broader corporate strategy and planning for the Strategy.



December 2019

Great Southern stakeholder forum held

An engagement forum was conducted in Albany, with presentations to stakeholders from Chairperson John Langoulant AO and Acting CEO Lance Glare.



September 2019

Roundtable discussions with key government agencies and government trading enterprises (GTEs)

From September 2019, 28 roundtable meetings were held with heads of key government agencies and GTEs. These roundtable meetings provided early input into the development of the Discussion Paper.



November 2019

Kimberley and South West stakeholder forums held

Engagement forums were conducted in Broome and Bunbury, with presentations to stakeholders from Deputy Chairperson Nicole Lockwood and Acting CEO Lance Glare.

February 2020

Pilbara, Mid-West and Goldfields-Esperance stakeholder forums held

Engagement forums were conducted in Karratha, Geraldton and Kalgoorlie, with presentations to stakeholders from Chairperson John Langoulant AO, Deputy Chairperson Nicole Lockwood and Acting CEO Lance Glare.

Corporate planning

The Board adopted the first corporate strategy that articulates IWA's vision, values and strategic objectives.



March 2020

IWA pauses external engagement and release of the Discussion Paper

IWA announced a pause to external engagement given the level of uncertainty associated with the COVID-19 pandemic, and the associated State Government response.



May 2020

Finalisation of IWA team recruitment

IWA's initial permanent staff recruitment processes were largely finalised in May 2020.



May 2020

IWA's Chairperson appointed to State Recovery Advisory Group

Premier Mark McGowan announced the establishment of a top-level State Recovery Advisory Group to help lead WA's recovery from the impact of the COVID-19 pandemic. IWA's Chairperson was appointed to the group, along with our Deputy Chairperson in her Freight and Logistics Council of WA capacity.

6 June 2020

Chief Executive Officer appointed

Premier Mark McGowan formally announced Philip Helberg as Chief Executive Officer of IWA following an extensive recruitment and selection process.

24 June 2020

IWA's inaugural Annual Work Program was submitted to the Premier

In accordance with section 10 of the *Infrastructure Western Australia Act 2019*, IWA's inaugural Annual Work Program was submitted to the Premier. This document provides an overview of key priorities that IWA proposes to undertake in 2020-21.



26 June 2020

IWA's Discussion Paper is released and a formal consultation period begins

A Stronger Tomorrow – State Infrastructure Strategy Discussion Paper was IWA's first major release, and signified the start of formal engagement that will provide the foundation for the development of the State Infrastructure Strategy.

The Discussion Paper outlines how IWA proposes to develop the Strategy including information on guiding principles and objectives, methodology and governance arrangements. Opportunities and challenges relevant to the planning and provision of infrastructure across a range of sectors and regions are also identified.

Throughout 2019-2020

Meetings with national infrastructure bodies

IWA met with infrastructure body leaders from across the country throughout the past 11 months, to establish connections and participate in the national agenda with other jurisdictions and Infrastructure Australia.

About us



IWA's initial primary focus is the development of the Strategy to **identify needs and priorities** to support **Western Australia's growing population and economy.**

Background

IWA was established on 24 July 2019 under the *Infrastructure Western Australia Act 2019* (IWA Act). IWA reports to the Hon. Mark McGowan, Premier; Minister for Public Sector Management; State Development, Jobs and Trade; Federal-State Relations.

IWA provides expert advice and assistance to the Western Australian Government on a range of infrastructure matters, particularly regarding the State's infrastructure needs and priorities. It assists in enhancing the efficiency

and effectiveness of infrastructure planning and coordination, and promotes the adoption and use of policies, practices, information and analysis to support sound decision-making in relation to infrastructure.

IWA's initial primary focus is the development of the Strategy to identify needs and priorities to support Western Australia's growing population and economy. This will provide the strategic direction to encourage private sector investment, facilitate economic growth and support job creation.



Functions

IWA's functions are to:

- prepare and submit to the Premier State Infrastructure Strategies;
- assess and report to the Premier on major infrastructure proposals;
- provide advice and assistance to State agencies in the preparation of infrastructure strategies, plans and policies, including by preparing, at the request of the Premier, strategies, plans and policies on behalf of State agencies;

- provide advice to State agencies on the preparation of infrastructure proposals;
- review and report to the Premier on infrastructure proposals prior to their submission to Infrastructure Australia;
- under the direction of the Premier, coordinate the provision of information and submissions to Infrastructure Australia;
- monitor and report on progress in implementing the State Infrastructure Strategy;
- provide advice to the Premier on:
 - infrastructure priorities;
 - funding and financing of infrastructure; and
 - any other matter relating to infrastructure.
- review and report to the Premier on completed infrastructure projects;
- promote public awareness of matters relating to infrastructure;
- perform the other functions conferred on IWA under the Act; and
- perform, at the request of the Premier, any other function relating to infrastructure.

Significant issues affecting the agency in 2019-20

In 2020, the COVID-19 pandemic had a significant impact on the state, both at a community, and economic level. It also had an impact on the timeframes relating to the development of the Strategy.

A decision was taken in March, at a time when confirmed COVID-19 cases in Western Australia were increasing, to put the Discussion Paper's launch – planned for late April – on hold.

During this time, IWA remained flexible to perform other tasks to support Government as required. An IWA staff member was temporarily deployed to the COVID-19 Information Coordination Centre to assist with response activities.

As COVID-19 cases in the State had plateaued and there was little evidence of community transmission by late April, work on the Discussion Paper was able to recommence.

Easing restrictions enabled IWA to undertake the planning necessary to see it launch the Discussion Paper in late June, two months later than originally intended.

Annual Work Program

IWA submitted its first Annual Work Program to the Premier on 24 June 2020. This can be found on the the IWA website (infrastructure.wa.gov.au).

Corporate Plan

As part of IWA's formation in 2019-20, work has been undertaken to establish our vision, values and strategic objectives.

Vision

IWA's vision is for Western Australia's infrastructure to lead in generating a prosperous, liveable and resilient community.

Our purpose is to:



Improve long term public sector infrastructure planning to support the economy and grow jobs.



Provide evidence based, expert advice to government to inform infrastructure decisions.



Be proactive and foster innovation to achieve better economic, social and environmental outcomes.

Values



Strategic objectives



Align Strategic Planning

Align long-term strategic planning for public infrastructure to improve integration and coordination.

In 2019-20 IWA began building relationships with relevant State Government agencies responsible for the planning and delivery of public infrastructure, in an effort to coordinate and align long-term strategic infrastructure planning. 42 cross agency meetings were held during 2019-20, where infrastructure planning was discussed; this included 28 roundtable meetings with agencies and GTEs, four meetings with infrastructure bodies in other states and territories, and one discussion paper briefing hosted by IWA.



Inform Infrastructure needs and priorities

Advise on long-term public infrastructure investment and policy priorities through robust analysis and engagement.

The development of the Strategy is the first step toward providing advice and informing the State's infrastructure needs and priorities. Following the release of the Discussion Paper in June 2020, the Strategy is on track for submission to the Premier by around the end of 2021. It is IWA's goal for at least 90 per cent of the recommendations made in the first Strategy to be supported by Government.



Provide advice to support robust business cases and projects

Provide effective project advice and continuously improve the standard of business cases, which consider social, economic and environmental objectives.

This function under the IWA Act has not yet come into full operation, and is currently planned for initiation during 2021-22. Early collaboration and engagement with State Government agencies and GTEs throughout 2019-20 has focussed on establishing and building on relationships that will assist IWA to deliver this function, upon full operational commencement. This has included providing strategic input and support in the development of various investment proposals, including submissions to Infrastructure Australia. IWA also commenced collaboration with the Department of Treasury on the Strategic Asset Management Framework review and Infrastructure Australia on the Assessment Framework review.



Build Stakeholder Confidence

To build mutual respect, credibility and influence with internal and external stakeholders.

IWA embarked on a comprehensive program of stakeholder engagement across 2019-20. In addition to the engagement with government stakeholders outlined above, this included hosting eight stakeholder events, including six regional forums, one briefing in relation to the Discussion Paper and the online Discussion Paper launch on 26 June 2020. IWA representatives also presented to key industry stakeholders at 19 different events. IWA conducted its inaugural Stakeholder Satisfaction Survey in May and a 71 per cent satisfaction rating was achieved (against a target of at least 70 per cent).

Agency operational structure

An interim organisational structure for IWA is in place and identifies three functional areas.

Governance and Support

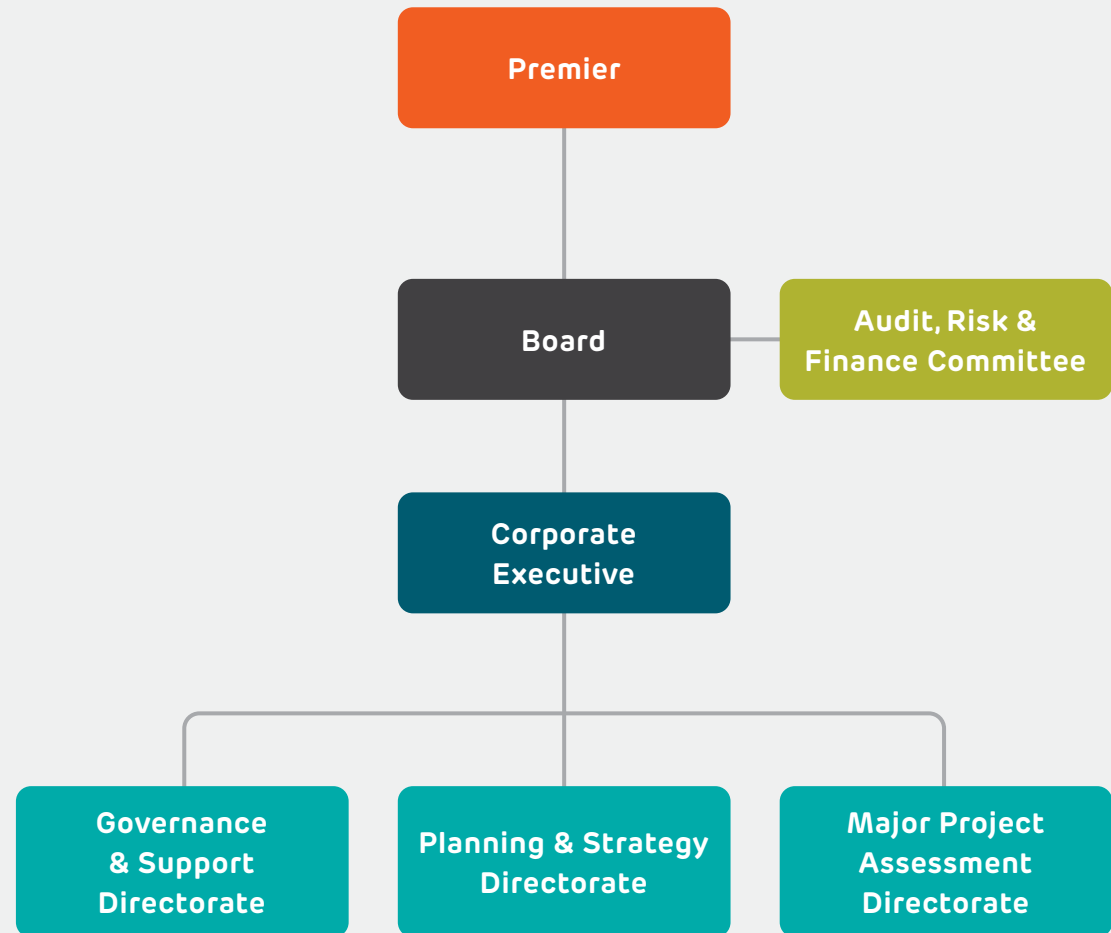
This directorate provides a range of governance and corporate support services to IWA.

Planning and Strategy

This directorate is responsible for preparing the Strategy that will inform annual 10-year infrastructure programmes (prepared by government, with IWA's advice) and long term planning for infrastructure investment in Western Australia.

Major Project Assessment

This directorate will be responsible for reviewing and preparing advice to government on significant major infrastructure proposals and business cases, requiring specialist expertise. These types of proposals are often sensitive, complex, involve multiple portfolios and relate to projects in the hundreds of millions or billions of dollars. This directorate is proposed to be established when Phase 2 of IWA functions commence, expected at some point in the 2021-22 financial year.



Board and Corporate Executive

The Board is the governing body responsible for IWA's strategic direction and operations. It comprises an independent Chairperson, Deputy Chairperson and eight Board members. With a mix of leading business people with expertise in infrastructure and some of the State's most senior public servants, the Board brings together the experience required to guide IWA's important work. The IWA Act requires that the number of Board members who are government employees must not exceed the number of Board members who are not.



John Langoulant AO
(Chairperson)

John has extensive experience leading private, public and not for profit entities.

John was appointed Chairperson of IWA in July

2019, having previously held the position of Western Australian Under Treasurer. He has also held Chief Executive positions with Australian Capital Equity, the Chamber of Commerce and Industry of Western Australia and the Oakajee Port and Rail project.

John currently holds non-executive director positions across a diverse portfolio of public, private and not for profit businesses. These roles are predominantly in Western Australia but also in the Northern Territory and at the national level.

In 2018, John led a Special Inquiry into the State Government's Programs and Projects across the period 2008-2017. In 2007, he chaired the Major Stadia Taskforce which gave rise to the development of Optus Stadium and has undertaken other inquiries for the Western Australian and Northern Territory Governments.

John was recognised as an Officer of the Order of Australia in 2010 for distinguished service to business and commerce, particularly through his leadership and management roles and to the community of Western Australia. In 2011, he was recognised in the Citizen WA Awards for his services to business.





Nicole Lockwood
(Deputy Chairperson)

Nicole was appointed as Deputy Chairperson of IWA in July 2019.

Nicole is passionate about the creation of engaged and thriving cities. With a background in law and regional economic development, she works with Government and the private sector to develop long-term infrastructure plans to secure the future prosperity and liveability of our cities and regions.

Nicole is the Independent Chairperson of the Westport Taskforce which is charged with planning the infrastructure to drive the freight future of the State's South West for the next 50 years and beyond.

She is also the Chairperson of the Freight and Logistics Council and a Board member of the Water Corporation. Nicole chairs MNG and the Sienna Wood Joint Venture.



Wayne Zekulich
*(Board Member and
Audit, Risk and Finance
Committee Chairperson)*

Wayne is a consultant and non-executive director with a broad range of

experience covering advice on mergers and acquisitions, arranging and underwriting project financing, privatisations, and debt and equity capital markets.

He was previously Chief Financial Officer of Gindalbie Metals Ltd and prior to that the Chief Development Officer of Oakajee Port and Rail. He holds a Bachelor of Business degree and is a Fellow of the Institute of Chartered Accountants.

Currently, Wayne consults to Deutsche Bank and is a Chairman of the listed company Pantoro Limited. In the not-for-profit sector, he is a committee member of the John Curtin Gallery advisory board and a board member of The Lester Prize.



Terry Agnew
(Board Member)

Terry is an experienced director and CEO, with extensive experience across a range of industries including mobility, transport, insurance,

finance, oil and gas, consulting engineering and management consulting. He was Group CEO for RAC for 20 years up until March 2019.

Terry is currently the Chairperson of the Business Council of Cooperatives and Mutuals, EDGE Employment Solutions (a Disability Employment Service) and the Curtin University Business and Law Advisory Council. He is a Director of RAA Insurance, MDA National Insurance and is a Councillor of Curtin University Council.

His previous experience includes being a Director of the Australian Institute of Management and he was the National President from 2008-2010. Terry has also been a Director of the Insurance Commission of WA, the West Coast Eagles and he was the State President of the Committee for Economic Development of Australia. He was a Founding Member of CEOs for Gender Equity.



Michael Barnes
(*ex officio Board Member*)

Michael is the Western Australian Under Treasurer.

Since 2014 he has been the principal economic and financial adviser to

Government, with statutory responsibilities around the management and reporting of the State's finances, including formulation of the annual State Budget. He is also responsible for leading the Department of Treasury.

Michael has a Bachelor of Business with Honours in Economics. After graduating from university he relocated to Canberra to take up a position in the Commonwealth Treasury, where he worked for nearly six years, mainly in the area of taxation policy.

Michael returned to Perth in late 1997 and has been working at the State Treasury ever since, in various roles spanning revenue policy; economic and revenue forecasting; Commonwealth-State financial relations; fiscal strategy and whole-of-government financial reporting.

As Under Treasurer, he is also Chairman of the Western Australian Treasury Corporation, which is the State's central borrowing authority.



Kerryl Bradshaw
(*Board Member and Audit, Risk and Finance Committee Member*)

Kerryl is an accomplished Western Australian Senior Executive and Business

Leader of more than 20 years. She has held a wide variety of roles in strategy, commercial, operations, capital projects, innovation, and business development.

She is currently the Director of the Resources Industry for Microsoft and responsible for assisting the resource industry to achieve its goals through digital transformation.

Prior to this Kerryl held senior leadership roles at Worley and Rio Tinto. At Worley, she was APAC (Asia Pacific) Regional Director, a multi-faceted executive leadership role, which saw her responsible for delivering its transformative strategy. Within Rio Tinto, she held a number of executive roles across three continents, driving the growth and transformation of Rio Tinto globally.

Kerryl is a graduate of the Institute of Chartered Accountants and holds a Bachelor of Commerce from Murdoch University.



Rebecca Brown
(*ex officio Board Member*)

Rebecca is the Acting Director General at the Department of the Premier and Cabinet and took on the role in March 2020. Prior to

this appointment, Rebecca was the Director General of the Department of Jobs, Tourism, Science and Innovation, and as part of this role was also Chief Executive Officer of Tourism Western Australia.

Rebecca has worked across Federal and State government agencies in a range of senior roles across revenue and economic policy, social policy, resourcing and performance. Most recently, she oversaw the reform of the Western Australian health system, including the establishment of a new governance model and the development of the *Health Services Act 2016*.

Rebecca has held senior positions at both Department of Treasury and Department of the Premier and Cabinet, where she oversaw key reforms between the public and non-profit community sectors.

Rebecca holds an Honours Degree in Economics from the University of Western Australia and is a graduate of the Australian Institute of Company Directors.



Gail McGowan
(ex officio Board Member)

Gail is the Director General of the Department of Planning, Lands and Heritage, the State Government agency responsible for planning

and managing land and heritage throughout the State.

She has held senior positions across Government including at Worksafe and the former Department of State Development. She is a graduate of the Australian Institute of Company Directors and member of Chief Executive Women of Australia; CEOs for Gender Equity; Leadership WA; Murdoch Vice Chancellor's External Advisory Board; Western Australian Planning Commission; Pastoral Lands Board and the Transport Infrastructure and Station Precinct Executive Committee.

Gail was awarded a Public Service Medal in the 2019 Queen's Birthday honours for her outstanding public service to land use, planning and industry development in Western Australia. She also received a Distinguished Alumni Award from Murdoch University in 2019 to recognise her career achievements and demonstrated leadership qualities.



Richard Sellers
(Board Member)

Richard was appointed Acting Director General of the Department of Jobs Tourism Science and Innovation in March 2020. In this role, he

is also the Chief Executive Officer of Tourism Western Australia.

Prior to his appointment, Richard held a number of senior roles in the public sector, including Director General of the Department of Transport; Commissioner for Main Roads WA; CEO of the Public Transport Authority and Director General of the Department of Mines and Petroleum.

As head of the Transport Portfolio, Richard was responsible for setting the strategic direction of transport in Western Australia, shaping the development of a number of major integrated transport plans and leading the implementation of the State's transformational capital projects.



Andrea Sutton
(Board Member and Audit, Risk and Finance Committee Member)

Andrea has a broad range of experience in the resources sector with more than 20

years' operational, technical and corporate experience. She has held positions as Rio Tinto Iron Ore General Manager – Infrastructure and Chief Executive and Managing Director of Energy Resources of Australia. She has also been head of health, safety, security and environment services for Rio Tinto.

She is currently a board member of Australian Nuclear Science and Technology Organisation (ANSTO) and was a non-executive director of Energy Resources of Australia in 2019.

Andrea is a member of Engineers Australia, Australasian Institute of Mining and Metallurgy, Chief Executive Women and the Australian Institute of Company Directors.



Lance Glare
(Acting Chief Executive Officer)

Lance Glare was appointed as acting Chief Executive Officer of IWA shortly after its commencement in July 2019.

Prior to this, Lance led a number of key infrastructure and economic reforms in a senior role with the Department of the Premier and Cabinet. This included the design and creation of IWA; the first whole-of government policy for market-led proposals for Western Australia; preparing a State Economic Development Framework – *Diversify WA*; and negotiations with the Commonwealth and Infrastructure Australia on Federal infrastructure funding.

Lance has more than 20 years' experience across the three levels of government in four States and Territories. He holds qualifications in public administration, project management and the built environment, and is an alumnus of the Australia and New Zealand School of Government.



Phil Helberg
(Chief Executive Officer)

Philip was appointed IWA's Chief Executive Officer in June 2020, commencing the role in August 2020.

As a former Deputy Director General at the Department of Finance, Philip led Building Management and Works, and the Strategic Projects arm of the agency, driving significant sector-wide reforms in infrastructure planning and development.

With more than 25 years of local and international experience in planning, delivery and management of infrastructure in both the public and private sectors, he has overseen annual work programs in excess of \$1 billion and led teams of more than 400 staff.



Darren Foster
(former ex officio Board Member)

Darren was the former Director General at the Department of Premier and Cabinet. He served on the IWA Board from its commencement until March 2020.



Performance management framework

The State Government's broad, high-level goals are supported at an agency level. The below table demonstrates the alignment between Government Goals, IWA's strategic objectives, our target outcomes for IWA's first year of operation and the results achieved in the 2019-20 financial year.

Goal	Strategic objectives	Target outcomes	Results
Better places A quality environment with liveable and affordable communities and vibrant regions	<ul style="list-style-type: none"> ✓ Align strategic planning ✓ Inform infrastructure needs and priorities ✓ Provide advice to support robust business cases and projects ✓ Build stakeholder confidence 	Achieving Strategy delivery milestones Input from stakeholders to shape the development of the Strategy	Release of the Discussion Paper More than 27 public events and presentations hosted or attended by IWA 28 industry roundtable meetings
Future jobs and skills Grow and diversify the economy, create jobs and support skills development	<ul style="list-style-type: none"> ✓ Build stakeholder confidence ✓ Align strategic planning ✓ Inform infrastructure needs and priorities ✓ Provide advice to support robust business cases and projects 	Embedding of economic focus in the Strategy Staff that are valued, supported and upskilled through training and development	Met and/or presented to 19 industry groups to gain input on how infrastructure could grow and diversify the economy 108 hours of professional development and training undertaken by staff and Board
Sustainable finances Responsible financial management and better service delivery	<ul style="list-style-type: none"> ✓ Align strategic planning 	Agency establishment Achieving Strategy delivery milestones	Corporate planning activities well progressed Milestones met within budget
Strong communities Safe communities and supported families.	<ul style="list-style-type: none"> ✓ Build stakeholder confidence 	Inform and consult a broad range of stakeholders in line with Strategy delivery milestones	700+ registrations for the online Discussion Paper launch (changed from an in-person event in response to COVID-19) 59 cross agency meetings attended/hosted Six regional forums hosted One briefing session with 40+ industry representatives hosted 71% stakeholder satisfaction achieved (against a target of at least 70%)

IWA's outcome-based management framework was developed and approved by the Department of Treasury in 2019-20. IWA shares no responsibilities with other agencies.

Disclosures and legal compliance



Auditor's opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

INFRASTRUCTURE WESTERN AUSTRALIA

Report on the financial statements

I have audited the financial statements of Infrastructure Western Australia which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of Infrastructure Western Australia for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of my report. I am independent of Infrastructure Western Australia in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of Infrastructure Western Australia for the financial statements

Infrastructure Western Australia is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as Infrastructure Western Australia determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Infrastructure Western Australia is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of Infrastructure Western Australia.

Auditor's responsibility for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by Infrastructure Western Australia. The controls exercised by Infrastructure Western Australia are those policies and procedures established by Infrastructure Western Australia to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by Infrastructure Western Australia are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2020.

Infrastructure Western Australia's responsibilities

Infrastructure Western Australia is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of Infrastructure Western Australia for the year ended 30 June 2020. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of Infrastructure Western Australia are relevant and appropriate to assist users to assess Infrastructure Western Australia's performance and fairly represent indicated performance for the year ended 30 June 2020.

Infrastructure Western Australia's responsibility for the key performance indicators

Infrastructure Western Australia is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as Infrastructure Western Australia determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, Infrastructure Western Australia is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of Infrastructure Western Australia for the year ended 30 June 2020 included on Infrastructure Western Australia's website. Infrastructure Western Australia's management is responsible for the integrity of Infrastructure Western Australia's website. This audit does not provide assurance on the integrity of Infrastructure Western Australia's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements and key performance indicators.



SANDRA LABUSCHAGNE
DEPUTY AUDITOR GENERAL

Delegate of the Auditor General for Western Australia
Perth, Western Australia

25 August 2020

Certification of financial statements

For the reporting period ended 30 June 2020

The accompanying financial statements of Infrastructure Western Australia (IWA) have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2020 and the financial position as at 30 June 2020.

At the date of signing we are not aware of any circumstances, which would render the particulars included in the financial statements misleading or inaccurate.



John Langoulant AO
Board Chairperson

21 August 2020



Wayne Zekulich
Audit, Risk and Finance Committee Chairperson

21 August 2020



Philip Helberg
Chief Executive Officer

21 August 2020



Gary Meyers
Chief Financial Officer

21 August 2020

Statement of Comprehensive Income

For the year ended 30 June 2020

	Notes	2020 \$'000
COST OF SERVICES		
Expenses		
Employee benefits expense	2.1(a)	1,488
Supplies and services	2.2	1,309
Accommodation expenses	2.2	133
Other expenses	2.2	96
Total cost of services		3,026
NET COST OF SERVICES		3,026
INCOME FROM STATE GOVERNMENT		
Service appropriation	3.1	4,194
Total income from State Government		4,194
SURPLUS/(DEFICIT) FOR THE PERIOD		1,168
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,168

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2020

	Notes	2020 \$'000
ASSETS		
Current Assets		
Cash and cash equivalents	5.1	1,481
Receivables	4.1	340
Prepayments	4.2	35
Total Current Assets		1,856
Non-current Assets		
Prepayments	4.2	18
Total Non-current Assets		18
TOTAL ASSETS		1,874
LIABILITIES		
Current Liabilities		
Payables	4.3	349
Employee related provisions	2.1(b)	298
Total Current Liabilities		647

	Notes	2020 \$'000
Non-current Liabilities		
Employee related provisions	2.1(b)	59
Total Non-current Liabilities		59
TOTAL LIABILITIES		706
NET ASSETS		1,168
EQUITY		
Contributed equity		-
Accumulated Surplus/(Deficit)		1,168
TOTAL EQUITY		1,168

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2020

	Notes	Contributed equity \$'000	Accumulated Surplus/(deficit) \$'000	Total equity \$'000
Balance at 1 July 2019		-	-	-
Surplus/(Deficit)		-	1,168	1,168
Total comprehensive income for the period		-	1,168	1,168
Balance at 30 June 2020		-	1,168	1,168

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2020

	Notes	2020 \$'000
CASH FLOWS FROM STATE GOVERNMENT		
Service appropriation	3.1	4,172
Net cash provided by State Government		4,172
Utilised as follows:		
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Employee benefits		(1,227)
Supplies and services and other expenses		(1,268)
Accommodation		(133)
GST payments on purchases		(63)
Cash used in operating activities		(2,691)

	Notes	2020 \$'000
Net increase/(decrease) in cash and cash equivalents		1,481
Cash and cash equivalents at the beginning of the period		-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		1,481

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Summary of Consolidated Account Appropriations and Income Estimates

For the year ended 30 June 2020

	2020 Estimate \$'000	2020 Actual \$'000	Variance \$'000
Delivery of Services			
Net amount appropriated to deliver services	3,825	3,865	40
<i>Salaries and Allowances Act 1975</i>	307	307	-
Total appropriations provided to deliver services	4,132	4,172	40
Capital			
Capital appropriations	120	-	(120)
Equity contribution	-	-	-
GRAND TOTAL	120	-	(120)
Details of Expenses by Service			
Development of the State Infrastructure Strategy	4,253	3,026	(1,227)
Total Cost of Services	4,253	3,026	(1,227)
Less Total income	-	-	-
Net Cost of Services	4,253	3,026	(1,227)
Adjustments ^(a)	-	-	-
Total appropriations provided to deliver services	4,253	3,026	(1,227)

	2020 Estimate \$'000	2020 Actual \$'000	Variance \$'000
Capital Expenditure			
Purchase of non-current physical assets	-	-	-
Adjustments for other funding sources	-	-	-
Capital appropriations	-	-	-
Details of Income Estimates			
Income disclosed as Administered Income	-	-	-
	-	-	-

(a) Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.

Note 7.6 'Explanatory Statement' provides details of significant variations between estimates and actual results for 2020.

Notes to the Financial Statements

For the year ended 30 June 2020

1. Basis of preparation

The Body Corporate is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Body Corporate is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Acting Chief Executive's Message' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Body Corporate on 21 August 2020.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- The *Financial Management Act 2006* (FMA);
- The Treasurer's Instructions (the Instructions or TI);
- Australian Accounting Standards (AAS) including Reduced Disclosure Requirements; and
- Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The FMA and the Treasurer's Instructions take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and it has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior, to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed Equity.

1. Basis of preparation (Continued)

Comparative Figures

Infrastructure WA was established on 24 July 2019 and as such there are no comparative figures disclosed in the financial statements for 2019-2020.

2. Use of our funding

Expense incurred in the delivery of services

This section provides additional information about how the Body Corporate's funding is applied and the accounting policies relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Body Corporate in achieving its objectives and the relevant notes are:

	Notes	2020 \$'000
Employee benefits expenses	2.1(a)	1,488
Employee related provisions	2.1(b)	357
Other expenditure	2.2	1,538

2.1 (a) Employee benefits expense

	2020 \$'000
Employee benefits ^(a)	1,362
Superannuation – defined contribution plans ^(b)	126
Total employee benefits expense	1,488

(a) Employee benefits

Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, profit-sharing and bonuses; and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for employees.

(b) Superannuation

The amount recognises in profit or loss of the 'Statement of Comprehensive Income' comprises employer contributions paid to the Gold State Super (GSS), the West State Super (WSS), the Government Employees Superannuation Board (GESB), or other superannuation funds.

2. Use of our funding (Continued)

2.1 (b) Employee related provisions

Provision is made for benefits accruing to employees in respect of salaries and wages, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2020 \$'000
Current	
Employee benefits provisions	
Annual leave ^(a)	123
Long service leave ^(b)	148
	271
Other provisions	
Employment on-costs ^(c)	27
Total current employee related provisions	298
Non-current	
Employee benefits provisions	
Long service leave ^(b)	54
Other provisions	
Employment on-costs ^(c)	5
Total non-current employee related provisions	59
Total employee related provisions	357

(a) Annual leave liabilities

Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated as the present value of expected payments in relation to services provided by employees up to the end of the reporting date.

(b) Long service leave liabilities

Unconditional long service leave provisions are classified as current liabilities as the Body Corporate does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Body Corporate has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as the Body Corporate does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

2. Use of our funding (Continued)

2.1 (b) Employee related provisions (Continued)

(c) Employment on-costs

The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses, Note 2.2 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Body Corporate's 'employee benefits expense'. The related liability is included in 'Employment On-costs Provision'.

	2020 \$'000
Employment on-costs provision	
Carrying amount at start of period	-
Additional provisions recognised	32
Carrying amount at end of period	32

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the Body Corporate's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

2. Use of our funding (Continued)

2.2 Other Expenditure

	2020 \$'000
Supplies and services	
Professional services	1,052
Communications	45
Consumables	29
Travel	52
Minor Equipment	40
Other	91
Total supplies and services expenses	1,309
Accommodation expenses	
Rentals	121
Repairs and maintenance	12
Total accommodation expenses	133
Other	
Other staff costs	12
Computer software licenses	16
Employment on-costs ^(a)	48
Audit fees – Internal/External	20
Total other expenditure	96
TOTAL	1,538

(a) Includes workers' compensation insurance.

Supplies and services

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Accommodation expenses

Rental expenses include:

- Short-term leases with a lease term of 12 months or less;
- Low-value leases with an underlying value of \$5,000 or less; and
- Variable lease payments, recognised in the period in which the event or condition that triggers those payments occurs.

Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

Other expenses

Other expenses generally represent the day-to-day running costs incurred in normal operations. Other staff costs include training and staff development.

Employee on-cost

Employee on-cost includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 2.1(b) 'Employee Related Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

3. Our funding source

This section provides additional information about how the Body Corporate obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Body Corporate and the relevant notes are:

	Notes	2020 \$'000
Income from State Government	3.1	4,194

3.1 Income from State Government

	Notes	2020 \$'000
Appropriation received during the period:		
Service appropriations ^(a)		4,172
Services received free of charge from other State Government agencies during the period:		
Determined on the basis of the following estimates provided by agencies		
Department of Finance – represents lease administration services and depreciation on fit-outs		22
Total income from State Government		4,194

(a) Service appropriations

Service appropriations are recognised as income at fair values in the period in which the Body Corporate gains control of the appropriated funds. The Body Corporate gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services (Holding Account)' held at Treasury.

Service appropriations fund the net cost of services delivered. Appropriation revenue only comprises the following:

- Cash component.

4. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Body Corporate's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2020 \$'000
Receivables	4.1	340
Prepayments	4.2	53
Payables	4.3	349

4.1 Receivables

	2020 \$'000
Current	
GST receivable	63
Other receivables ^(a)	277
Total receivables	340

(a) Other receivables represent estimated amounts owing for employee leave entitlements from other Agencies.

4.2 Prepayments

	2020 \$'000
Current	35
Non-current	18
Balance at end of period	53

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covers a term extending beyond that period.

4.3 Payables

	2020 \$'000
Current	
Trade payables	36
Accrued salaries	213
Accrued expenses	100
Balance at end of period	349

Payables are recognised at the amounts payable when the Body Corporate becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period. The Body Corporate considers the carrying amount of accrued salaries to be equivalent to its fair value.

5. Financing

This section sets out the material balances and disclosures associated with the financing and cash flow of the Body Corporate.

	Notes
Cash and cash equivalents	5.1

5.1 Cash and cash equivalents

	2020 \$'000
Cash and cash equivalents	1,481
Balance at end of period	1,481

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

6. Financial instruments and contingencies

This note sets out the key risk management policies and measurement techniques of the Body Corporate.

	Notes
Financial Instruments	6.1
Contingent liabilities and assets	6.2
Commitments	6.3

6.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting date are:

	2020 \$'000
Financial Assets	
Cash and cash equivalents	1,481
Receivables and other assets ^(a)	277
Total financial assets	1,758
Financial Liabilities	
Financial liabilities at amortised cost	249
Total financial liabilities	249

(a) The amount of receivables excludes GST recoverable from ATO (statutory receivable).

6. Financial instruments and contingencies (Continued)

6.2 Contingent liabilities and contingent assets

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed and, if quantifiable, are measured at the best estimate.

6.2.1 Contingent liabilities

There were no contingent liabilities at 30 June 2020.

6.2.2 Contingent assets

There were no contingent assets at 30 June 2020.

6.3 Commitments

There were no capital commitments at 30 June 2020.

7. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	7.1
Initial application of Australian Accounting Standards	7.2
Key management personnel	7.3
Related party transactions	7.4
Remuneration of auditor	7.5
Supplementary Financial Information	7.6
Explanatory statement	7.7

7.1 Events occurring after the end of the reporting period

There were no significant events affecting the operations of the Body Corporate after the reporting period.

7.2 Initial application of Australian Accounting Standards

AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not-for-Profit Entities

The Body Corporate derives income from appropriations which are recognised under AASB 1058. AASB 1058 is applied to Not-for-Profit Entities for recognising income that is not revenue from contracts with customers. Timing of income recognition under AASB 1058 depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) recognised by the Body Corporate.

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue and AASB 111 Construction Contracts for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service and is based upon the transfer of control rather than transfer of risks and rewards.

7.2 Initial application of Australian Accounting Standards (Continued)

AASB15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers;
- Identifying separate performance obligations;
- Determining the transaction price of the contract;
- Allocating the transaction price to each of the performance obligations; and
- Recognising revenue as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

The effect of adopting AASB 15 and AASB 1058 as at 1 July 2019 did not have any impact for the Body Corporate.

AASB 16 Leases

AASB 16 Leases supersedes AASB 117 Leases and related Interpretations.

AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

The Body Corporate applies AASB 16 from 1 July 2019 using the modified retrospective approach. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of accumulated surplus/(deficit).

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (where the underlying asset is valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16 the Body Corporate takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- a) Right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2.5%) on 1 July 2019.
- b) Depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income.
- c) The total amount of cash paid as principal amount, which is presented in the Cash Flows from Financing Activities, and interest paid, which is presented in the Cash Flows from Operating Activities, in the Statement of Cash Flows.

During the year guidance published by the Department of Treasury (in conjunction with the Department of Finance), concluded that the Body Corporate's lease of its Government Office Accommodation (GOA) premises falls out of scope of AASB 16 and is therefore not reported on the Statement of Financial Position. GOA arrangements are now expensed as incurred.



7. Other disclosures (Continued)

7.3 Key management personnel

The Body Corporate has determined that key management personnel includes the Board of Directors and senior officers of the Body Corporate.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Body Corporate for the reporting period are presented within the following bands:

	2020
Compensation band (\$)	
330,000 – 340,000	1
100,000 – 110,000	1
60,000 – 70,000	1
40,000 – 50,000	4
0 – 10,000	5
	2020 \$'000
Total compensation of senior officers	684

The total remuneration includes the superannuation expense incurred by the Body Corporate in respect of senior officers.

7.4 Related party transactions

The Body Corporate is a wholly owned and controlled entity of the Government of Western Australia. Related parties of the Body Corporate include:

- Board Members and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other department and public sector entities, including related bodies, that are included in the whole-of-government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with related parties

Outside of normal citizen type transactions with the Body Corporate, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

7.5 Remuneration of auditor

Remuneration payable to the Auditor General in respect of the audit for the current year is as follows:

	2020 \$'000
Auditing the accounts, financial statements, controls, and key performance indicators	20

7.6 Supplementary Financial Information

7.6 (a) Write-offs

There were no write-offs during the year.

7.6 (b) Losses through theft, defaults and other causes

There were no losses through theft, defaults and other causes during the year.

7.6 (c) Gifts of public property

The Body Corporate did not provide any gifts of public property during the year.

7.7 Explanatory statement

All variances between estimates (original budget) and actual results for 2020 are shown below. Narratives are provided for major variances, which are generally greater than:

- ten percent and \$1 million for the Statements of Comprehensive Income and Cash Flows; and
- ten percent and \$1 million for the Statement of Financial Position.

7. Other disclosures (Continued)

7.7 Explanatory statement (Continued)

		Estimate	Actual	Variance between estimate and actual
		2020 \$'000	2020 \$'000	2020 \$'000
7.7.1 Statement of Comprehensive Income Variances	Note			
Employee benefits expense	1.a	2,500	1,488	(1,012)
Supplies and services		1,632	1,309	(323)
Depreciation and amortisation expenses		120	-	(120)
Finance costs		-	-	-
Accommodation expenses		-	133	133
Other expenses		-	96	96
Total cost of services		4,252	3,026	(1,226)
Income from State Government				
Service appropriation		4,133	4,194	61
Total income from State Government		4,133	4,194	61
SURPLUS/(DEFICIT) FOR THE PERIOD		(119)	1,168	1,287
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(119)	1,168	1,287

Major Estimate and Actual (2020) Variance Narratives

1.a Employee benefits expense was \$1m (40%) less than budget. This mainly represents savings realised due to delays in filling staff vacancies during the year.

7. Other disclosures (Continued)

7.7 Explanatory statement (Continued)

		Estimate	Actual	Variance between estimate and actual
	Note	2020 \$'000	2020 \$'000	2020 \$'000
7.7.2 Statement of Financial Position Variances				
Assets				
Current Assets				
Cash and cash equivalents	2.a	-	1,481	1,481
Receivables		-	340	340
Other current assets		-	35	35
Accumulated depreciation – Right-of-use assets		(120)	-	120
Total Current Assets		(120)	1,856	1,976
Non-current Assets				
		-	18	18
TOTAL ASSETS		(120)	1,874	1,994
Liabilities				
Current Liabilities				
Payables		-	349	349
Provisions		-	298	298
Total Current Liabilities		-	647	647

7. Other disclosures (Continued)

7.7 Explanatory statement (Continued)

		Estimate	Actual	Variance between estimate and actual
	Note	2020 \$'000	2020 \$'000	2020 \$'000
7.7.2 Statement of Financial Position Variances				
Non-Current Liabilities				
Provisions		-	59	59
Total Non-Current Liabilities		-	59	59
TOTAL LIABILITIES		-	706	706
NET ASSETS		(120)	1,168	1,288
EQUITY				
Contributed equity		120	-	120
Accumulated deficit		-	1,168	1,168
TOTAL EQUITY		120	1,168	1,288

2.a Infrastructure WA's 2019-20 budget Statement of Financial Position did not include an estimated cash position.

7. Other disclosures (Continued)

7.7 Explanatory statement (Continued)

		Estimate	Actual	Variance between estimate and actual
	Note	2020 \$'000	2020 \$'000	2020 \$'000
7.7.3 Statement of Cash Flows Variances				
Cash Flows from State Government				
Service appropriation		4,133	4,172	39
Net cash provided by State Government		4,133	4,172	39
Utilised as follows:				
Cash Flows from Operating Activities				
Payments				
Employee benefits	3.a	(2,501)	(1,227)	1,274
Supplies and services		(1,632)	(1,268)	364
Accommodation		-	(133)	(133)
GST payments on purchases		-	(63)	(63)
Net cash used in operating activities		(4,133)	(2,691)	1,442
Net increase/(decrease) in cash and cash equivalents		-	1,481	1,481
Cash and cash equivalents at the beginning of the period		-	-	-
Cash and cash equivalents at the end of the period		-	1,481	1,481

Major Estimate and Actual (2020) Variance Narratives

3.a Employee benefits expense was \$1.3m (52%) less than budget. This mainly represents savings realised due to delays in filling staff vacancies during the year.



Key performance indicators

We hereby certify that the Key Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess IWA's performance, and fairly represent the performance of IWA for the financial year ended 30 June 2020.

John Langoulant AO
Board Chairperson

Wayne Zekulich
Audit, Risk and Finance Committee Chairperson

Philip Helberg
Chief Executive Officer

Gary Meyers
Chief Financial Officer

Government Goals

Through providing advice to support better decision-making by Government on infrastructure planning and delivery, IWA is directly contributing to planning better places for the WA community, specifically contributing toward the following Government Goals:

- Grow and diversify the economy, create jobs and support skills development; and
- A quality environment with liveable and affordable communities and vibrant regions.

Outcome-based management framework

IWA's outcome-based management (OBM) framework consists of one agency-level desired outcome and one agency service:

- Outcome – An informed Government on infrastructure matters, needs and priorities.
- Service – Development of State Infrastructure Strategy.

Revision to the OBM framework

IWA's inaugural OBM framework was developed and approved by the Department of Treasury during 2019-20, therefore there were no revisions during the reporting year.

Explanations for significant variances

A significant variance is identified for the key efficiency indicator EI1.1 (Average cost per per FTE to deliver Strategy) result, and an explanation has been provided.

Detailed information in support of key performance indicators

Agency-level desired outcome: An informed Government on infrastructure matters, needs and priorities

IWA's stated outcome articulates the operational part of the *Infrastructure Western Australia Act 2019* (IWA Act), which includes the delivery of the 20-year State Infrastructure Strategy (Strategy). The Strategy will identify WA's significant infrastructure needs and priorities over the next 20 years, and provide recommendations to the Premier and Government. To deliver the Outcome, IWA must deliver the Strategy. Every five years, or less as agreed with Government, a new 20-year Strategy will be prepared. Two key effectiveness indicators (KEI) are used to measure the achievement or otherwise of the Outcome.

2019-20 Target			2019-20 Actuals	Notes
Key effectiveness indicators (KEI)				
KEI1.1	Completion of specific Strategy delivery milestones.	Discussion Paper released for public comment.	Released 26 June 2020	<p>The Discussion Paper is IWA's first document released for public consultation and comment. It supports the development of the draft and then final Strategy.</p> <p>The Discussion Paper was publically released via an online launch on 26 June 2020.</p>

		2019-20 Target	2019-20 Actuals	Notes
Key effectiveness indicators (KEI)				
KEI1.2	Completion of stakeholder events to facilitate consultation of key Strategy milestones.	22	27	<p>Stakeholder events are defined as any event where a representative of IWA (a staff or Board member) gives a public presentation to stakeholders in their capacity as a representative of IWA, on the functions of IWA. The event can be held face to face or online. A public event (in this context) is defined as any:</p> <ul style="list-style-type: none"> – presentation given to stakeholders external to State government (e.g. to industry, local government, community – whether by invitation only or more broadly open); or – event that is open to the public (e.g. a regional roadshow). <p>Across 2019-20 IWA hosted eight public stakeholder events, including six regional visits, one industry briefing related to the release of the Discussion Paper, and the public virtual launch of the Discussion Paper on 26 June 2020. A further 19 briefings were held where a representative of IWA provided a presentation to key stakeholders in their capacity as a representative of IWA, including 12 with infrastructure agencies in other states and territories.</p>

Detailed information in support of key performance indicators (Continued)

Service: Development of State Infrastructure Strategy

A Service is the supply of an activity or good to a user external to the agency providing the Service. Services can comprise programs and outputs. The Service being delivered by IWA to achieve the stated desired Outcome is the delivery of the Strategy.

		2019-20 Target	2019-20 Actuals	Notes
Key efficiency indicators (EI)				
EI1.1	Average cost per FTE to deliver Strategy.	\$330,800	\$216,143	<p>EI 1.1 calculates the cost to deliver the service (the annual budget figure allocated to deliver the Strategy), compared to the effort required to deliver the service (number of full-time equivalent (FTE) staff directly contributing to the delivery of the Strategy).</p> <p>During 2019-20, passage of IWA's legislation took longer than originally anticipated, which resulted in a delay to the operational establishment of IWA, including staffing. This resulted in a significant underspend of salaries, services and associated expenditure in 2019-20. As the calculation is based on the FTE numbers at the end of 2019-20, the indicator does not accurately reflect the efficient cost to deliver the Strategy. A more accurate method of calculation would be to use the average number of FTE during 2019-20 which equates to 9, as follows: $\\$3,026,000/9 = \\$336,222$. As this was an event unique to the first year of operation of IWA it is not expected to be a significant issue in future years of its operations.</p>

Ministerial directives

In accordance with section 60 of *Infrastructure Western Australia Act 2019*, the Premier may (subject to certain limitations) give written directions to IWA about the performance of its functions, and IWA must give effect to the directions.

IWA received no Ministerial directions in 2019-20.

Other financial disclosures

Employment and industrial relations

At 30 June 2020, IWA had 15 employees by head count and 15 full time equivalent employees (FTE). 66 per cent of FTEs are female and 34 per cent are male.

Staff profile	Female*	Male*	2019-20 Total*
Full-time permanent	9	4	13
Full-time contract	1	1	2
Part-time permanent	0	0	0
Part-time contract	0	0	0
Total	10	5	15

* Headcount and does not include secondments, nor staff nominated through a service level agreement.

IWA's permanent staff recruitment process mostly took place between February and May 2020. Until appointments were made, most positions were filled on a temporary basis through secondments or by agreement with other State agencies. The majority of staff appointments were made in April and May 2020. The recruitment process for the permanent Chief Executive Officer took place between July 2019 and June 2020.



Staff development

IWA is committed to the development of its employees and Board members, to ensure the continuous development of a highly skilled, professional and credible workforce with the ability to deliver strategic infrastructure outcomes for the State.

In 2019-20 IWA established a three step staff development plan program which aims for staff to discuss and set career and development goals across a 12 month period. A focus on staff training and development is a key priority for 2020-21, following the appointment of all permanent staff positions.

The Board attended an accountable and ethical decision making training as per the *Public Sector Management Act 1994*, within six months of establishment.

Occupation safety, health and injury management

IWA is committed to ensuring a healthy, safe and accident free workplace for all its employees, contractors and visitors.

IWA's Risk Management Framework (RMF) identifies occupational safety and health (OSH) as a risk criterion against which strategic and operational risks are assessed. Regular RMF reporting is made to the Chief Executive Officer, Audit, Risk and Finance Committee (ARFC) and Board.

During 2019-20 IWA arranged two first aid training sessions for two staff, and firewarden training for two staff.

Regular updates to staff are provided in debrief meetings from ARFC and Board, and by the Chief Executive Officer at team meetings.

To ensure compliance with the *Occupational Safety and Health Act 1984* and the *Workers' Compensation and Injury Management Act 1981*, in 2019-20 and into 2020-21, IWA will finalise its OSH policies, procedures, guidelines and plans.

IWA's OSH management system is still being established, and an assessment will take place during 2020-21.

A level of OSH services and support are provided by the Department of the Premier and Cabinet through a service level agreement, and further work toward implementing IWA's OSH management plan will continue as a priority in 2020-21.

Occupational safety and health data in this reporting period:

Indicator	Target	2019-20 Performance	Notes on performance
Number of fatalities	Zero (0)	Zero (0)	
Lost time injury and disease (LTI/D) incidence rate	Zero (0) or 10% improvement on the previous three (3) years	Zero (0)	
Lost time injury and disease severity rate	Zero (0) or 10% improvement on the previous three (3) years	Zero (0)	
Percentage of injured workers returned to work within i) 13 weeks ii) 26 weeks	Greater than or equal to 80% return to work within 26 weeks.	i) NA ii) NA	
Percentage of managers and supervisors trained in occupational safety, health and injury management responsibilities	Greater than or equal to 80%	Zero (0)	Appointment of IWA's permanent staff cohort was delayed throughout 2019-20 which resulted in delayed management training. Management training is a priority for 2020-21 now that permanent appointments have been finalised.



COVID-19

In March 2020 the State Government released the WA Government Pandemic Plan in response to the escalating nature of the COVID-19 worldwide pandemic.

Throughout the height of the pandemic IWA prioritised the health of its employees, Board and visitors, and implemented a range of procedures and tools to minimise potential spread and maintain social distance in the office. To enable working from home if necessary, further policies and tools were implemented, including a Working From Home Policy, Working from Home Occupational Safety and Health Checklist, and Working From Home Agreement.

IWA staff worked from home for approximately five weeks across April and May 2020, and held one Board meeting via video conference during that time.

Workers compensation

No workers compensation claims were recorded during 2019-20.

Unauthorised use of credit cards

Staff are reminded of their obligations under the corporate credit card policy. In 2019-20 there were no unauthorised uses of credit cards.

Governance disclosures

Board and Committee remunerations

Board

In 2019-20, the Board held including 11 Board meetings.

Position	Member	Period of membership	Term of appointment	Type of remuneration	Base remuneration	Actual remuneration*	Meetings invited	Meetings attended
Chairperson	John Langoulant	11 months	5 years	Per Annum	\$109,494	\$109,795	11	11
Deputy Chairperson	Nicole Lockwood	11 months	5 years	Per Annum	\$76,645	\$66,855	11	11
Member	Wayne Zekulich	11 months	3 years	Per Annum	\$41,926	\$43,076	11	10
Member	Terry Agnew	11 months	5 years	Per Annum	\$41,926	\$43,076	11	11
Ex-Officio Member	Michael Barnes	11 months	NA	NA	\$0	\$0	11	6
Member	Kerryl Bradshaw	11 months	5 years	Per Annum	\$41,926	\$43,076	11	11
Ex-Officio Member	Rebecca Brown	3 months	NA	NA	\$0	\$0	3	2
Ex-Officio Member	Gail McGowan	11 months	NA	NA	\$0	\$0	11	10
Member	Richard Sellers	11 months	3 years	NA	\$0	\$0	11	7
Member	Andrea Sutton	11 months	3 years	Per Annum	\$41,926	\$43,076	11	11
Ex-Officio Member	Darren Foster	8 months	NA	NA	\$0	\$0	8	5

* Actual remuneration is inclusive of GST, superannuation and allowances.

Audit and Risk Management Committee

IWA's Audit, Risk, and Finance Committee (ARFC) was established in February 2020 under section 43 of the *Infrastructure Western Australia Act 2019*, supported by the ARFC Charter.

In accordance with Treasurer's Instruction 1201 Internal Audit updated in December 2019, the ARFC was established in February 2020. The ARFC has a minimum of three members and is chaired by a suitably qualified person who is external to IWA, being either: a person from another State government agency, a person external to government or a non-government Board member. IWA's inaugural ARFC Chairperson is non-government IWA Board member Wayne Zekulich. The other members are also non-government IWA Board members.

The ARFC assists the Board in carrying out its corporate governance and oversight responsibilities in relation to IWA's internal and external audit functions, risk management systems, accounting policies, financial reporting and internal control systems.

ARFC members do not receive additional remuneration. In 2019-20, one ARFC meeting was held.

Position	Member	Meetings Attended	Meetings Invited
Chairperson	Wayne Zekulich	1	1
Member	Kerryl Bradshaw	1	1
Member	Andrea Sutton	1	1

Internal audit

IWA's Internal Auditors were appointed in June 2020.

Under the Government's Common Use Arrangement Audit and Financial Advisory Services (CUAAFA2018) and in accordance with Treasurer's Instruction 1201 Internal Audit updated in December 2019, IWA engaged the services of RSM Australia as internal auditor and to provide IWA's head of internal audit from July 2020.

In August 2020 a three year internal audit plan will be approved and a program of internal audits will commence in early 2020-21.

External audit

IWA's external audit is currently undertaken by the Office of the Auditor General. IWA's first audit will occur in the 2020-21 financial year.

Under section 62 of the IWA Act, the provisions of the *Financial Management Act 2006* and the *Auditor General Act 2006* regulating the financial administration, audit and reporting of statutory authorities apply to and in relation to IWA and its operations.

Risk management

IWA's risk management framework was established in March 2020.

In 2019-20 IWA developed a risk management framework that is consistent with AS ISO 31000:2018 (the Risk Management Standard) and the WA State Government Risk Management Guidelines (July 2016), and is designed to meet the requirements of Treasurer's Instruction 825 Risk Management and Security and the Public Sector Commissioner's Circular 03/15 Risk Management and Business Continuity Planning, and to meet IWA's legislative responsibilities under the Act.

IWA's Risk Management Framework is accompanied by a risk management policy, risk appetite statement and strategic and operational risk registers.

Review of the risk registers is reported to the ARFC and the Board. Potential risk impacts are a required topic in ARFC and Board agenda papers.

Contact with a lobbyist

IWA ensured compliance with the Public Sector Commission's Contact with Lobbyist Code by requiring the completion of a form when contact with a lobbyist is made. A register of contact is maintained by IWA.

Directors insurance

In 2019-20 IWA paid \$11,175 (excluding GST and Stamp Duty) for insurance to indemnify its directors as defined in Part 3 of the *Statutory Corporations (Liabilities of Directors) Act 1996* against liability incurred under sections 13 or 14 of the *Statutory Corporations (Liability of Directors) Act 1996*.





Other Legal Requirements

Advertising expenditure

In accordance with section 175ZE of the *Electoral Act 1907*, IWA has incurred \$623.51 with advertising, market research, media advertising, polling and direct mail organisations.

Advertising

Nil	\$0
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Direct Mail

Nil	\$0
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Media Advertising

Initiative Media Australia Pty Ltd	\$623.51
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Market research

Nil	\$0
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Polling

Nil	\$0
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Disability access and inclusion plan outcomes

IWA's inaugural Disability Access and Inclusion Plan (DAIP) is currently in development.

In accordance with the *Disability Services Act 1993*, IWA's inaugural DAIP was developed in 2019-20 in consultation with the Department of Communities, and consultation took place across two weeks in June 2020.

The DAIP will be finalised in early 2020-21 and will be lodged with the Department of Communities and made available on IWA's website.

Compliance with public sector standards and ethical codes

IWA has established policies and procedures to ensure compliance with section 31(1) of the *Public Sector Management Act 1994*. No breaches were reported in 2019-20.

Code of Conduct

IWA is committed to ensuring all Board and committee members and staff act with integrity to ensure the Western Australian community and government have confidence in IWA's performance.

IWA's Code of Conduct (the Code) was established in August 2019 and provides the guidelines to support ethical and accountable behaviour for IWA representatives.

The Code outlines the expected minimum standards of behaviour relating to:

- Personal behaviour;
- Communication and official information;
- Fraudulent or corrupt behaviours;

- Use of public resources, including the incurring of expenditure, travel and accommodation, providing hospitality, and the use of phones;
- Recordkeeping and the use of information;
- Conflicts of interest and gifts and benefits; and
- Reporting suspected breaches of the code.

All Board and ARFC members and employees are familiarised with the Code and are required to declare their understanding and compliance with the Code on commencement of their employment.

Accountable and ethical decision making training

One accountable and ethical decision making training session was held by IWA in 2019-20. Further sessions are planned in 2020-21 following the appointment of all permanent staff positions.

Conflict of Interest

In accordance with section 45 of the IWA Act, Board and ARFC members have an obligation to disclose a material personal interest in a matter being considered by the Board or a committee, as soon as possible after the relevant facts have come to their knowledge.

If the CEO has a material personal interest in a matter that relates to IWA's affairs, the CEO must disclose the nature and extent of the interest to the Board as soon as possible after the relevant facts have come to their knowledge.

Under IWA's Conflict of Interest Policy, IWA's Board and ARFC members, the CEO, and employees are required to disclose any actual, potential or perceived conflicts of interest (including professional conflicts) by completing a Conflict of Interest Declaration that is reviewed by the Chairperson or CEO. Information included in the Conflict of Interest

Declaration is held in a Conflict of Interest Declarations Register managed and maintained by IWA.

In addition, Board and ARFC members and the CEO are required to complete a Statement of Interests Declaration form to assist with identifying and managing actual, perceived and potential conflicts of interest. The form is required to be completed on appointment to IWA, and reviewed and updated annually, or as material interests change. Information included in the Statement of Interest Declaration form is held in the Conflict of Interest Declarations Register managed and maintained by IWA.

Recordkeeping plans

IWA's inaugural recordkeeping plan was approved by the State Records Commission in April 2020

In accordance with section 19 of the *State Records Act 2000*, which requires each government organisation to have a Recordkeeping Plan that has been approved by the State Records Commission, IWA's record keeping plan was submitted and approved in early 2020. A report of the review will be submitted to the State Records Office by April 2025.

IWA's Recordkeeping Plan recognises that recordkeeping services are provided through a service level agreement with the Department of the Premier and Cabinet.

Freedom of Information requests

A link to IWA's Freedom of Information (FOI) process is available on the IWA website.

In accordance with the *Freedom of Information Act 1992*, the public have a legal right to access records (which are not otherwise exempt) held by State Government agencies.

IWA's FOI services are provided by the Department of the Premier and Cabinet through a service level agreement. A link to the Department of the Premier and Cabinet's processes to lodge a FOI application is available to the public on IWA's website.

No FOI requests were received in 2019-20.

Government policy requirements

Government Building Training Policy

At the 30 June 2020 no contract subject to the GBT Policy was awarded.

Photo acknowledgements

IWA would like to thank the many State Government agencies, government trading enterprises, local governments and other entities who have generously made their photography available for IWA's use. *(In order of appearance)*

Fremantle Ports

Cover WA Maritime Museum and surrounds, Fremantle
p21 North Quay, Fremantle

Tourism Western Australia

p17 140 William Street, Perth
p23 Native flora, Kings Park, Perth
p56 Heartwalk Street Art, Kalgoorlie
p58 Amato Vino, Margaret River
p62 Goldfields Highway
p65 Red Bluff, Kalbarri National Park

City of Perth

p3 Supreme Court Gardens and Perth skyline
p7 Perth Cultural Centre

Pilbara Ports Authority

p9 Port of Dampier

Mandurah & Peel Tourism Organisation and Russell Ord Photography

p61 Shire of Waroona Council offices

General stock images

Cover Francoise Peron, Shark Bay
p12 Mine site, Newman

Development WA

p2 Yagan Square

Department of Transport

p44 Bunbury cycling

METRONET

p50 TBM Grace arriving at Airport Central Station





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