



Annual Work Program 2022-23





Contents

Overview	3
Purpose	5
Context	6
2022-23 Work Program	8

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Acknowledgment of Country

Infrastructure WA acknowledges the Traditional Custodians of Western Australia 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.

Photo acknowledgements

Infrastructure WA wishes to thank all of the entities who generously made their photography available for use in this document.



Overview

In 2022–23 Infrastructure WA (IWA) looks forward to delivering the requirements of the *Infrastructure Western Australia Act 2019* (IWA Act). IWA's priorities in 2022–23 include monitoring and reporting on implementation progress of the inaugural State Infrastructure Strategy (the Strategy), assessing and reporting on major infrastructure proposals and assisting in the preparation of an annual 10-year State Infrastructure Program (SIP).

Following its finalisation, the Strategy was submitted to the Premier in January 2022. The Strategy is a critical pillar of public infrastructure planning for Western Australia (WA). Based on the best available evidence, the Strategy recommends reforms that, with collaborative effort, will coordinate government infrastructure planning to achieve strategic long-term benefits. Following the Strategy's acceptance and tabling in Parliament, the WA Government will provide a response indicating which recommendations are supported in full and in part, and, for those it does not fully support, the reasons why.

By working with government stakeholders, IWA will work to align efforts to optimise the infrastructure system. Taking the WA Government's response to the Strategy into consideration, IWA will collaboratively develop a framework for monitoring and reporting on the implementation of the supported recommendations. The purpose of this function is to provide confidence to the WA Government and community that the state's long-term infrastructure outlook is being delivered as expected and that the desired outcomes are being achieved. This framework will be developed with key state government stakeholders to ensure it generates factual and relevant advice that supports informed decision-making.

The WA Government's decision-making will be further supported by IWA's Major Infrastructure Proposal Assessment (MIPA) function, which assesses and reports to the Premier on major infrastructure proposals valued at \$100 million or more. MIPA seeks to improve the quality of proposals, improve linkages between infrastructure planning and investment, and enhance the transparency of the WA Government's major infrastructure decisions. In 2022–23, IWA will continue to assess proposals using the MIPA Interim Guidelines (released in January 2022), while working with key state government stakeholders to refine the process. In the second phase of this function, to commence in 2023, major programs will be included and a finalised set of guidelines will be released to cater for this extension of scope.

Every year, the WA Government will prepare a 10-year SIP to establish an overview of significant infrastructure projects, needs and challenges and options to address

them that will provide visible medium-term infrastructure outlooks that go beyond the 4-year forward estimates period. The SIP will support increased investor confidence and improved alignment and coordination of infrastructure within government. IWA will provide advice and support during the preparation of the SIP, and planning is well underway in anticipation of this function commencing in 2023. In the coming year, there will be a strong focus on research and design to formulate a model for the SIP that is appropriate for WA.

IWA's role to enhance the efficiency and effectiveness of infrastructure planning and coordination will be further progressed by working closely with government agencies, supporting continual improvement of strategic asset planning and providing specialist assistance and advice where required. IWA also looks forward to ongoing engagement with Infrastructure Australia (IA), as it continues to coordinate WA's submissions to the Infrastructure Priority List.

As WA transitions from the COVID-19 pandemic, it is clear that challenges such as construction market capacity constraints, increased labour costs, housing availability concerns and continuing pressures on the health system are impacting the infrastructure sector. IWA will continue to monitor and consider these impacts and provide advice to the WA Government to support economic growth and social wellbeing. While maintaining a long-term perspective is important for achieving transformational change, IWA will ensure that its advice considers contemporary circumstances.

Following the finalisation of the inaugural Strategy in 2022, IWA looks forward to embedding its full program of activities, adding value to the infrastructure sector and supporting the WA Government.



Purpose

This Annual Work Program (Work Program) is prepared to provide an overview of the key priorities that IWA will focus on in 2022–23.

Publication of the Work Program supports the transparency of IWA's activities, consistent with the principles on which IWA was established. It is also a legislative requirement under the IWA Act.

Section 10 of the IWA Act outlines various requirements in relation to the Work Program, including that it must:

- be prepared by IWA in consultation with the Premier
- be submitted to the Premier before the beginning of each financial year

- cover key activities that IWA proposes to undertake in the year to which it relates
- be published.

The Work Program ensures the Premier and stakeholders are aware of the key activities IWA proposes to undertake over the next financial year.

In keeping with legislative requirements, IWA will advise the Premier if there are significant activities that are not detailed in the Work Program that IWA proposes to undertake.





Context

IWA functions

Section 8 of the IWA Act outlines IWA's functions. These include:

- prepare a State Infrastructure Strategy addressing a minimum time frame of 20 years
- monitor and report annually on progress in implementing the Strategy
- under the direction of the Premier, coordinate the provision of information and submissions to IA
- review and report to the Premier on infrastructure proposals prior to their submission to IA
- assess and report to the Premier on major infrastructure proposals
- review and report to the Premier on completed infrastructure projects
- advise and assist state government agencies in the preparation of infrastructure strategies, plans and policies, including preparing these on behalf of agencies where necessary
- advise agencies on the preparation of infrastructure proposals
- advise the Premier on the preparation of the WA Government's annual 10-year SIP
- provide advice to the Premier on infrastructure priorities, funding and financing of infrastructure, and any other matter relating to infrastructure
- undertake any other function related to infrastructure at the request of the Premier.

Governance

IWA is governed by a Board comprising both public and private sector members, which reports directly to the Premier. The Board is supported by an office that provides strategic and technical advice and corporate support.

Strategic objectives

IWA's Corporate Strategy establishes its strategic objectives, which help shape and guide IWA's approach to the Work Program.

The link between IWA's core activities and these strategic objectives is outlined in the following Work Program alongside each key activity area.



Align strategic planning

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



Inform infrastructure needs and priorities

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



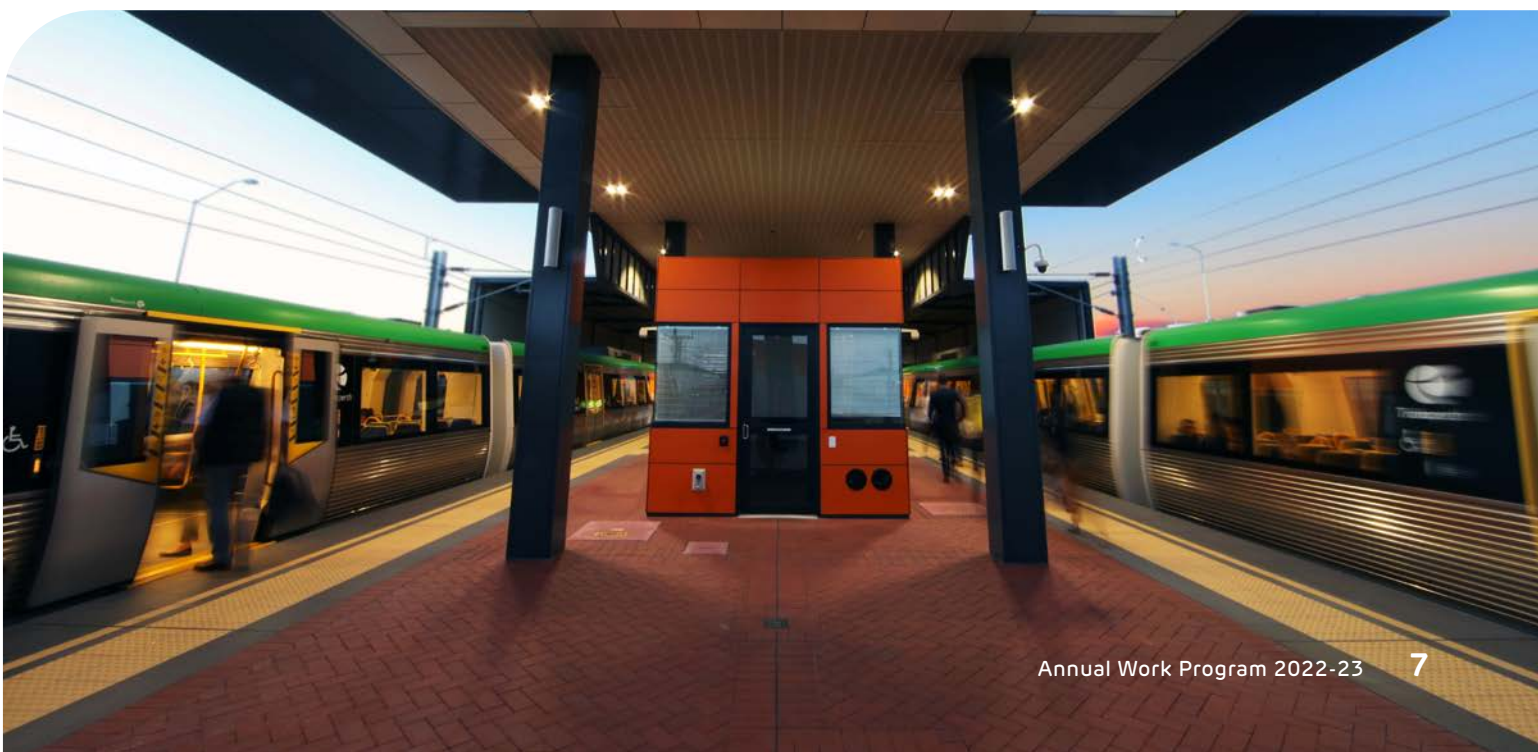
Provide advice to support robust business cases and projects

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



Build stakeholder confidence

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



2022–23 Work Program

During 2022–23, IWA aims to:

- prepare a framework to monitor, evaluate and report on progress of implementation of the supported recommendations of the Strategy
- finalise the MIPA Guidelines to include the full scope of the function (assessing projects and programs) and continue to assess proposals
- finalise planning for the rollout of the WA Government’s annual 10-year SIP
- continue to advise and assist state government agencies to develop best-practice infrastructure business cases, strategies, plans and policies
- continue to coordinate the WA Government’s interactions with IA, including submissions to the Infrastructure Priority List refresh
- advise and assist the Premier on a range of infrastructure matters
- deliver governance and corporate support.





Prepare a framework to monitor and report on progress of implementation of the supported recommendations of the Strategy



By 30 June 2023, IWA will develop a framework that will monitor, evaluate and report on government's progress in implementing the recommendations in the Strategy.

In developing the Strategy, IWA applied an objective, holistic and evidence-based approach to identify the state's significant infrastructure needs and priorities. It considered economic, social and environmental factors to underpin its recommendations, which include both built infrastructure proposals as well as non-built elements of the infrastructure system, such as legislation, policy, planning, governance, pricing, funding, skills, procurement and more.

In January 2022, the final Strategy was submitted to the Premier for consideration. Six months after the Premier tables the Strategy in Parliament, the WA Government

response to it will be laid before Parliament and be made publicly available. The response is required to detail each recommendation that is supported either in full or in part, and for each recommendation that is not fully supported, the reasons why. State agencies and government trading enterprises (GTEs) will then be required to align their strategies, plans and policies to the Strategy and implement the supported recommendations that are relevant to them.

IWA is then required to publicly report annually on the WA Government's progress in implementing the Strategy's supported recommendations. To ensure IWA is well placed to monitor and report on this progress, we will continue to work closely with the Department of the Premier and Cabinet and the Department of Treasury to scope the design of the monitoring and reporting framework. These departments will play key roles in the coordination and funding of implementation activities, so it is important the framework is designed collaboratively.

Finalise the MIPA Guidelines to include the full scope of the function (assessing projects and programs) and continue to assess proposals



By 30 June 2023, IWA will finalise the MIPA Guidelines to cater for the full scope of the function, and assessment of programs and projects will have commenced. The MIPA function will be embedded in government's budget processes and IWA's advice will contribute to more informed investment decision-making.



The function to assess and report to the Premier on major infrastructure proposals commenced on 1 January 2022. The IWA Act defines major infrastructure proposals as a single project or program of projects that has an estimated capital cost of \$100 million or more, or any project nominated by the Premier. In the first phase of the MIPA function, only individual major projects have been included in the scope. In the second phase of the function, to commence in 2023, major programs will be included and a finalised set of guidelines will be released to cater for this extension of scope.

IWA has engaged widely since the commencement of this function in January 2022. IWA conducted information sessions with state government agencies to provide guidance on the newly established function. This was followed by targeted meetings with government agencies that were most likely to engage in the MIPA process to further inform them about its functions and the requirements for the process to operate in alignment with existing government processes.

During 2022–23 IWA will continue its communication and engagement activities to seek feedback on the MIPA Interim Guidelines. This feedback will inform refinements to the MIPA function and process to ensure the approach supports the ongoing implementation, and assist with the development of the final MIPA Guidelines by 30 June 2023.

As part of the ongoing operation of the MIPA function, IWA will continue to work closely with state government agencies and GTEs from the earliest stages of business case development so that IWA's formal assessment and reporting processes are as streamlined as possible in the business case development process.



Finalise planning for the rollout of the WA Government's annual 10-year annual SIP



By 30 June 2023, IWA, in collaboration with the Department of the Premier and Cabinet and the Department of Treasury, will develop an approach and format for the WA Government's first 10-year SIP, in preparation for its publication.

The IWA Act requires the WA Government to prepare a 10-year rolling SIP on an annual basis. The SIP must be made publicly available by the Premier within 3 months of the State Budget being handed down.

The annual SIP will include an overview of the WA Government's proposed significant infrastructure investments for the years covered by the State Budget and forward estimates. It will also include an overview of expected significant infrastructure needs and challenges and options to address them over the remaining years. The legislative requirement for the SIP will commence from 1 January 2023.

During 2022–23, IWA will work closely with the Department of the Premier and Cabinet, the Department of Treasury and other key government stakeholders to plan for the development of the inaugural SIP. There will be a strong focus on research and design to formulate a model that is appropriate for WA. This approach will ensure that the SIP brings value to the state's infrastructure sector by supporting greater transparency, improved decision-making and better infrastructure coordination over the medium term.

Continue to advise and assist state government agencies to develop best-practice infrastructure business cases, strategies, plans and policies



By 30 June 2023, IWA will continue to build and maintain strong and enduring relationships with state government agencies by engaging and collaborating with key stakeholders to ensure IWA is an effective and trusted source of advice and support.

Providing robust and effective advice and assistance to agencies on infrastructure-related matters is a key focus for IWA. Through proactive engagement with agencies in providing advice and assistance, IWA will support improved long-term public infrastructure planning.

During 2022–23, IWA will continue to assist agencies to prepare major infrastructure proposals. This work will focus on improving the quality of the WA Government's major business cases and submissions, including those applying to MIPA and to IA, with the overall aim of enhancing funding outcomes for WA and maximising the impact and value of infrastructure investment.

IWA will also engage and collaborate with state agencies on a range of strategies, plans and policies that support and complement infrastructure development and delivery. This includes the periodic review of Strategic Asset Plans and infrastructure plans and strategies produced by state agencies and GTEs, with the aim of progressively improving the quality and integration of state government documents that relate to strategic infrastructure development and decision-making.

By developing and implementing best-practice approaches, and collaborating with experienced agencies, IWA aims to build

its reputation for providing relevant and expert advice and assistance on strategic infrastructure matters.

Continue to coordinate the WA Government's interactions with IA, including submissions to the Infrastructure Priority List (IPL) refresh



IWA will continue to coordinate the WA Government's interactions with IA, including submissions for the 2023 IPL refresh.

Two of IWA's core functions are reviewing and reporting to the Premier on WA Government infrastructure proposals before they are submitted to IA, and coordinating information and submissions from the state to IA (under the Premier's direction). Through this role, IWA strengthens the quality of submissions and information provided to IA to improve the WA Government's ability to attract federal investment in WA.

Work is already underway, in close collaboration with agencies, to develop WA Government proposals that could be submitted to IA for inclusion on the IPL refresh. IWA will conduct a collective strategic review of, and provide advice to the Premier on, all proposed submissions.

IWA will report to the Premier on the progress of current IPL initiatives. IWA will also provide strategic assistance and support to help guide current state government initiatives that are already on the IPL through IA's business case stages.

IWA will continue to participate in the Infrastructure Bodies Network, which is comprised of national, state and territory infrastructure bodies from across Australia and New Zealand, to share learnings and progress common agendas.



Advise and assist the Premier on a range of infrastructure matters



IWA's functions include providing advice to the Premier on matters such as infrastructure priorities and the funding and financing of infrastructure, as well as performing other functions related to infrastructure, at the request of the Premier.

In 2022-23, IWA anticipates this work could include advice to the Premier on market capacity issues facing the infrastructure sector and other policy matters as required.

Deliver governance and corporate support



Delivering efficient governance and corporate activities ensures IWA's focus on functional responsibilities is supported.

Seamless governance services also underpin the effectiveness of the IWA Board and its committees, allowing the members' expertise to be leveraged to have the most impact.

IWA's governance and corporate support activities will focus on:

- assisting with the implementation of IWA's legislated functions
- providing ongoing support and governance for the IWA Board and committees
- proactively advancing IWA's communications and engagement activities
- broadening the IWA website scope to promote public awareness of matters relating to infrastructure through interactive presentation of the Strategy
- building IWA's Aboriginal competency and engagement skills with the development of its first reconciliation action plan
- undertaking finance, audit and compliance activities and reporting.



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