



Annual Report 2021–22



Acknowledgement of Country

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

The graphics in this report represent coming together, and building a stronger future together. The circles represent our communities, the lines symbolise connections and building each other up through investment in a shared future.

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Statement of Compliance



Hon Mark McGowan MLA BA LLB

Premier, Treasurer, Minister for Public Sector Management, 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 2021 to 30 June 2022.

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

A handwritten signature in black ink, appearing to read 'N. Lockwood', with a horizontal line underneath.

Nicole Lockwood

Board Chairperson

A handwritten signature in black ink, appearing to read 'W. Zekulich', with a horizontal line underneath.

Wayne Zekulich

Audit, Risk and Finance Committee Chairperson

A handwritten signature in black ink, appearing to read 'P. Helberg', with a horizontal line underneath.

Phil Helberg

Chief Executive Officer

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Highlights

55

presentations
to key industry
stakeholders

900+

attendees at the
launch of the draft
State Infrastructure
Strategy

193

formal responses
received on the draft
State Infrastructure
Strategy

1st major
infrastructure
proposal assessed
by IWA

23 December
2021

Major Infrastructure
Proposal Assessment
Interim Guidelines
released

1 January
2022

Major Infrastructure
Proposal Assessment
function commences

14

regional engagement
sessions held for the
State Infrastructure
Strategy

0 hours
lost to injury

993
followers
gained on
LinkedIn

8,598
website
visitors

213 Board
and committee
resolutions

12 Board
and committee
meetings
held

Multicultural
Plan
published

Reconciliation
Action
Plan work
commences



Nicole Lockwood
Chairperson

Chairperson's foreword

On behalf of the Infrastructure WA (IWA) Board, I am pleased to present IWA's 2021–22 Annual Report.

The past year has been another period of significant achievements and challenges for IWA. The progression of transformational reforms to improve infrastructure planning, coordination and delivery in the state, amid a backdrop of global uncertainty and market capacity pressures, has demonstrated IWA's capacity to adapt to achieve our goals and fulfil the requirements of the *Infrastructure Western Australia Act 2019* (IWA Act).

This work included finalising the first State Infrastructure Strategy (Strategy) following extensive consultation, rolling out IWA's Major Infrastructure Proposal Assessment (MIPA) function and supporting the commencement of planning for development of the state's inaugural 10-year State Infrastructure Program (SIP). These are all foundational milestones that are reshaping the WA Government's approach to infrastructure planning. They are holistic, long-term planning initiatives that ensure the WA community is well supported, and that business and industry have the confidence to invest in projects that will diversify WA's economy and ensure the state remains resilient.

IWA's work in 2021–22 has focused on establishing the frameworks that will protect the state's infrastructure assets and ensure it is well positioned to tackle potential challenges, external influences and opportunities.

Many of these influences exist well beyond our shores, but all demand a localised response. Climate change mitigation and adaptation, for example, requires all sectors to work together to reduce infrastructure's contribution to greenhouse gas emissions and maximise its role in decarbonising the economy by growing WA's renewables sector.

The community's dependence on resilient infrastructure in our cities and towns is being increasingly highlighted by the escalating frequency and severity of significant weather events and natural disasters, occurring both locally and globally. A systematic, statewide approach to infrastructure planning is needed to help identify the shocks and stresses that may be encountered at these times and help futureproof infrastructure assets and systems.

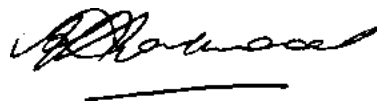
Changes to Australia's geopolitical environment also require a clear, consistent infrastructure pathway that is resilient to change and external pressures. Global supply chain issues, combined with local market pressures such as labour shortages, require government to manage the infrastructure pipeline and alleviate risks that flow on into the community. IWA looks forward to investigating these issues and working closely with industry and government to address some of the key challenges facing the sector.

Locally, we need infrastructure that achieves better outcomes for Aboriginal people and communities. The IWA team continued its engagement with Aboriginal stakeholders this year and continues to advocate for an environment of co-design and Aboriginal-led operation that empowers Traditional Owners and Custodians and their communities.

I would like to thank all the stakeholders who engaged with IWA this year, including those who contributed to our advisory panels and reference groups, workshop attendees, state agency representatives and, finally, the community who contributed to the Strategy.

On behalf of the Board, I also acknowledge the capable and dedicated team at IWA that has delivered on our ambitious goals this year.

I also thank my fellow Board members, including previous Chairperson, John Langoulant, whose combined knowledge and experience have contributed significantly to the many achievements outlined in this report.



Nicole Lockwood

Chairperson





Phil Helberg
Chief Executive Officer

Chief Executive Officer's message

Infrastructure investment has been a significant contributor to the WA economy in 2021–22. It has kept the WA jobs market buoyant and provided financial stimulus; however, it has also contributed to market challenges such as increased demand for materials, skills and labour.

It is this dichotomy that IWA has grappled with this year as we have finalised WA's inaugural Strategy and implemented our next phase of operational functions and independent advisory services under the IWA Act.

After 2 years of consultation and development, the release of the draft Strategy in July 2021 was a major achievement that was celebrated alongside more than 900 stakeholders, many of whom engaged with us and contributed to its development.

This milestone was quickly followed by a fresh round of detailed consultation and engagement to test and explore the draft recommendations. As in 2020, the IWA team visited all 10 regions of WA and invited the public to have their say. The input was rich and insightful, and it informed the content of the final Strategy, which was delivered to the Premier in January 2022.

In March 2022 the Premier requested that IWA provide the WA Government with supplementary information to accompany the Strategy. The intent of this supplement is to provide an update on contextual factors and budget funding from the 2022–23 State Budget that relate to the Strategy's recommendations. This will ensure that the Strategy is supported by current information when it is tabled in Parliament.

Once the WA Government's formal response to the Strategy is tabled, IWA will work closely with state agencies to assist, monitor and report on the implementation of the recommendations that have been supported by the WA Government.

This collaborative approach has been a core theme of all our work this year. Genuine and meaningful engagement is critical for the success of IWA and its functions.

It has also underpinned the rollout of our new MIPA function, which came into effect on 1 January 2022 and involves IWA assessing all infrastructure proposals that have an estimated capital cost of \$100 million or more for the purposes of informing an investment decision by government.

Preparing for the establishment of the MIPA function involved working closely with the WA Government and state agencies to establish processes and guidelines to support the function. Since MIPA's commencement, IWA has continued to work collaboratively with the state agencies and government trading enterprises (GTEs) to test and embed these guidelines.

During 2021–22, IWA also commenced work to develop advice that will inform the state's first 10-year SIP, which will be updated annually, while also continuing to provide advice to ensure WA remains competitive as part of Infrastructure Australia's Infrastructure Priority List.

At an operational level, IWA enriched the way it worked this year by developing a new multicultural plan and commencing work to develop its first reconciliation action plan.

IWA's work program is driven by our highly capable and enthusiastic team. I would like to thank them for their dedication and sacrifice over the past 12 months, particularly as the COVID-19 pandemic continues to affect the community and our families.

I welcome our new Deputy CEO, Owen Thomas, who joined us in May, and take this opportunity to acknowledge the significant contribution of our previous Deputy CEO, Lance Glare, throughout IWA's formative years.

I would also like to thank the IWA Board, including our current Chairperson, Nicole Lockwood, and our previous Chairperson, John Langoulant. Their combined input and experience helped shape IWA's functions and work program – a program we will continue to drive with commitment, pace and vigour in 2022–23.



Phil Helberg

Chief Executive Officer



Year in review

July - September 2021



Release of draft Strategy

WA's draft Strategy is released to an audience of more than 900 on 21 July.

Statewide consultation commences

IWA visits WA's 10 regions where more than 700 people participate in 30 workshops, roundtables and briefing sessions on the draft Strategy.

Public consultation closes with strong support

Consultation on the draft Strategy generates rich feedback across all corners of WA.

October – November 2021



Strategy refinement and testing

Following the evaluation of responses, finalisation of the Strategy begins.

Establishment of MIPA working group

IWA and key government agencies establish a working group that meets 3 times to finalise preparations for IWA's assessment of major infrastructure proposals, including the development of the MIPA Interim Guidelines.

December 2021



IWA finalises the Strategy and its approach to the initial rollout of the MIPA function

The Board meets to consider finalised Strategy content and recommendations prior to submission to the WA Government, and to approve the MIPA Interim Guidelines.

Outcomes-based management framework

The framework is refreshed to better reflect IWA's maturing functions over the next 2 years.

January 2022



Final Strategy delivered to WA Government

After an extensive consultation and review process, the finalised Strategy is submitted to the Premier.

IWA commences new MIPA function

IWA formally commences its function of assessing major infrastructure proposals.

Work begins to go digital

IWA starts work to build an online and interactive Strategy to provide stakeholders with an enhanced user experience and improve access to the final Strategy.

February 2022



First MIPA report complete

IWA's first MIPA report assessing the Geraldton Port Maximisation Project business case is submitted to the WA Government

Planning for the SIP and the second phase of the Strategy commences

IWA starts working with key government stakeholders to develop an approach and format for the first 10-year SIP, and the framework for the monitoring, evaluation and reporting on implementation of the Strategy.

IWA starts new chapter

IWA moves from Dumas House to its new premises at 108 St Georges Terrace, Perth.



March 2022

Multicultural Plan finalised – IWA's first Multicultural Plan will assist the organisation to achieve equal employment opportunity outcomes for people from culturally and linguistically diverse backgrounds.

Feedback on Strategy received from Premier

Following submission of the Strategy, the Premier asks IWA to further prioritise recommendations and prepare supplementary information that points to major initiatives in the 2022–23 State Budget.

April 2022

Reconciliation Action Plan (RAP) planning commences

A working group is convened to develop IWA's first Reflect RAP to support improved outcomes for Aboriginal people.

IWA provides information to the Premier – In response to the Premier's request in March, IWA provides its priority recommendations for the next 12 to 18 months to inform the WA Government's response to the Strategy.

May 2022

Deputy Chief Executive Officer welcomed

Owen Thomas commences as Deputy Chief Executive Officer with IWA.

Cultural awareness training for staff

The IWA team participates in Aboriginal cultural awareness training to learn about the spiritual and physical connections Aboriginal people have to the land.



June 2022

Annual Work Program published

IWA publishes its 2022–23 Annual Work Program which provides an overview of key priorities that IWA proposes to undertake in the next year.

Submission of projects to Infrastructure Australia

IWA provides advice to the Premier on WA Government projects and initiatives subsequently included in Infrastructure Australia's 2022 update of its Infrastructure Priority List.

Throughout 2021–22

IWA's ongoing activities across 2021–22 are dominated by rigorous consultation and an intensive work program following the release of the draft Strategy on 21 July 2021 and the establishment of its MIPA function. Refer to pages 25 to 32 for details of IWA's activities.

IWA's Board underwent a number of changes in 2021–22 – In October, IWA's inaugural Chairperson, John Langoulant AO, was appointed as Agent General for WA in the United Kingdom/Europe region. Nicole Lockwood was appointed IWA's new Chairperson and Terry Agnew was appointed as new Deputy Chairperson. New Board members in 2021–22 include Peter Woronzow, Rebecca Tomkinson and Anthony Kannis. Refer to pages 18 to 23, and 74 for further details.

About us

Background

IWA was established on 24 July 2019 under the *Infrastructure Western Australia Act 2019* (IWA Act). IWA reports to the Hon Mark McGowan MLA BA LLB, Premier, Treasurer, Minister for Public Sector Management, Federal–State Relations.

IWA provides expert advice and assistance to the WA Government on a range of infrastructure matters, particularly regarding the state's infrastructure needs and priorities. Its advice and assistance informs and enhances the coordination of infrastructure planning, delivery and operation to support better outcomes for the people, regions and economy of WA.

Functions

Section 8 of the IWA Act outlines IWA's core functions, including to:

- prepare a 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 Infrastructure Australia
- review and report to the Premier on infrastructure proposals prior to their submission to Infrastructure Australia
- assess and report to the Premier on major infrastructure proposals
- review and report to the Premier on completed infrastructure projects
- advise and assist state agencies in the preparation of infrastructure strategies, plans and policies, including preparing these on behalf of agencies where requested by the Premier
- advise agencies on the preparation of infrastructure proposals
- provide advice to the Premier on infrastructure priorities, funding and financing of infrastructure and any other matter relating to infrastructure
- perform the other functions conferred on IWA under the IWA Act, including providing advice to the Premier on the preparation of the WA Government's annual 10-year SIP and preparation of an annual work program
- undertake any other function related to infrastructure at the request of the Premier.

Annual work program

IWA submits its annual work program for the financial year ahead to the Premier and publishes it on its website. The annual work program sets out the key activities that IWA will undertake during the coming financial year. Publication of the annual work programs supports the transparency of IWA's activities, consistent with the principles on which IWA was established, and is a legislative requirement under the IWA Act.

2021–22 Annual Work Program

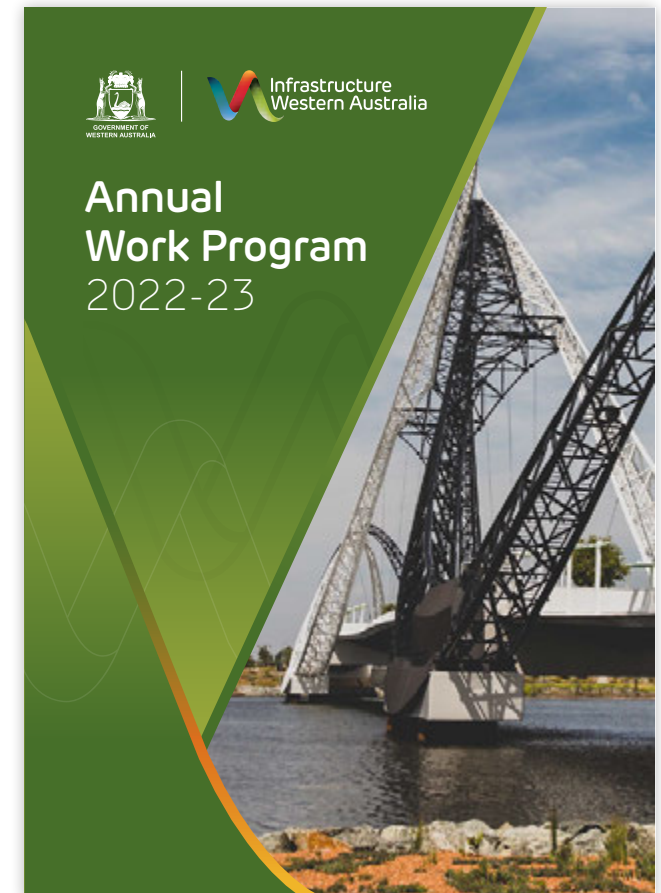
The 2021–22 Annual Work Program was submitted to the Premier on 22 June 2021 and stated that IWA would:

- release the draft Strategy and undertake public consultation
- finalise the Strategy and submit it to the Premier
- commence preparation for the implementation, monitoring and reporting on progress of the Strategy
- continue to advise and assist agencies to develop best-practice infrastructure business cases, strategies, plans and policies
- continue to coordinate the WA Government's interactions with Infrastructure Australia, including submissions for the 2022 Infrastructure Priority List refresh
- finalise preparations to assess major infrastructure proposals (including finalising guidelines), and commence assessing proposals
- begin planning for the roll out of the WA Government's first SIP.

This annual report provides a report on the status and progress of these activities.

2022–23 Annual Work Program

IWA's 2022–23 Annual Work Program was submitted to the Premier on 20 June 2022 and can be found on the IWA website <https://www.infrastructure.wa.gov.au/>.



Corporate plan

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

Excellence

We promote best practice, leveraging the expertise of our stakeholders and providing relevant and expert advice.



Trust

We are open and honest, credible and accountable.



People

We value each other and work as a team to achieve better outcomes for the people of Western Australia.



Engagement

We involve stakeholders and value relationships, developing mutual respect through genuine engagement.



Strategic objectives



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

An aligned and evidence-based approach to strategic asset planning by state agencies and GTEs through the development of 10-year strategic asset plans will provide a strong foundation for government decision-making and will support continuous improvement of government strategic planning and management of assets throughout the infrastructure lifecycle. Through its annual review of strategic asset plans and ongoing capture and assessment of findings, IWA aims to influence and improve the quality, completeness and coordination of strategic asset planning across government.

In 2021–22 IWA commenced working with the Department of the Premier and Cabinet and the Department of Treasury on the planning for the annual 10-year SIP. As a minimum the SIP will provide an annual overview of WA's proposed significant infrastructure program over the State Budget and forward estimates period (years one to 4), along with expected needs and challenges over the following years 5 to 10, and, where relevant, options to address them. This will inform and assist the public and private sectors in their medium-term planning and increase the certainty and confidence of investment in WA.

Consideration of significant infrastructure projects through the MIPA function and alignment of government plans with the Strategy gives IWA a deep and holistic view of the state's infrastructure base and plans. With that knowledge IWA can work with government and industry to develop a truly integrated and coordinated approach to the state's infrastructure system.

Throughout 2021–22 IWA focused on strengthening relationships and continued to work closely with state agencies and GTEs that are responsible for the planning and delivery of public infrastructure to coordinate and align long-term strategic infrastructure planning.

During 2021–22 145 cross-agency meetings were held where infrastructure issues were discussed. This included:

- 38 one-to-one meetings with senior leaders and representatives of state agency and GTEs to finalise the Strategy.
- 23 meetings with formal cross-agency infrastructure committees.
- 19 meetings with infrastructure bodies in other states, territories and across the Commonwealth.
- 17 meetings with regional development commissions and other authorities based in the regions.



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

The state infrastructure strategies are the cornerstone of IWA's advice to government. The inaugural Strategy makes 93 recommendations and provides the framework for improving the state's public infrastructure system over the next 20 years. The Strategy addresses key areas and requirements that frame and guide infrastructure processes, such as strategic planning, legislation and regulation, policy and decision-making tools.

The Strategy recommendations also inform IWA's other functions, such as assessing major infrastructure proposals and the preparation of an annual 10-year SIP by the WA Government. The commencement of these interrelated functions will help to provide a holistic approach to infrastructure planning and decision-making. IWA has worked closely with stakeholders throughout 2021–22 in the development of these functions and outputs.

Following extensive consultation, the Strategy was submitted to the WA Government on 31 January 2022. In accordance with the IWA Act, the Premier subsequently requested that IWA provide a view on the priority recommendations for government, and consideration of the 2022–23 State Budget initiatives. The final Strategy and supplementary work will be resubmitted to the WA Government in July 2022.

In February 2022, following submission of the Strategy to the WA Government, IWA started work with the Department of the Premier and Cabinet and the Department of Treasury to develop a framework for the next phase of the Strategy – IWA's monitoring and evaluation of its implementation. In accordance with the IWA Act, IWA will report annually on the implementation of the recommendations that are supported in part or in full.

A formal government response to the Strategy is expected by early 2023. IWA's goal is that at least 90% of the recommendations made in the Strategy are supported by government, in part or in full.



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

Improved business cases will optimise public infrastructure planning and spending by maximising the value of the outputs of the business cases through improved risk and financial management.

While the formal MIPA process only commenced in 2021–22, IWA has sought to work closely with state agencies and GTEs from the earliest possible stages to provide advice and support during their development of business cases for strategic infrastructure projects and programs. This includes business cases requiring assessment

under MIPA and those that will be referred to Infrastructure Australia. By being involved as early as possible, IWA aims to improve the quality of business cases and other infrastructure proposals, and to provide relevant and timely advice to the WA Government to support informed investment decisions.

In 2021–22 IWA:

- engaged closely with key state agencies to inform the development of the MIPA Interim Guidelines, released in December 2021
- commenced its legislative role to assess and advise the Premier on business cases for major infrastructure proposals (\$100 million or more) from 1 January 2022
- completed an assessment of the Geraldton Port Maximisation Project under this function
- worked with the Department of Treasury on the Strategic Asset Management Framework review and Infrastructure Australia on its Assessment Framework review
- coordinated and provided advice on WA's submission for Infrastructure Australia's 2022 Infrastructure Priority List, which included 5 new infrastructure listings for WA (published in June 2022)
- provided advice to the Premier by request regarding the proposed WACA Aquatic Facility relating to the broader WACA Redevelopment Project.



Build mutual respect, credibility and influence with internal and external stakeholders

IWA undertook a significant program of stakeholder engagement in 2021–22. In addition to engagement with government stakeholders, IWA undertook:

- 15 public workshops, 13 sector specific roundtables, one online youth engagement session, and one state agency workshop to support consultation on the draft Strategy
- the establishment of one formal stakeholder working group and 3 subsequent meetings
- presentations to key industry stakeholders at 55 public events.

Further details of this engagement program can be found on pages 25 to 32.

IWA conducted its annual Stakeholder Satisfaction Survey in May 2022 and achieved a 63% satisfaction rating against a target of at least 70%. Feedback centred around perceived delays in finalisation of the inaugural Strategy following the consultation period, along with some uncertainty about how feedback had been addressed and/or incorporated. IWA will focus on ensuring that it clearly communicates to stakeholders on the outcome of their feedback. IWA will also trial a new approach to testing stakeholder satisfaction through more targeted surveys and collections, to help achieve continuous improvement.

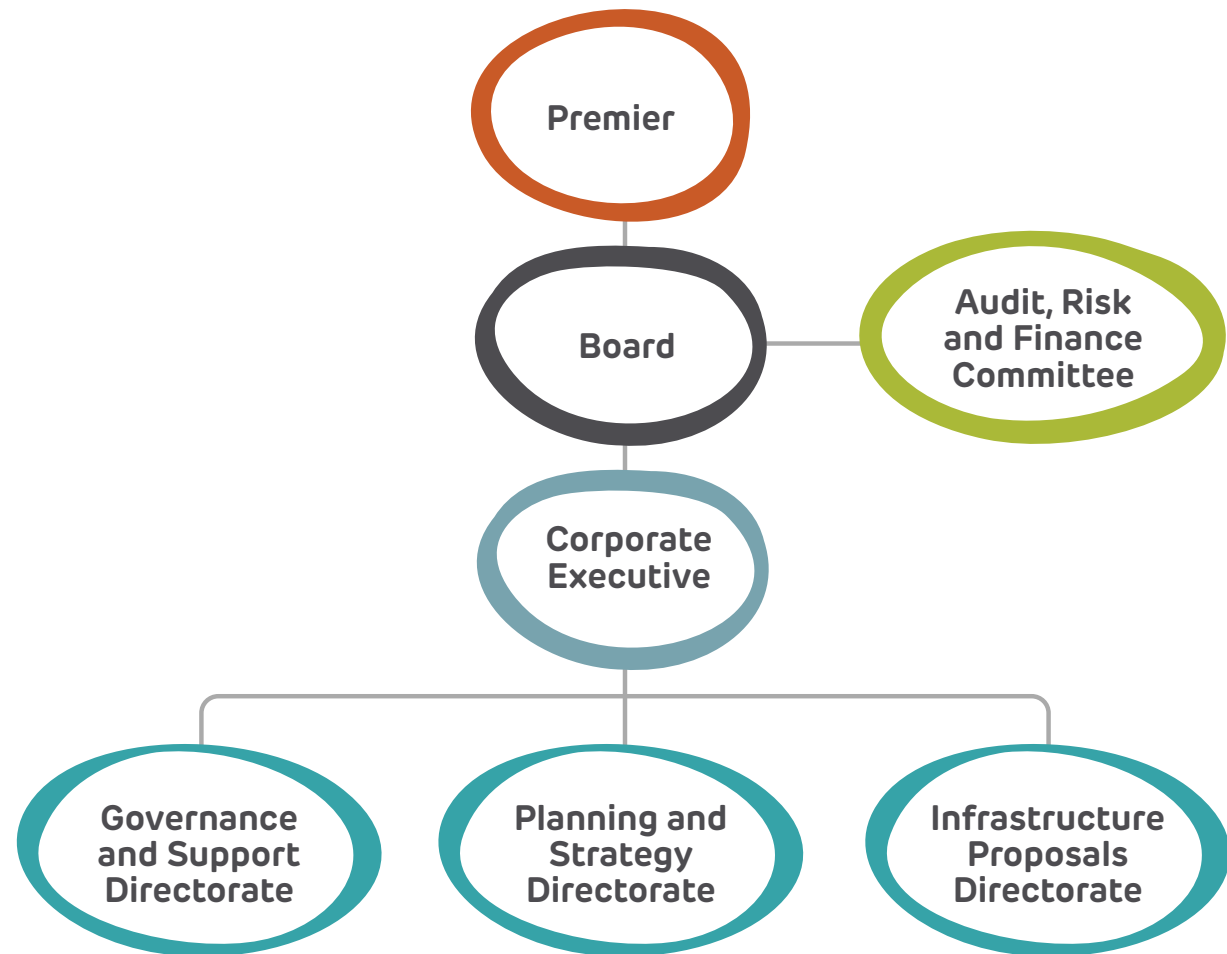
Organisational structure

Infrastructure WA's organisational structure is designed around 3 functional areas.

Governance and Support: Administers service level agreements and provides governance, compliance, strategic communications, procurement and corporate services to IWA and its Board and committees.

Planning and Strategy: Responsibilities include the preparation and implementation of the Strategy, monitoring progress towards implementation of Strategy recommendations, assisting government with developing an annual 10-year SIP (from 2023), long-term planning for infrastructure in WA and providing advice to state agencies and GTEs.

Infrastructure Proposals: 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. It leads the state's interface at the federal level with Infrastructure Australia. This team also provides advice to state agencies and GTEs, including supporting their development of infrastructure proposals.



Board and corporate executive

The Board is the governing body responsible for IWA's strategic direction and operations.

It comprises an independent Chairperson and Deputy Chairperson, and 8 other Board members, including 4 Directors General. With a mix of leading business professionals 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 work and ensure provision of sound advice to government. 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.

Board



Nicole Lockwood

Chairperson

Nicole was appointed Chairperson in October 2021.

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 has been appointed as the Strategic Advisor to the Future of Fremantle Planning Committee, which is charged with re-imagining the port precinct beyond its industrial life.

She also holds board roles with NBN Co, Green Building Council of Australia and the Western Australian Association for Mental Health and chairs Airbridge and the Malka Foundation.



Terry Agnew

Deputy Chairperson

Terry was appointed Deputy Chairperson in October 2021.

Terry is an experienced director and chief executive officer who has extensive experience across a range of industries, including mobility, transport, insurance, finance, oil and gas, consulting engineering and management consulting. He was Group Chief Executive Officer for RAC for 20 years until March 2019.

Terry is currently the Chair of the Business Council of Co-operatives and Mutuals, EDGE Employment Solutions (a not-for-profit disability employment service) and was formerly the Chair of the Curtin University Business School. He is a director of RAA Insurance, MDA National Insurance, Hospitals Contribution Fund of Australia (HCF) and is a councillor of Curtin University Council.

**Wayne Zekulich****Board member and Audit, Risk and Finance Committee Chairperson**

Wayne is the Chairperson of IWA's Audit, Risk and Finance Committee.

Wayne is a consultant and non-executive director who has substantial experience in advising, structuring and financing transactions in the infrastructure and resources sectors.

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

Currently, Wayne consults to a global investment bank and is Chair of Pantoro Limited and Openn Negotiation Ltd. In the not-for-profit sector, he is the Chair of the Lester Prize.

**Kerryl Bradshaw****Board member and Audit, Risk and Finance Committee Member**

Kerryl is an accomplished senior executive and business leader of more than 20 years. She has led businesses through significant change, across a number of industries, including banking, mining, engineering and technology.

Kerryl is currently Chief Financial Officer at BCI Minerals.

Prior to her role at BCI Minerals, Kerryl was at Microsoft, Worley and Rio Tinto, where she held a variety of leadership positions in strategy, commercial, operations, capital projects, innovation, mergers and acquisitions, and business development.

Kerryl has previously been the Co-Chair of the Sustainability Council of Microsoft Australia. She is a graduate of the Institute of Chartered Accountants and holds a Bachelor of Commerce from Murdoch University.

**Andrea Sutton****Board member and Audit, Risk and Finance Committee member**

Andrea has more than 20 years of operational, technical and corporate experience in the resources industry. She has held positions as Rio Tinto's Iron Ore General Manager for infrastructure, and Chief Executive and Managing Director of Energy Resources of Australia.

She is currently a non-executive director of Red 5 Limited and board member at Australia's Nuclear Science and Technology Organisation and National Association of Women in Operations.

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

**Rebecca Tomkinson****Board member**

Rebecca Tomkinson is Chief Executive Officer of the Royal Flying Doctor Service (Western Operations). In this role she brings a strategic lens and strong executive experience from private and not-for profit sectors.

Rebecca is deeply committed to the development of regional WA – where she was raised and educated – and is actively involved in building community and business capability.

She chairs the Regional Development Council, is Chair of the Wheatbelt Development Commission, serves on the Senate of Murdoch University and is WA President of the CEDA State Advisory Board.

She holds qualifications in community development, public policy and social impact.

**Peter Woronzow****Board member**

Peter is Director General of the Transport Portfolio. He is responsible for setting the strategic direction of transport for the state, shaping the development of all major integrated transport plans and leading the implementation of some of WA's most transformational capital projects. Peter was appointed as Managing Director Main Roads in 2018 but had been undertaking the role since 2016.

Peter is a member of CPA Australia, Chair of the Australian Road Research Board, and is a director on the board of Austroads Ltd.

**Michael Barnes****ex-officio Board member**

As WA's Under Treasurer, Michael is the principal economic and financial adviser to the WA Government, with statutory responsibility for the management and reporting of the state's finances, including formulation of the annual State Budget.

Michael has a Bachelor of Business with Honours in Economics. Born and raised in Perth, he moved to Canberra after graduating from university to take up a position in the Commonwealth Treasury, where he worked for nearly 6 years, mainly in the area of taxation policy. He has been working at the State Treasury since returning to Perth over 20 years ago. He was appointed to the role of Under Treasurer in 2015 and is also Chair of the Western Australian Treasury Corporation, the state's central borrowing authority.

Michael was awarded the Public Service Medal for his outstanding public service to state government finances in WA.

**Anthony Kannis****ex-officio Board member**

Anthony joined the Department of Planning, Lands and Heritage as Director General in February 2022.

As Managing Director of METRONET, Anthony was most recently responsible for delivering one of the state's most significant public transport infrastructure programs, working collaboratively across government, and with industry.

Anthony has worked across several state agencies, mainly focused on strategic advice to the WA Government on infrastructure prioritisation and investment. He was instrumental in establishing and operating the Public Private Partnerships Support Unit within Treasury, was appointed to the former WA Planning Commission Infrastructure Coordinating Committee and from 2008 to 2014 he served on the board of Infrastructure Australia.

**Emily Roper****ex-officio Board member**

Emily is the Director General of the Department of the Premier and Cabinet. She is responsible for leading the public sector in providing whole of government advice and support to the Premier and Cabinet in their service of the WA community

Emily has held various leadership positions in both state and federal governments. Her experience spans a 21-year period in a range of areas, including national security, intelligence and reform.

Prior to her current role, Emily was Deputy Director General of the Inter-Governmental Relations and COVID-19 at the Department of the Premier and Cabinet. She was responsible for leading engagement with the Australian Government and other state and territory governments and supporting WA's COVID-19 pandemic response.

Emily holds a Bachelor of Arts (Honours) from Murdoch University, majoring in Psychology.

Corporate executive



Phil Helberg

Chief Executive Officer

As IWA's Chief Executive Officer since August 2020, Phil has overseen the delivery of WA's inaugural State Infrastructure Strategy, implementation of its function to assess major infrastructure proposals and progressing the next phase of the agency's legislative requirements to embed its full program of activities.

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

Phil has more than 25 years of local and international experience in planning, delivery and management of infrastructure in both the public and private sectors.

Phil is a fellow of Engineers Australia and holds a Bachelor of Engineering.



Owen Thomas

Deputy Chief Executive Officer

Owen was appointed Deputy Chief Executive Officer of Infrastructure WA in May 2022. As part of this role, Owen is responsible for helping to lead and support the IWA team and organisation in delivering its functions and key objectives.

Owen holds qualifications in both land use and transport planning, supported by close to 20 years of experience in a wide range of activities, including strategic planning and development of business cases and project definition plans for major infrastructure projects, particularly within the transport sector.

Prior to joining IWA, Owen spent 7 years as Executive Director, Infrastructure Planning and Land Services at the Public Transport Authority.

Former members of the Board and corporate executive



John Langoulant

Former Chairperson

John was IWA's inaugural Chairperson, serving from July 2019 to October 2021.

In October 2021 John resigned from the Board to accept the position of Agent General for Western Australia in the United Kingdom/Europe region.



Jodi Cant

Former ex officio Board member

Jodi was Acting Director General of the Department of Planning, Lands and Heritage between May and December 2021 and served on the IWA Board during that time.

In December 2021 she returned to the position of Director General at the Department of Finance.



Vaughan Davies

Former ex officio Board member

Vaughan served as Acting Director General of the Department of Planning, Lands and Heritage between December 2021 and February 2022 and served on the IWA Board during that time.

In February 2022 Vaughan returned to the position of Assistant Director General of Heritage and Property Services at the Department of Planning, Lands and Heritage



Lance Glare

**Former Deputy
Chief Executive Officer**

Lance was IWA's Deputy Chief Executive Officer from August 2020 to December 2021 when he took up an opportunity in the private sector.

Significant issues affecting the Agency in 2021–22

Infrastructure WA undertook a significant public consultation program in 2021–22 to support the finalisation of the State Infrastructure Strategy.

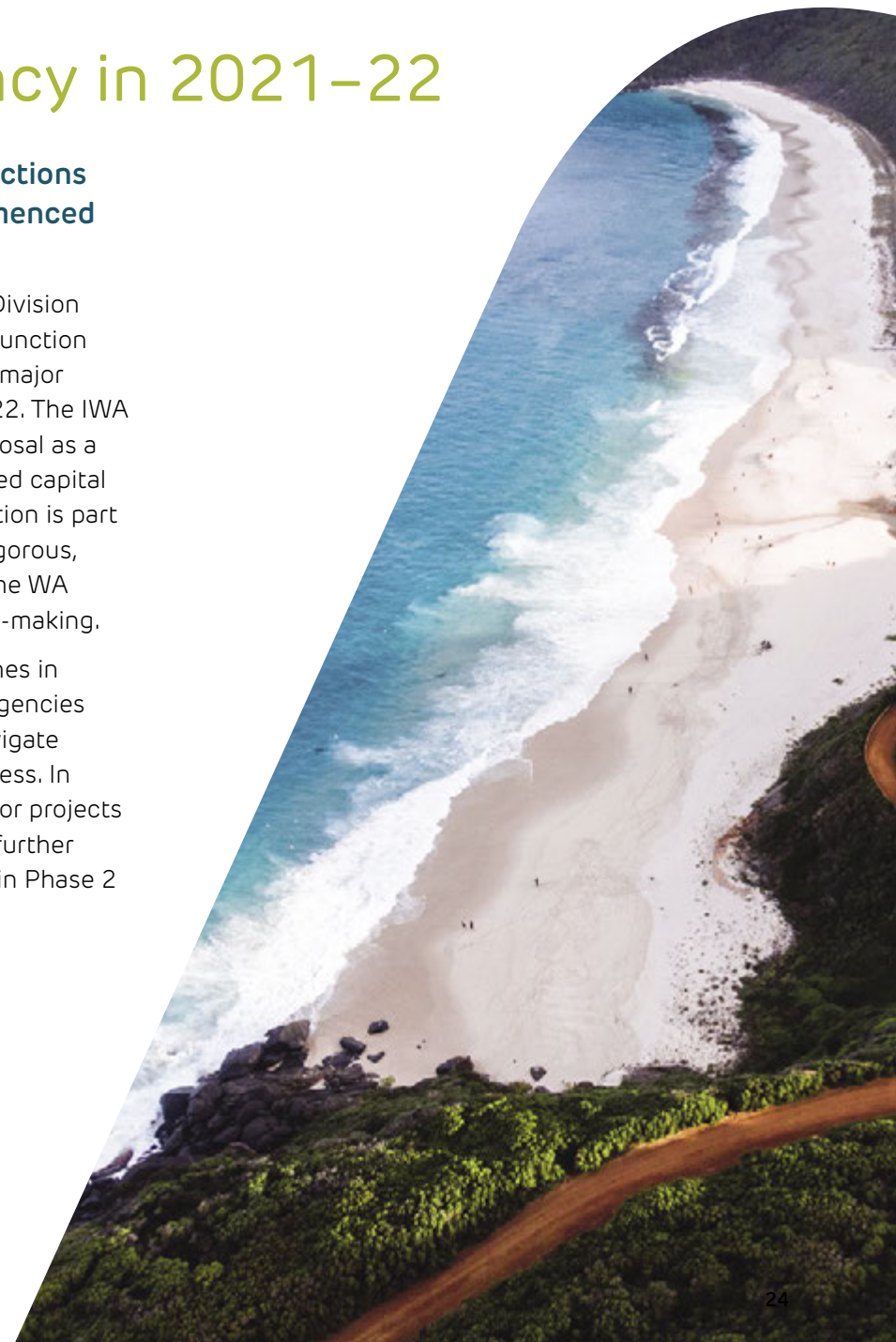
The final Strategy was submitted to the Premier in January 2022. The WA Government's response to the Strategy, which is expected by early 2023, will indicate which recommendations are supported, in part or in full.

The Strategy provides the framework for improving the state's public infrastructure system. It represents IWA's assessment of WA's significant infrastructure needs and priorities and makes recommendations on how to address them. Based on the best available evidence, the Strategy is a critical pillar for WA's public infrastructure planning. It recommends reforms that, with collaborative effort, will help better coordinate government infrastructure planning to achieve strategic long-term benefits.

Infrastructure WA's Phase 2 functions and supporting legislation commenced 1 January 2022.

In line with section 8(1)(b) and Part 3 Division 3 of the IWA Act, IWA commenced its function to assess and report to the Premier on major infrastructure proposals in January 2022. The IWA Act defines a major infrastructure proposal as a project or program that has an estimated capital cost of \$100 million or more. This function is part of IWA's role to provide independent rigorous, robust and evidence-based advice to the WA Government to support sound decision-making.

IWA released the MIPA Interim Guidelines in December 2021, which provide state agencies and GTEs with guidance on how to navigate requirements and the assessment process. In Phase 1 of the MIPA function, only major projects have been included in the scope, with further consideration to be given to programs in Phase 2 from 2023.



Release and finalisation of the State Infrastructure Strategy

On 21 July 2021, IWA released the draft State Infrastructure Strategy: Foundations for A Stronger Tomorrow.

The release of this draft Strategy was a significant milestone for IWA. It was the culmination of more than a year of consultation, research and analysis, and provides a holistic perspective on how WA's potential can be realised through improved statewide strategic infrastructure planning and delivery.

The Strategy considers a 20-year time frame and articulates a long-term vision for WA:

Western Australia is a sought-after place to live, visit, study and invest, with infrastructure improving productivity and equity, and unlocking industry growth that leverages Western Australia's advantages and diversifies its economic base.
– State Infrastructure Strategy vision

The vision is supported by 10 objectives that further express the intent of the Strategy. The Strategy proposes 93 recommendations to the WA Government that span a range of cross-cutting themes and sectors. Recommendations are intended to contribute to systemic reform and achieve real benefits across the state.

Collaborative effort will be essential to realise those benefits. That is why it was critical to seek feedback from a wide range of stakeholders. The draft Strategy was open for public comment for 8 weeks from July to September 2021. During that time the IWA team conducted engagement sessions in all WA regions to encourage a statewide response. IWA also conducted sessions that were targeted to specific sectors such as state agencies, infrastructure sectors and industry groups.

From July to September 2021 the IWA team conducted 29 engagements to launch and provide information on the draft Strategy. This included 14 general public sessions across all regional areas and the metropolitan area, 14 sessions targeting particular sector focus areas and one dedicated youth engagement session. The events were a mix of face-to-face and online format to enable attendance.

A total of 193 submissions were received from a range of stakeholder groups including state and local government, private industry, academia, and community and not-for-profit groups. This diverse scope of perspectives provided a rich source of information that was used to refine and sharpen the Strategy's recommendations.



While there was overall support for the Strategy, feedback suggested that some elements of the Strategy needed further consideration, including:

- calls for more ambitious targets and time frames to reduce greenhouse gas emissions, including legislation and interim targets
- clarification of local government's role in implementing the Strategy
- request for clearer guidance on implementation time frames
- greater consideration of infrastructure resilience matters, including shocks and stresses such as managing cybersecurity risks, natural hazards and impacts of climate change.

In addition, there was strong support for recommendations within the Aboriginal cultural heritage, wellbeing and enterprise chapter, particularly regarding stronger Aboriginal engagement and co-design throughout the infrastructure lifecycle to support empowerment, self-determination and wellbeing.

Over 3 months between September and December 2021 feedback on each sector and cross-cutting theme was analysed, with key stakeholders providing ongoing advice and contributions to help refine and finalise the 93 recommendations in the final Strategy. Careful consideration of policy implications, deliverability parameters, interdependencies and sequencing resulted in a suite of refined recommendations that, if supported by the WA Government, will help steer the state towards the vision.

Throughout the development of the Strategy and its extensive consultation process, a number of core themes were identified that underpin IWA's recommendations. These include:

- managing demand for infrastructure through prevention, early intervention and pricing
- improving the quality and consistency of strategic infrastructure planning and processes
- addressing climate change
- implementing data sharing and other tools to support infrastructure planning and investment decision-making
- optimising the existing infrastructure asset base
- identifying major infrastructure projects and programs.



The inaugural draft State Infrastructure Strategy was launched by the Premier on 21 July 2021. The event was attended by more than 900 people and featured speeches from the Premier, the Honourable Mark McGowan MLA; IWA's Chairperson, Mr John Langoulant AO; and IWA's Chief Executive Officer, Mr Phil Helberg. Attendees were introduced to the broad-ranging scope and intent of the Strategy, including how it will help the state to mature into a 'vibrant and attractive place to live, invest, work, study and visit'.

Monitoring and reporting

Monitoring and reporting on the WA Government's progress in implementing the Strategy's supported recommendations will provide confidence to the community that the state's long-term infrastructure plan is being delivered as expected and that the desired outcomes are being achieved.

Following the submission of the Strategy to the WA Government, IWA has turned its attention to working closely with the Department of the Premier and Cabinet and the Department of Treasury to design a monitoring and reporting framework. These departments will play key roles in the coordination and funding of implementation activities.

The early focus has been on agreeing to the guiding principles for implementation and clarifying the roles of state agencies and GTEs, as well as engaging with other jurisdictions to understand their current approaches. This will inform the further development and rollout of an agreed framework in 2022–23.





Major Infrastructure Proposal Assessment

In January 2022, IWA commenced its function to assess and report to the Premier on major infrastructure proposals with the release of MIPA Interim Guidelines.

The MIPA function aims to improve the quality and value of proposals and linkages between infrastructure planning and investment.

Implementation of the MIPA function will also achieve outcomes that better align with the Strategy and other strategic objectives of the WA Government. IWA's assessment summary reports are made public, which enhances the transparency of the WA Government's major infrastructure decisions.

When considering the rollout of this function, it was important to understand how IWA's proposal assessment role would integrate with, and add value to, other government processes. IWA established a working group consisting of the Department of the Premier and Cabinet, Department of Treasury, Department of Finance and Department of Planning, Lands and Heritage, as well as the Transport portfolio, to collaboratively design a process that would deliver benefits while avoiding unnecessary red tape. The working group met 3 times in 2021–22.

Several options for the MIPA framework were developed and tested prior to the release of the MIPA Interim Guidelines. As a result, the MIPA process supports and aligns with existing state government requirements, such as the Department of Treasury's Strategic Asset Management Framework, the State Budget cycle and Infrastructure Australia's Assessment Framework, while providing relevant advice to the WA Government to support informed investment decisions.

In February 2022 IWA provided guidance to 32 state agencies and GTEs over 2 information sessions on the newly established function. This was followed by targeted meetings with those state agencies that are most likely to engage in the MIPA process, to further inform them about how the new function will operate in alignment with existing government processes.

IWA will continue to work closely with state agencies and GTEs on their proposals, from the earliest stages of business case development through to formal assessment. In 2021–22, IWA provided advice to the Premier on one infrastructure proposal, relating to the Geraldton Port Maximisation Project, for which funding was announced in the 2022–23 State Budget.

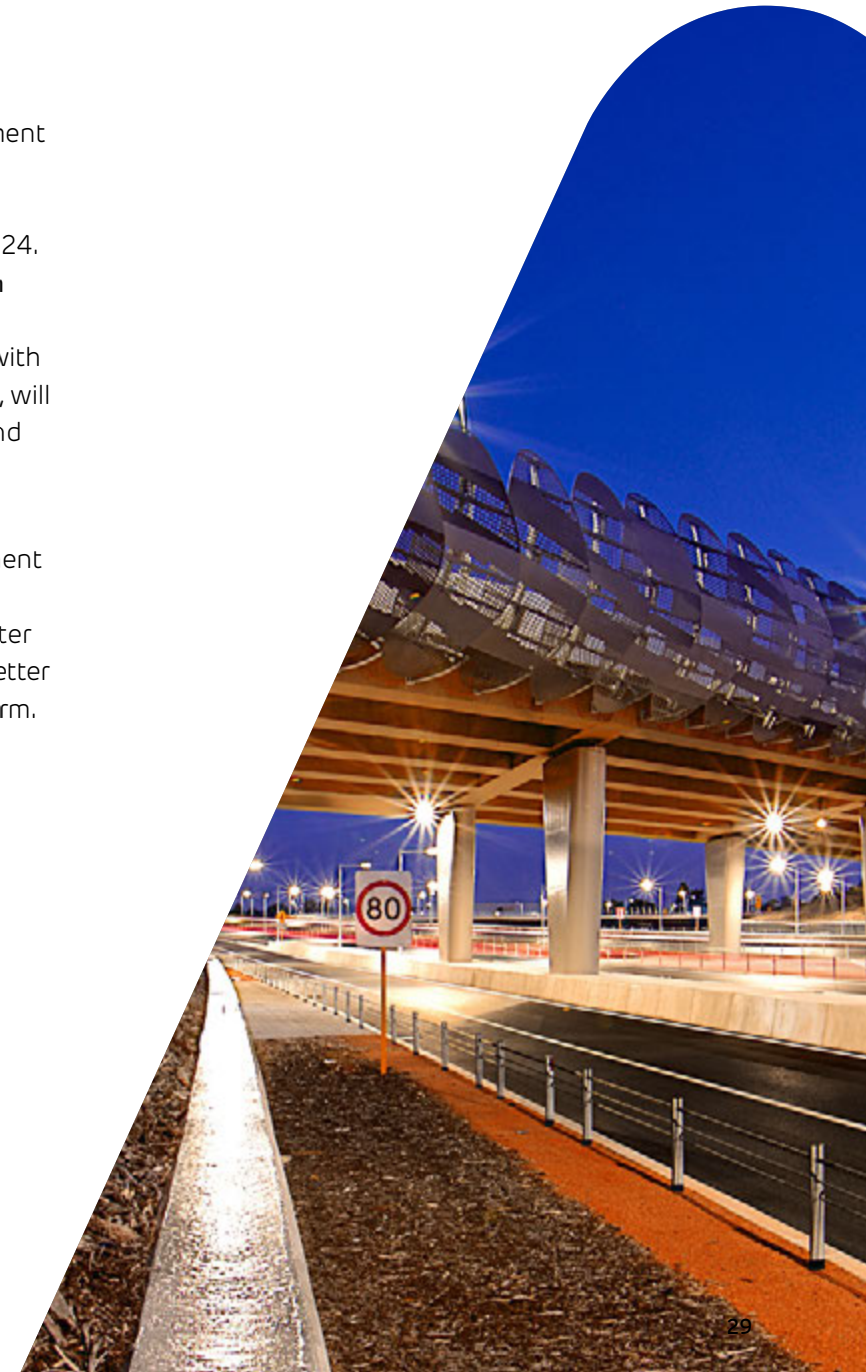
State Infrastructure Program

Many of IWA's functions are interrelated, and work together to improve infrastructure planning and coordination. The MIPA and Infrastructure Australia coordination functions are closely linked with the development of the SIP.

The SIP provides a 10-year infrastructure outlook that the WA Government is required to prepare on an annual basis under the IWA Act. It must include an overview of the proposed significant infrastructure projects, needs and challenges, and options to address them during the 4-year forward estimates period and the remaining years. The intent of the SIP is to contribute to increased understanding and investor confidence, and improved alignment and coordination of infrastructure priorities within government over the medium term.

In 2021–22 IWA collaborated with the Department of Premier and Cabinet and the Department of Treasury to plan for the development of the inaugural SIP, which is due for release in 2023–24. IWA has consulted with infrastructure bodies in other jurisdictions to glean the lessons learned from their experiences. This advice, combined with extensive research into best-practice examples, will help formulate a model that is fit for purpose and most appropriate for WA.

Working collaboratively with state government partners, IWA aims to support the WA Government in developing a SIP that brings value to the state's infrastructure sector by supporting greater transparency, improved decision-making and better infrastructure coordination over the medium term.



IWA's year of engagement

Alongside significant engagement with key stakeholders during the development of the Strategy and the preparation and implementation of the MIPA framework and Interim Guidelines, IWA undertook several important programs of engagement this year.



IWA values the expertise of our stakeholders and seeks to develop ongoing relationships to build a community of practice and a specialised knowledge base.

Learning from our peers

There are many infrastructure bodies operating in other jurisdictions that are at various stages of maturity. While the roles and functions of these organisations may differ to IWA's, the wealth of experience and knowledge that has been built across the country and internationally is a valuable source of information for IWA as it delivers on its objectives.

At an executive level, IWA participates in ongoing inter-jurisdictional forums with other infrastructure bodies and state agencies related to infrastructure planning and delivery.

IWA also engages with these organisations at an operational level. In April 2022, IWA consulted with 7 national and international infrastructure bodies. Some of these bodies are more advanced in organisational maturity than IWA, and others are in similar stages of development. Areas of consultation focus included strategy implementation, monitoring, evaluation and reporting, and infrastructure programs.

IWA also engages regularly with Infrastructure Australia in relation to its role in coordinating WA's submissions to its Infrastructure Priority List, and in an information sharing capacity to facilitate integration of state and federal infrastructure objectives.

Aboriginal stakeholders

IWA's Aboriginal Engagement Plan was developed in consultation with the Aboriginal Advisory Council of Western Australia.

IWA continued to work with the Aboriginal Advisory Council of Western Australia in 2021–22 to listen to its feedback on the draft Strategy, which was incorporated into the final.

IWA also engaged IPS Management Consultants during the consultation period to assist with engagement activities, provide strategic advice, and complete a peer review of the draft Strategy.

As part of the engagement program for the Strategy, IWA met with Traditional Owners and Custodians, and Aboriginal businesses in various locations across the state. This included engaging Traditional Owners to deliver a Welcome to Country at each of our regional sessions, and meeting with representatives from several groups, including the Goldfields Aboriginal Business Chamber, Kimberley Land Council, Bundi Yamatji Aboriginal Corporation, Julyardi Aboriginal Corporation and the South West Aboriginal Land and Sea Council.

Since IWA commenced its work on development of the draft Strategy, the advice and contributions from Aboriginal stakeholders have been vital and welcomed. IWA is committed to engaging with Aboriginal stakeholders constructively and in culturally safe ways, and recognises its responsibilities in helping to achieve better participation and outcomes for Aboriginal people.

Improving the social, economic, health and cultural outcomes for Aboriginal people is essential for Western Australia.

Governance groups

Since its inception, IWA has been a member of several steering committees, project control groups and working groups. In 2022–23, the number of steering committees IWA participated in increased due to engagements undertaken in the lead-up to its MIPA function commencing.



IWA's involvement with major project governance groups is crucial in fulfilling its role to provide independent expertise and guidance for infrastructure planning and evaluation, and undertaking formal assessments of major infrastructure proposals through its MIPA function. IWA's early involvement with major projects enables a more streamlined formal assessment process when a proposal is submitted for assessment, as IWA already has relevant background and project knowledge.

Under its governing legislation, IWA is required to independently assess major infrastructure proposals prior to the WA Government making an investment decision, and must provide its report to the Premier for consideration. Consistent with the MIPA Interim Guidelines, IWA aims to engage with proponents informally and through project governance arrangements during the proposal development phase in an advisory capacity. In cases where IWA is identified as a formal member of a steering committee or other project governance body, this will be in a non-voting advisory capacity only.

Project governance groups are important mechanisms for projects and programs that are regularly used across government.

A snapshot of IWA's engagement activities during 2021-22

Government Goal	Strategic objectives	Target outcomes	Consultation activities
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 	<ul style="list-style-type: none"> Achieve Strategy finalisation milestones Consider input from stakeholders to shape the development of the Strategy 	<ul style="list-style-type: none"> Release of draft State Infrastructure Strategy 30 one-to-one meetings with State agency and GTE representatives in support of finalising the draft Strategy. 18 meetings with industry and local government representatives based in the regions during the draft Strategy consultation period. 17 meetings with regional development commissions and representative bodies. 9 briefings to Members of Parliament and their staff.
Future jobs and skills Grow and diversify the economy, create jobs and support skills development	<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 	<ul style="list-style-type: none"> Engage with industry stakeholders and government to support infrastructure planning Improve quality of infrastructure proposals 	<ul style="list-style-type: none"> 26 meetings with industry groups to discuss infrastructure opportunities to grow and diversify the economy. 18 one-to-one meetings with State agency and GTE representatives for the development and implementation of the MIPA function. 3 meetings of the MIPA working group. 6 infrastructure site and project tours.
Sustainable finances Responsible financial management and better service delivery	<ul style="list-style-type: none"> Align strategic planning Inform infrastructure needs and priorities Provide advice to support robust business cases and projects 	<ul style="list-style-type: none"> Embed a triple bottom line approach in the Strategy Ensure better use of public resources for responsible and sustainable fiscal management 	<ul style="list-style-type: none"> Continued to work with the Department of Treasury and the Department of the Premier and Cabinet to consider the impacts the Strategy recommendations would have on government resourcing. 6 Strategy recommendations solely aimed at more effective management of the planning and delivery of infrastructure assets, and improvements to whole of life asset management practices.
Strong communities Safe communities and supported families	<ul style="list-style-type: none"> Inform infrastructure needs and priorities Build stakeholder confidence 	<ul style="list-style-type: none"> Inform and consult with a broad range of stakeholders in line with Strategy delivery milestones 	<ul style="list-style-type: none"> 145 cross agency meetings hosted/attended where infrastructure planning was discussed. As part of the consultation program for the draft Strategy IWA held: <ul style="list-style-type: none"> 15 public information sessions 13 sector specific round tables one online youth engagement session 63% stakeholder satisfaction (against a target of at least 70%)





Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 Infrastructure Western Australia

To the Parliament of Western Australia

Report on the audit of the financial statements

I have audited the financial statements of Infrastructure Western Australia which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- 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 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), 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 responsibilities 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Other information

The Board is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements and my auditor's report.

My opinion on the financial statements does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it 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, the Board is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- 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 responsibilities 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

Report on the audit of 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 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).

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 2022.

The Board's responsibilities

The Board 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 involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an 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 in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance 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 audit of 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 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and 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 access Infrastructure Western Australia's performance and fairly represent indicated performance for the year ended 30 June 2022.

The Board's responsibilities for the key performance indicators

The Board 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 the Board 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 responsibilities

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.

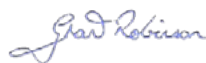
I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My independence and quality control relating to the report on financial statements, 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 2022 included in the annual report 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, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. 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.

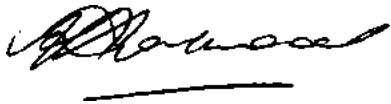


Grant Robinson
Assistant Auditor General Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
17 August 2022

Key performance indicators

Certification of 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 Infrastructure WA's (IWA) performance, and fairly represent the performance of IWA for the financial year ended 30 June 2022.



Nicole Lockwood
Board Chairperson
16 August 2022



Wayne Zekulich
Audit, Risk and Finance Committee Chairperson
16 August 2022



Phil Helberg
Chief Executive Officer
16 August 2022



André Brender-A-Brandis
Chief Financial Officer
16 August 2022

Audited Key Performance Indicators Information

Government Goals

The WA Government's broad, high-level goals guide the development of policies, programs and services by agencies. Not all government goals are equally applicable to all agencies.

Through providing advice to support better decision-making by government on infrastructure planning, delivery and operations/management, IWA directly contributes to planning better places for the WA community, specifically contributing towards the following Government Goals:

- WA Jobs Plan: Diversifying the economy, creating local jobs for the future
- Investing in WA's Future: Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.

IWA's 2021–22 performance is measured by 4 key effectiveness indicators (KEI) and 2 efficiency indicators (EI) in accordance with IWA's outcomes-based management framework.

Significant changes

To align with the commencement of its new functions in January 2022, and to ensure that IWA's maturing functions are appropriately captured, IWA completed a review of its outcomes-based management framework in 2021–22. The result was a revised framework for 2021–22 and 2022–23.

The review was completed in consultation with the Department of Treasury and the Office of the Auditor General, and approved by the Under Treasurer in February 2022.

2021–22 amendments include:

- addition of 2 KEIs (KEI2.1 and KEI2.2) and one EI (EI2.1) that reflect the commencement of the major infrastructure proposal assessment function
- minor text updates to KEI1.1, KEI1.2 and EI1.1 to more accurately describe IWA's activities.

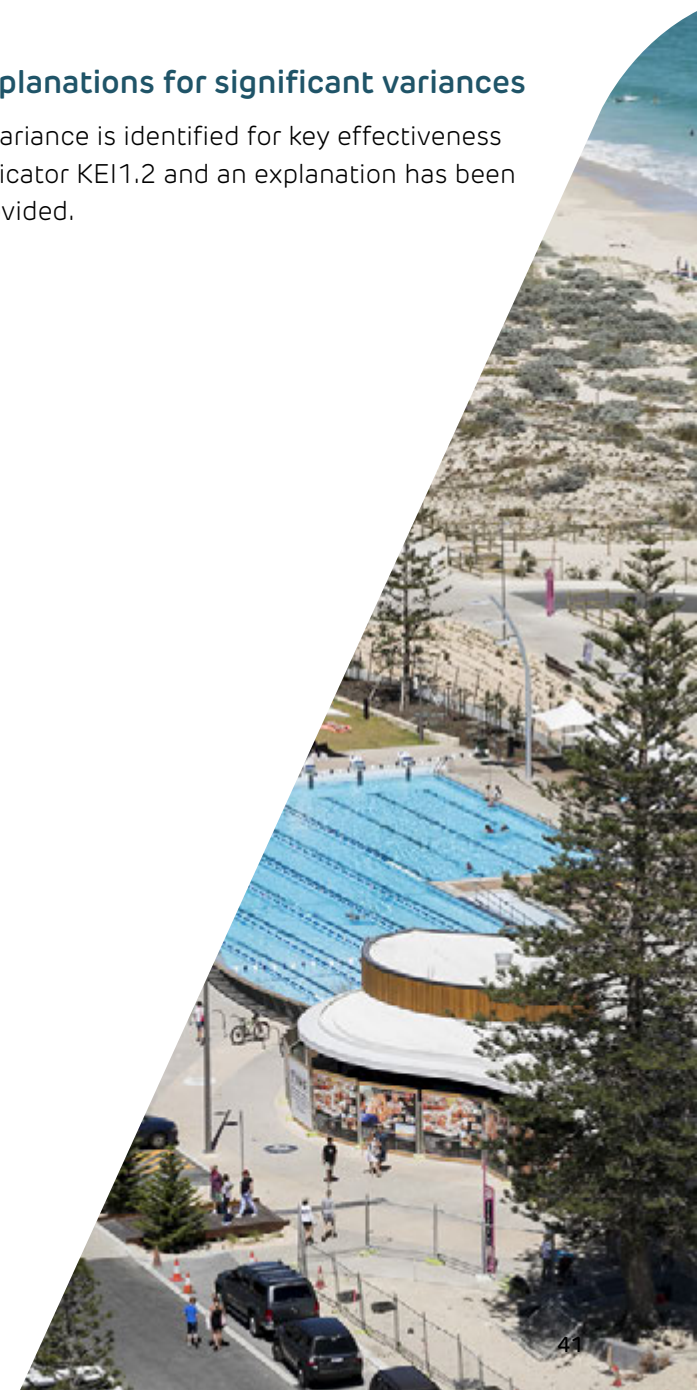
2022–23 amendments include:

- removal of KEI1.2 to reflect the ceasing of the relevant function
- minor text updates to KEI1.1 and EI1.1 to more accurately describe IWA's activities to reflect the updates in the 2021–22 framework.

IWA shares no services or desired outcomes with other agencies.

Explanations for significant variances

A variance is identified for key effectiveness indicator KEI1.2 and an explanation has been provided.





Key Effectiveness Indicators (KEI)

IWA's stated Outcomes articulate the operations of the *Infrastructure Western Australia Act 2019* (IWA Act), specifically the development of the 20-year State Infrastructure Strategy (Strategy) and the assessment of major infrastructure proposals.

The Strategy identifies WA's long term infrastructure needs and priorities over the next 20 years, and provides recommendations to the Premier and government. To deliver Outcome 1, IWA must deliver the Strategy. Every 5 years, or less as agreed with Government, a new 20-year strategy will be prepared.

Assessment of major infrastructure proposals aims to improve the quality and value of proposals and linkages between infrastructure planning and investment. Implementation of this function will also achieve the outcomes that better align with the Strategy and other strategic objectives of the WA Government. To deliver Outcome 2, IWA must make assessments of major infrastructure proposals prior to an investment decision being made by the government.

Four key effectiveness indicators (KEI) are used to measure the achievement or otherwise of the Outcomes.

Agency level desired outcome 1: An informed Government on infrastructure matters, needs and priorities

	2020-21 Actual	2021-22 Target	2021-22 Actual	Explanatory Notes	
	Key effectiveness indicators (KEI)			Comments on Performance	Definition
KEI1.1 Undertaking of State Infrastructure Strategy functions.	95% (target of draft State Infrastructure Strategy released for public comment by 30 June 2021.)	Submission of State Infrastructure Strategy to Government by 30 June 2022.	100%	The State Infrastructure Strategy was submitted to Government on 31 January 2022.	Following the submission of the Strategy the Premier exercised his right under section 15 of the Act to return the Strategy to IWA with a request for further information.
KEI1.2 Undertaking of stakeholder events.	39	25	55	<p>During 2021-22 IWA participated in 55 sessions where a representative of IWA undertook consultation with key stakeholders, including:</p> <ul style="list-style-type: none"> 29 IWA hosted public events during the consultation period following the release of the draft Strategy in July 2021, consisting of: <ul style="list-style-type: none"> 13 consultation sessions held in the regions 10 roundtables focused on specific sectors in the draft Strategy 5 online consultation sessions One public launch event 26 sessions with industry and member groups, local government, and sectoral experts. <p>The consultation IWA undertook to gather feedback on the draft Strategy was a significantly larger program than anticipated. This resulted in a final Strategy that has been well reviewed by stakeholders and government.</p>	<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.</p> <p>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>Stakeholder consultation is defined as genuine engagement with another party where notice has been given on the subject and where meaningful opportunity for the party to present their view is sought before any final decision is made. This can be undertaken face to face, online, via a consultation platform or portal, workshops, forums, working groups and presentations where a question and answer session is included.</p>

Agency level desired outcome 2: Effective and efficient government infrastructure planning and coordination.

	2020-21 Actual	2021-22 Target	2021-22 Actual	Explanatory Notes	
	Key effectiveness indicators (KEI)			Comments on Performance	Definition
KEI2.1 Undertaking of major infrastructure proposal assessment functions – publication of guidelines	NA	Publication of interim major infrastructure proposal assessment guidelines by 30 June 2022.	100%	The major infrastructure proposal assessment interim guidelines were published on 23 December 2021.	<p>The Interim Guidelines were published to support the formal commencement of the MIPA function on 1 January 2022.</p> <p>In 2022 the Interim Guidelines only apply to individual project proposals, and not infrastructure programs.</p> <p>The Interim Guidelines will be refreshed in 2023 in consultation with state agencies and government trading enterprises and include the phasing in of infrastructure program proposals.</p> <p>Under section 70 of the Act, publication on the IWA website satisfies the requirement to make the guidelines publicly available.</p>
KEI2.2 Undertaking of major infrastructure proposal assessment functions – assessment of proposals	NA	Assessment of 100% of proposals received between 1 April 2021 and 31 March 2022, by 30 June 2022.	100%	<p>Between 1 April 2021 and 30 March 2022 IWA received one proposal for assessment.</p> <p>The proposal was assessed and on 23 February 2022 the Board approved out of session the submission of the reports to the Premier.</p>	<p>Only assessments that are received between 1 April of the previous financial year and 31 March of the current financial year are applicable for assessment under this KEI.</p> <p>Assessments received after 1 April will be counted as an assessment for the following financial year.</p> <p>This is to allow time for assessments to be completed, including consideration by the Board, by the end of the relevant financial year.</p>

Key Efficiency Indicator (EI)

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 Services being delivered by IWA to achieve the stated desired Outcomes is the delivery of the Strategy and completion of major infrastructure proposal assessments.

Agency Service 1: Development of State Infrastructure Strategy

	2020-21 Actual	2021-22 Target	2021-22 Actual	Explanatory Notes	
	Key efficiency indicators (EI)			Comments on Performance	Definition
EI1.1 Average cost per FTE to undertake State Infrastructure Strategy functions	\$354,000	\$283,000	\$307,000	During 2021-22 IWA's average FTE of 13.31 fell below the budgeted figure of 15 for this function. This was due to secondments out and delays in backfilling vacant positions resulting in some of the work being outsourced. The Strategy was delivered as planned and included a significant consultation program.	EI1.1 calculates the cost to deliver the service compared to the effort required to deliver the service. The FTE calculation is the actual average FTE effort throughout the year, not headcount at 30 June 2022. The actual cost to undertake the Strategy functions for 2021-22 is \$4,085,000. IWA had an average FTE of 13.31 IWA had an average FTE of 13.31 during 2021-22 to undertake these functions: \$4,085,000 / 13.31 = \$307,000. 2021-22 to undertake these functions: \$4,085,000 / 13.31 = \$307,000.

Agency Service 2: Assessment of major infrastructure proposals

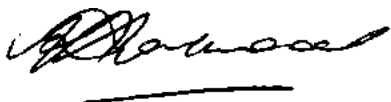
	2020-21 Actual	2021-22 Target	2021-22 Actual	Explanatory Notes	
	Key efficiency indicators (EI)			Comments on Performance	Definition
EI2.1 Average cost per FTE to undertake major infrastructure proposal assessment functions	\$354,000	\$283,000	\$308,000	During 2021-22 IWA's average FTE of 1.81 fell below the budgeted figure of 2 for this function. This was due to secondments out and delays in backfilling vacant positions. The Interim Guidelines were delivered as planned and required assistance from consultants.	EI2.1 calculates the cost to deliver the service compared to the effort required to deliver the service. The FTE calculation is the average FTE effort throughout the year, not headcount at 30 June 2022. The actual cost to undertake major infrastructure proposal assessment functions in 2021-22 was \$557,000. IWA had an average FTE of 1.81 during 2021-22 to undertake these functions: \$557,000 / 1.81 = \$308,000.

Certification of financial statements

For the reporting period ended 30 June 2022

The accompanying financial statements of Infrastructure WA (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 2022 and the financial position as at 30 June 2022.

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.



Nicole Lockwood
Board Chairperson
16 August 2022



Wayne Zekulich
Audit, Risk and Finance Committee Chairperson
16 August 2022



Phil Helberg
Chief Executive Officer
16 August 2022



André Brender-A-Brandis
Chief Financial Officer
16 August 2022

Statement of Comprehensive Income

For the year ended 30 June 2022

Notes	2022 \$'000	2021 \$'000
COST OF SERVICES		
Expenses		
Employee benefits expense	2,518	2,538
Supplies and services	1,769	2,683
Accommodation expenses	320	279
Depreciation expenses	4	-
Other expenses	155	171
Total cost of services	4,766	5,671
NET COST OF SERVICES	4,766	5,671
INCOME FROM STATE GOVERNMENT		
Service appropriation	5,195	5,171
Resources received free of charge	51	53
Total income from State Government	5,246	5,224
SURPLUS/(DEFICIT) FOR THE PERIOD	480	(447)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	480	(447)

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

Statement of Financial Position

as at 30 June 2022

ASSETS

Current assets

Cash and cash equivalents

Receivables

Prepayments

Total current assets

Non-current assets

Restricted cash and cash equivalents

Property, plant and equipment

Total non-current assets

Total assets

LIABILITIES

Current liabilities

Payables

Employee related provisions

Other liabilities

Total current liabilities

Non-current liabilities

Employee related provisions

Other liabilities

Total non-current liabilities

Total liabilities

NET ASSETS

EQUITY

Contributed equity

Accumulated surplus

TOTAL EQUITY

Notes	2022 \$'000	2021 \$'000
5.1	2,267	1,347
6.1	213	196
6.2	41	64
	2,521	1,607
5.1	67	47
4.1	34	-
	101	47
	2,622	1,654
6.3	403	276
2.1(b)	767	575
6.4	12	-
	1,182	851
2.1(b)	127	82
6.4	112	-
	239	82
	1,421	933
	1,201	721
	-	-
	1,201	721
	1,201	721

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 2022

	Notes	Contributed equity \$'000	Accumulated surplus/ (deficit) \$'000	Total equity \$'000
Balance at 1 July 2020		-	1,168	1,168
(Deficit)/surplus		-	(447)	(447)
Total		-	721	721
BALANCE AT 30 JUNE 2021		-	721	721
Balance at 1 July 2021		-	721	721
Surplus/(deficit)		-	480	480
Total		-	1,201	1,201
BALANCE AT 30 JUNE 2022		-	1,201	1,201

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 2022

CASH FLOWS FROM STATE GOVERNMENT

Service appropriation

Net cash provided by State Government

CASH FLOWS FROM OPERATING ACTIVITIES

Payments

Employee benefits

Supplies and services

Accommodation

GST payments on purchases

Other payments

Receipts

GST receipts from taxation authority

Net cash used in operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Payments

Purchase of non-current physical assets

Net cash used in investing activities

Net increase/(decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of the period

CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

Notes	2022 \$'000	2021 \$'000
3.1	5,195	5,171
	5,195	5,171
	(2,404)	(2,142)
	(1,605)	(2,594)
	(170)	(302)
	(129)	(238)
	(128)	(173)
	219	191
	(4,217)	(5,258)
	(38)	-
	(38)	-
	940	(87)
	1,394	1,481
	2,334	1,394

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

Notes to the Financial Statements

1. Basis of preparation

Infrastructure WA (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 'Chief Executive's Overview' 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 16 August 2022.

Statement of compliance

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

- The *Financial Management Act 2006* (FMA);
- The Treasurer's Instructions (TIs);
- Australian Accounting Standards (AASs) – Simplified Disclosures; and
- Where appropriate, those AAS paragraphs applicable for not-for-profit entities have been applied.

The FMA and TIs take precedence over AASs. Several AASs are modified by the TIs to vary application, disclosure format and wording. Where modification is required and has had 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).

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- amount of GST incurred by the Agency as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed equity

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, as designated as contributions by owners (at the time of, or prior, to transfer) 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.

Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations.

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.

2. Use of our funding

Expenses 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	2022 \$'000	2021 \$'000
Employee benefits expenses	2.1(a)	2,518	2,538
Employee related provisions	2.1(b)	894	657
Other expenditure	2.2	2,244	3,133

2.1(a) Employee benefits expenses

	2022 \$'000	2021 \$'000
Employee benefits	2,248	2,279
Superannuation – defined contribution plans	270	259
Total employee benefits expenses	2,518	2,538
Add: AASB 16 Non-monetary benefits (not included in employee benefits expense)	20	19
Less: Employee contributions	(4)	(3)
Net employee benefits	2,534	2,554

Employee benefits

Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

Termination benefits

Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Body Corporate is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation

The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the Gold State Super (concurrent contributions), the West State Super, the Government Employees Superannuation Board schemes, or other superannuation funds.

AASB 16 Non-monetary benefits

Non-monetary employee benefits, predominantly relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee contributions

Contributions made to the Body Corporate by employees towards employee benefits that have been provided by the Body Corporate. This includes both AASB-16 and non-AASB 16 employee contributions.

2.1(b) Employee related provisions

Provision is made for benefits accruing to employees in respect of 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.

	2022 \$'000	2021 \$'000
Current		
Employee benefits provisions:		
Annual leave ^(a)	374	285
Long service leave ^(b)	391	288
	765	573
Other provisions:		
Employment on-costs ^(c)	2	2
Total current employee related provisions	767	575
Non-current		
Employee benefits provisions:		
Long service leave ^(b)	127	82
Other provisions:		
Employment on-costs ^(c)	-	-
Total non-current employee related provisions	127	82
TOTAL EMPLOYEE RELATED PROVISIONS	894	657

(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 to be made in relation to services provided by employees up to 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.

(c) Employment on costs

These involve settlements of annual and long service leave liabilities which 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'.

Employment on-costs provision

	2022 \$'000	2021 \$'000
Carrying amount at start of period	2	32
(Reversals of)/additional provisions recognised	-	(30)
Carrying amount at end of period	2	2

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.

2.2 Other expenditure**Supplies and services**

	2022 \$'000	2021 \$'000
Professional services	1,374	2,401
Communications and contracts	104	80
System development and maintenance	52	70
Consumables	61	31
Travel	51	43
Minor equipment	23	23
Other	104	35
Total supplies and services expenses	1,769	2,683

Accommodation expenses

Office rentals	314	275
Repairs and maintenance	6	4
Total accommodation expenses	320	279

Other expenses

Other staff costs	28	52
Computer software licences	13	2
Employee on-costs	19	18
Audit fees – internal/external	95	99
Total other expenses	155	171
TOTAL OTHER EXPENDITURE	2,244	3,133

Supplies and services

Supplies and services expenses 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

Office rental is expensed as incurred as Memorandum of Understanding Agreements between the Body Corporate and the Department of Finance for the leasing of office accommodation contain significant substitution rights. They 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 and maintenance costs are recognised as expenses as incurred.

Other expenses

Other operating 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.

Expected credit loss expense

Expected credit losses is recognised for movement in allowance for impairment of trade receivables. Please refer to Note 5.1. 'Movement in the allowance for impairment of trade receivables' for more details.

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	2022 \$'000	2021 \$'000
Income from State Government	3.1	5,246	5,224

3.1 Income from State Government

	2022 \$'000	2021 \$'000
Appropriation received during the period:		
Service appropriations ^(a)	5,195	5,171
Resources received free of charge from other public sector entities during the period^(b):		
Department of Finance – represents lease administration services and depreciation on fitouts	48	53
State Solicitor's Office – legal services free of charge	2	-
Department of Transport – provision of transport modelling services	1	-
Total resources received free of charge	51	53
TOTAL INCOME FROM STATE GOVERNMENT	5,246	5,224

(a) Service appropriations

Service appropriations are recognised as income at the fair value of consideration received in the period in which the Body Corporate gains control of the appropriated funds. The Body Corporate gains control of the appropriated funds at the time those funds are deposited in the bank account or credited to the holding account held at Treasury.

(b) Resources received free of charge

Where services have been received free of charge, the Department recognises income (and assets or expenses) equivalent to the fair value of the assets, or the fair value of those services that can be reliably determined and which would have been purchased if not donated.

Summary of Consolidated Account Appropriations for the year ended 30 June 2022

	2022 Budget \$'000	2022 Supplementary funding \$'000	2022 Revised budget \$'000	2022 Actual \$'000	2022 Variance \$'000
Delivery of services					
Item 5 Net amount appropriated to deliver services	4,827	-	4,827	4,827	-
Section 25 Transfer of service appropriation	-	-	-	-	-
Amount authorised by other statutes:					
- Salaries and Allowances Act 1975	368	-	368	368	-
Total appropriations provided to deliver services	5,195	-	5,195	5,195	-
GRAND TOTAL	5,195	-	5,195	5,195	-

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

Note 9.1 'Explanatory Statement' provides details of significant variations between estimates and actual results for 30 June 2022.

4. Key assets

Assets the Department utilises for economic benefit or service potential

This section includes information regarding the key assets the Body Corporate utilises to gain economic benefits or assets the Body Corporate utilises for economic benefit or service potential or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

Notes

Property, plant and equipment

4.1

4.1 Property, plant and equipment

	Computer hardware \$'000	Office equipment \$'000	Total \$'000
Year ended 30 June 2022			
1 July 2021			
Gross carrying amount	-	-	-
Accumulated depreciation	-	-	-
Carrying amount at start of the period	-	-	-
Additions	21	17	38
Depreciation	(3)	(1)	(4)
Carrying amount at 30 June 2022	18	16	34
Gross carrying amount	21	17	38
Accumulated depreciation	(3)	(1)	(4)

Initial recognition

Items of property, plant and equipment and infrastructure, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of

Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Assets transferred as part of a machinery of government change are transferred at their fair value.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

The Body Corporate does not hold land, buildings or infrastructure assets. As such, items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

Significant assumptions and judgements

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life.

4.1.1 Depreciation and impairment

Charge for the period

	2022 \$'000	2021 \$'000
Depreciation		
Computer hardware	3	-
Office equipment	1	-
Total depreciation for the period	4	-

As at 30 June 2022, there were no indications of impairment to property, plant and equipment.

Useful lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life
Computer hardware	3 years
Office equipment	5–10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the Body Corporate is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

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
Capital commitments	5.2

5.1 Cash and cash equivalents

	2022 \$'000	2021 \$'000
Cash and cash equivalents	2,267	1,347
Restricted cash and cash equivalents	67	47
Balance at end of period	2,334	1,394

Restricted cash and cash equivalents

Non-current

Accrued salaries suspense account ^(a)	67	47
--	----	----

(a) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non-current for 10 out of 11 years.

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

The accrued salaries suspense account consists of amounts paid annually, from agency appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

5.2 Capital commitments

There were no capital commitments at 30 June 2022.

6. 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	2022 \$'000	2021 \$'000
Receivables	6.1	213	196
Prepayments	6.2	41	64
Payables	6.3	403	276
Other liabilities	6.4	124	-

6.1 Receivables

	2022 \$'000	2021 \$'000
Current		
Trade receivables	7	78
Other receivables ^(a)	187	11
GST receivable	19	107
Total receivables	213	196

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

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

The Body Corporate recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit or loss. The ECLs based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. Individual receivables are written off when there are no reasonable expectations of recovering the contractual cash flows.

Trade receivables are considered not impaired and therefore no expected credit loss.

6.2 Prepayments

Current

Prepayments

Balance at end of period

2022 \$'000	2021 \$'000
41	64
41	64

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.

6.3 Payables

Current

Trade payables

Accrued salaries

Accrued expenses

Balance at end of period

2022 \$'000	2021 \$'000
121	184
56	37
226	55
403	276

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.

The accrued salaries suspense account (see Note 5.1 'Cash and Cash Equivalents') consists of amounts paid annually, from Body Corporate appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

6.4 Other liabilities

	2022 \$'000	2021 \$'000
Current		
Office accommodation liability	12	-
Total current	12	-
Non-current		
Office accommodation liability	112	-
Total non-current	112	-
BALANCE AT END OF PERIOD	124	-

Other liabilities represents the liability arising from the straight-line recognition of a Government Office Accommodation arrangement.

7. Financial instruments and contingencies

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

	Notes
Financial instruments	7.1
Contingent liabilities and assets	7.2

7.1 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:

	2022 \$'000	2021 \$'000
Financial assets		
Cash and cash equivalents	2,334	1,394
Financial assets at amortised cost ^(a)	194	89
Total financial assets	2,528	1,483
Financial liability		
Financial liabilities at amortised cost ^(b)	347	239
Total financial liability	347	239

(a) The amount of financial assets at amortised cost excludes GST recoverable from ATO (statutory receivable).

(b) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

Measurement

All financial assets and liabilities are carried without subsequent measurement.

7.2 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.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent liabilities

There were no contingent liabilities at 30 June 2022.

7.2.2 Contingent assets

There were no contingent assets at 30 June 2022.

8. 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	8.1
Initial application of Australian Accounting Standards	8.2
Key management personnel	8.3
Related party transactions	8.4
Remuneration of auditor	8.5
Supplementary financial information	8.6

8.1 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.

8.2 Initial application of an Australian Accounting Standard

There was no initial application of an Australian Accounting Standard during the year.

8.3 Key management personnel

The Body Corporate has determined that key management personnel to include 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:

	2022	2021
Compensation band (\$)		
500,001 – 510,000	-	1
410,001 – 420,000	1	-
230,001 – 240,000	-	1
120,001 – 130,000	-	1
110,001 – 120,000	1	-
100,001 – 110,000	1	-
80,001 – 90,000	-	1
60,001 – 70,000	1	-
40,001 – 50,000	3	4
30,001 – 40,000	2	-
0 – 10,000	6	6
	2022	2021
	\$'000	\$'000
Total compensation of senior officers	909	1,135

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

8.4 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 agencies 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.

8.5 Remuneration of auditor

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

Auditing the accounts, financial statements, controls, and key performance indicators

2022 \$'000	2021 \$'000
25	28

8.6 Supplementary financial information

(a) Write-offs

During the financial year there was no write-off under the authority of section 48 of the FMA (2021: Nil).

(b) Losses through theft, defaults and other causes

There were no losses through theft, defaults and other causes during the year (2021: Nil).

(c) Forgiveness of debts

There was no forgiveness (or waiver) of debts by the Body Corporate during the year (2021: Nil).

(d) Gifts of public property

The Body Corporate did not provide any gifts of public property during the year (2021: Nil).

9. Explanatory statements

This section explains variations in the financial performance of the Body Corporate.

Notes

Explanatory statement for controlled operations

9.1

9.1 Explanatory statement for controlled operations

This explanatory section explains variations in the financial performance of the Body Corporate undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021 are shown below. Narratives are provided for key major variances which vary more than 10% from their comparative and that the variation is more than 1% of the dollar aggregate of:

- Total Cost of Services of the estimate for the statements of Comprehensive Income and Statement of Cash Flows (i.e. 1% of \$5,617,000), and
- Total Assets of the estimate for the Statement of Financial Position (i.e. 1% of \$973,000).

9.1.1 Statement of Comprehensive Income variances

	Variance note	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2022 and 2021 \$'000
Expenses						
Employee benefits expense		2,408	2,518	2,538	110	(20)
Supplies and services	1, A	2,817	1,769	2,683	(1,048)	(914)
Accommodation expenses	B	237	320	279	83	41
Depreciation expense		-	4	-	4	4
Other expenses		155	155	171	-	(16)
Total cost of services		5,617	4,766	5,671	(851)	(905)
Income from State Government						
Service appropriation		5,195	5,195	5,171	-	24
Resources received free of charge		22	51	53	29	(2)
Total income from State Government		5,217	5,246	5,224	29	22
SURPLUS/(DEFICIT) FOR THE PERIOD		(400)	480	(447)	880	927
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(400)	480	(447)	880	927

Major actual (2022) and comparative (2021) variance narratives

- Supplies and services expenditure decreased by \$0.914 million (34%) due to lower professional services expenditure following completion of the draft State Infrastructure Strategy.

Major estimate and actual (2022) variance narratives

- Supplies and services expenditure was \$1.048 million (37%) lower than the estimate due to lower professional services expenditure following completion of the draft State Infrastructure Strategy.
- Accommodation expenditure was \$0.083 million (35%) higher than the estimate due to higher office accommodation costs for five months of the year at the new office accommodation.

9.1.2 Statement of Financial Position variances

	Variance note	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2022 and 2021 \$'000
ASSETS						
Current assets						
Cash and cash equivalents		581	2,267	1,347	1,686	920
Receivables		65	213	196	148	17
Prepayments	2, C	309	41	64	(268)	(23)
Total current assets		955	2,521	1,607	1,566	914
Non-current assets						
Restricted cash and cash equivalents		-	67	47	67	20
Prepayments	D	18	-	-	(18)	-
Property, plant and equipment	3, E	-	34	-	34	34
Total non-current assets		18	101	47	83	54
TOTAL ASSETS		973	2,622	1,654	1,649	968
LIABILITIES						
Current liabilities						
Payables		136	403	276	267	127
Employee related provisions	4, F	510	767	575	257	192
Other liabilities	5, G	-	12	-	12	12
Total current liabilities		646	1,182	851	536	331
Non-current liabilities						
Employee related provisions	6, H	59	127	82	68	45
Other liabilities	7, I	-	112	-	112	112
Total non-current liabilities		59	239	82	180	157
TOTAL LIABILITIES		705	1,421	933	716	488
NET ASSETS		268	1,201	721	933	480
EQUITY						
Contributed equity		-	-	-	-	-
Accumulated deficit		268	1,201	721	933	480
TOTAL EQUITY		268	1,201	721	933	480

Major actual (2022) and comparative (2021) variance narratives

2. Current prepayments decreased by \$0.023 million (36%) mainly due to lower prepaid subscriptions and licencing fees as at 30 June 2022.
3. Property, plant and equipment increased by \$0.034 million (100%) due to expenditure related to the office relocation in 2021-22.
4. Current employee related provisions increased by \$0.192 million (33%) due to employee benefits provisions received for new employees in 2021-22.
5. Current other liabilities increased by \$0.012 million (100%) mainly due to the commencement of a Government Office Accommodation arrangement resulting in straight-line expense recognition.
6. Non-current employee related provisions increased by \$0.045 million (55%) due to long service leave transfers received for new employees transferred in 2021-22.
7. Non-current other liabilities increased by \$0.112 million (100%) mainly due to the commencement of a Government Office Accommodation arrangement resulting in straight-line expense recognition.

Major estimate and actual (2022) variance narratives

- C. Current prepayments were \$0.268 million (87%) lower mainly due to lower prepaid subscriptions and licencing fees in 2021-22 compared to the 2021-22 estimate.
- D. Non-current prepayments were \$0.018 million (100%) lower than the estimate due to all prepayments at 30 June 2022 being fully amortised by 30 June 2023 and being reclassified as current prepayments at 30 June 2022.
- E. Property, plant and equipment was \$0.034 million (100%) higher than the estimate due to expenditure related to the office relocation in 2021-22.
- F. Current employee related provisions were \$0.257 million (50%) higher than the estimate due to employee benefits provisions received for new employees in 2021-22.
- G. Current other liabilities were \$0.012 million (100%) higher than the estimate mainly due to the liability arising from the straight-line recognition of a Government Office Accommodation arrangement.
- H. Non-current employee related provisions were \$0.068 million (115%) higher than the estimate due to long service leave transfers received for new employees in 2021-22.
- I. Non-current other liabilities were \$0.112 million (100%) higher than the estimate mainly due to the liability arising from the straight-line recognition of a Government Office Accommodation arrangement.

9.1.3 Statement of Cash Flows variances

	Variance note	Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2022 and 2021 \$'000
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		5,195	5,195	5,171	-	24
Net cash provided by State Government		5,195	5,195	5,171	-	24
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	8	(2,408)	(2,404)	(2,142)	4	(262)
Supplies and services	9, J	(2,795)	(1,605)	(2,594)	1,190	989
Accommodation	10, K	(237)	(170)	(302)	67	132
GST payments on purchases	11, L	(257)	(129)	(238)	128	109
Other payments		(155)	(128)	(173)	27	45
Receipts						
GST receipts from taxation authority		257	219	191	(38)	28
Net cash used in operating activities		(5,595)	(4,217)	(5,258)	1,378	1,041
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current physical assets		-	(38)	-	(38)	(38)
Net cash used in investing activities		-	(38)	-	(38)	(38)
Net increase/(decrease) in cash and cash equivalents		(400)	940	(87)	1,340	1,027
Cash and cash equivalents at the beginning of the period		981	1,394	1,481	413	(87)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		581	2,334	1,394	1,753	940

Major actual (2022) and comparatives (2021) variance narratives

8. Employee benefits payments increased by \$0.262 million (12%) due to new employees and payments for secondment creditors from the prior year.
9. Supplies and services payments decreased by \$0.989 million (38%) due to lower professional services expenditure following completion of the draft State Infrastructure Strategy.
10. Accommodation payments decreased by \$0.132 million (44%) due to a rent-free period in 2021-22.
11. GST payments decreased by \$0.109 million (46%) due to lower professional services expenditure following completion of the draft State Infrastructure Strategy and lower accommodation costs.

Major estimate and actual (2022) variance narratives

- J. Supplies and services payments were \$1.19 million (43%) lower than the estimate due to lower professional services expenditure following completion of the draft State Infrastructure Strategy.
- K. Accommodation payments were \$0.067 million (28%) lower than the estimate due to a rent-free period in 2021-22.
- L. GST payments were \$0.128 million (50%) lower than the estimate due to lower professional services expenditure following completion of the draft State Infrastructure Strategy.

Other financial disclosures

Pricing policies of services provided

During 2021–22 IWA did not provide services that incurred fees and/or charges.



Employment and industrial relations

At 30 June 2022, IWA had 16 employees* of whom 62.5 % are female and 37.5% are male.

Staff profile	2021–22			2020–21 total
	Female	Male	Total	
Full-time permanent	10	4	14	15
Full-time contract	0	2	2	2
Part-time permanent	0	0	0	0
Part-time contract	0	0	0	0
Total	10	6	16	17

* This does not include staff seconded out to other agencies, nor staff nominated through a service level agreement.

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 2021–22, IWA continued its 3-step staff development program, which assists staff and the organisation to track the progress of career and development goals. In 2022–23, IWA will conduct a review of training across the organisation and seek staff input into the development of a workforce training plan.

In May 2022, Aboriginal cultural awareness training was provided for all staff. Training for the Board and further Aboriginal engagement sessions are confirmed for 2022–23.

Workers compensation

No workers compensation claims were recorded during 2021–22.

Ministerial directions

In accordance with section 60 of the IWA Act, 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 2021–22.

Governance disclosures

Internal audit

IWA's internal audits are conducted by RSM Australia.

In accordance with Treasurer's Instruction 1201 Internal Audit and through the Common Use Arrangement Audit and Financial Advisory Services, 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 3-year internal audit program was approved by IWA's Board and Audit, Risk and Finance Committee (ARFC). The first 2 years of the program were tailored to test the establishment phase of IWA by providing assurance that the agency is operating in an effective, economic and efficient manner, is compliant with relevant legislation, and effectively manages key emerging risks.

Internal audits commenced in 2021–22 included:

- cyber resilience
- records management
- financial process effectiveness
- occupational safety and health.

The focus for 2022–23 audits will shift to testing IWA's maturing functions and frameworks. The internal audit program for 2021–22 and 2022–23 were approved by the ARFC and Board in May 2021 and a review will be completed in early 2022–23.

External audit

IWA's external audit is currently undertaken by the Office of the Auditor General.

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 is committed to implementing practical and comprehensive risk management practices, ensuring effective risk management remains central to all of IWA's activities. The management of risk is the responsibility of everyone, and an integral part of IWA's organisational culture. It is reflected in the policies, protocols, systems and processes used to ensure efficient and effective functions and activities.

IWA's Risk Management Framework (RMF) is consistent with AS ISO 31000:2018 (the Risk Management Standard) and is designed to meet the requirements of Treasurer's Instruction 825 Risk Management and Security, and IWA's legislative responsibilities under the IWA Act.

The RMF is accompanied by a risk management policy, risk appetite statement, and strategic and operational risk registers, and requires specific reporting requirements to the ARFC and the Board. In addition to the reporting specified under

the RMF, risk is a required topic in each ARFC and Board agenda paper and in IWA's project management tools, and key current risks are regularly discussed as a standing item at Board meetings.

In 2021–22, with the completion of the Strategy and the commencement of IWA's new MIPA function, IWA's corporate and operating risk context changed. To address this, in early 2022 IWA reviewed its new corporate context and subsequent risk profile.

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 and officers insurance

In 2021–22 IWA paid \$12,910 (excluding GST and Stamp Duty) for insurance to indemnify its directors and officers for the period of 20/12/2021 to 20/12/2022 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*.

At the date of this report, no claims have been made against the Directors' and Officers' insurance policy

Other legal requirements

Unauthorised use of credit cards

Staff are reminded of their obligations under IWA's Purchasing Card Policy.

Details of unauthorised use of credit cards	2021-22	2020-21
The number of instances the Western Australian Government Purchasing Card has been used for personal purposes	2	Nil
Aggregate amount of personal use expenditure settled by due date	\$95.12	Nil
Aggregate amount of personal use expenditure settled after the due date	Nil	Nil
Aggregate amount of personal use expenditure remaining unpaid at the end of the reporting period	Nil	Nil
The number of referrals for disciplinary action instigated by the notifiable authority during the reporting period	Nil	Nil

Advertising expenditure

In accordance with section 175ZE of the *Electoral Act 1907*, IWA incurred \$15,389.38 including GST with advertising, market research, media advertising, polling and direct mail organisations.

Advertising	Amount (inc GST)
Executive Media Ltd	\$10,945.00
Property Council of Australia Ltd	\$3,382.50
LinkedIn	\$856.16
Initiative Media Australia Pty Ltd	\$205.72
2021-22 Total (inc GST)	\$15,389.38
Direct Mail	
Nil	\$0
Media Advertising	
Nil	\$0
Market research	
Nil	\$0
Polling	
Nil	\$0

Disability access and inclusion plan outcomes

The *Western Australian Disability Services Act 1993* requires state government authorities to develop and implement a disability access and inclusion plan (DAIP).

An agency's DAIP should further both the principles and the objectives of the *Western Australian Disability Services Act 1993*. In accordance with this legislation, IWA released its first DAIP in October 2020.

In 2021–22 IWA moved its premises to a new location in Perth. As part of this relocation, IWA ensured only sites with appropriate access and facilities for people with disability were considered. Once a preferred location was identified, IWA engaged with the landlord to understand specific disability access and facilities in the building.

IWA continues to ensure that as part of its business practice:

- the event management pack includes disability advertising and accessibility collection details to ensure all IWA events are appropriate and accessible, and alternative forms of engagement are considered
- all IWA publications including corporate documents are made available online, and can be made available in alternative formats if requested

- training and upskilling opportunities are offered to enhance staff awareness and knowledge of disability and inclusion in the workplace.

IWA's inaugural DAIP is available on the IWA website:

<https://www.infrastructure.wa.gov.au/about-us>.

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 2021–22.

Code of conduct

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

IWA's Code of Conduct (the Code) was reviewed by the Board in September 2021 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

- record keeping and the use of information
- conflicts of interest and gifts and benefits
- reporting suspected breaches of the code.

All Board and committee members and IWA employees are familiarised with the Code and are required to declare their understanding and compliance with the Code on commencement of their appointment or employment. The Code is also available on IWA's website.

Ethics and integrity

During 2021–22 IWA ensured that staff were provided with information and opportunities to learn more or raise issues relating to matters of integrity, misconduct, decision making, and culture, specifically IWA:

- promoted its public interest disclosure processes and officers
- promoted its code of conduct
- investigated opportunities for organisational culture building sessions
- will schedule further accountable and ethical decision making training for 2022–23
- will investigate supplementary integrity training sessions.

Conflict of interest

In accordance with section 45 of the IWA Act, Board and committee 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 (COI) Policy, IWA's Board and committee members, the CEO and employees are required to disclose any actual, potential or perceived conflicts of interest (including professional conflicts) by completing a COI declaration that is reviewed by the Chairperson or CEO. Information included in the COI declaration is recorded in the COI declarations register that is managed and maintained by IWA.

In addition, Board and committee members and the CEO are required to complete a statement of interest 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 is reviewed and updated annually, or as material interests change.

Information included in the statement of interest declaration form is held in the COI declarations register that is managed and maintained by IWA.

Record keeping plans

IWA has a record keeping plan that in accordance with section 19 of the *State Records Act 2000* has been approved by the State Records Commission. This plan will be reviewed and a report of outcomes submitted to the State Records Office by April 2025.

Freedom of information requests

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 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.

In 2021–22 IWA received one FOI request. IWA's freedom of information (FOI) process is available on the IWA website:
<https://www.infrastructure.wa.gov.au/>.

Government policy requirements

Board and committee remunerations and activities

Board

In 2021–22, the Board formally met on 10 occasions, including 9 Board meetings and one special Board meeting.

Position	Member	Period of membership	Term of appointment	Type of remuneration	Base remuneration	Actual remuneration ¹	Meeting invitations	Meeting attendances ²
Chairperson ³	John Langoulant	4 months	5 years	per annum	\$109,494	\$37,402.90	3	3
	Nicole Lockwood	8 months	5 years	per annum		\$108,699.06	10	10
Deputy Chairperson ³	Nicole Lockwood	4 months	5 years	per annum	\$76,645 until 26 Nov 2021 \$65,606 from 27 Nov 2021	\$63,814.45	10	10
	Terry Agnew	8 months	5 years	per annum				
Member ³	Terry Agnew	4 months	5 years	per annum	\$41,926			
Member	Wayne Zekulich	12 months	3 years	per annum	\$41,926	\$45,971.38	10	10
Member	Kerryl Bradshaw	12 months	5 years	per annum	\$41,926	\$45,971.38	10	9
Member	Andrea Sutton	12 months	3 years	per annum	\$41,926	\$45,971.38	10	8
Member ³	Rebecca Tomkinson	8 months	3 years	per annum	\$41,926	\$31,472.70	7	6
Member ⁴	Peter Woronzow	11 months	3 years	NA	\$0	\$0	9	7
Ex-officio member (Under Treasurer)	Michael Barnes	12 months	NA	NA	\$0	\$0	10	5
Ex-officio member (Director General Department of the Premier and Cabinet)	Emily Roper	12 months	NA	NA	\$0	\$0	10	6
Ex-officio member (Director General Department of Planning, Lands and Heritage) ⁵	Jodi Cant	6 months	NA	NA	\$0	\$0	7	6
	Vaughan Davies	2 months	NA	NA	\$0	\$0	1	1
	Anthony Kannis	4 months	NA	NA	\$0	\$0	2	2

Notes:

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

2 Voting proxies that attend meetings on behalf of a Board member (e.g. when formally acting in a Director General position) are counted as an attendance. Non-voting observers that attend meetings in the place of a Board member are not counted as an attendance.

3 John Langoulant resigned from the Board effective 15 October 2021. Consequently, Nicole Lockwood was appointed Chairperson, Terry Agnew was appointed Deputy Chairperson and Rebecca Tomkinson was appointed to the Board effective 19 October 2021.

4 Richard Sellars resigned from the IWA Board on 11 June 2021. Consequently, Peter Woronzow was appointed to this position in July 2021.

5 Anthony Kannis was appointed Director General in February 2022. Prior to this, Jodi Cant and Vaughan Davies filled this position in an acting capacity.

Infrastructure Australia submissions and MIPA approvals

In 2021–22, during the planning for the commencement of IWA's MIPA function, the Board agreed to an approvals process for projects that would be assessed both under the MIPA function and for submission to Infrastructure Australia to ensure operational efficiency. An existing delegation arrangement previously agreed to in May 2020 regarding the approval of submissions to Infrastructure Australia was rescinded.

The approvals process is outlined in terms of reference that were approved by the Board in December 2021. The terms of reference aim for out-of-session approval of assessments by the full Board pursuant to the IWA Act. However, if a decision by quorum (as defined in the IWA Act) cannot be reached within the specified time frame, the Board delegates the relevant functions to the Chairperson, Deputy Chairperson, one other available non-government Board member, the Director General of the Department of the Premier and Cabinet and the Under Treasurer.

Conflict of interest, balance of members and voting matters are defined in accordance with the IWA Act.

The Board has separately delegated its functions under section 8(1)(f) of the IWA Act to the CEO under the direction of the Premier, to coordinate the provision of information and submissions to Infrastructure Australia.

In 2021–22, 15 Infrastructure Australia submissions and one MIPA proposal were assessed.

Audit, Risk and Finance Committee

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

The ARFC was established in February 2020 in accordance with Treasurer's Instruction 1201 Internal Audit. The ARFC has a minimum of 3 members and is chaired by a suitably qualified person who is external to IWA, being either a person from another state agency, a person external to government or a non-government Board member.

The ARFC Chairperson is non-government Board member Wayne Zekulich. The other members are non-government Board members. All other Board members are provided with the meeting papers and minutes and are invited to attend the meetings.

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 2021–22, 2 ARFC meetings were held and 2 other meetings did not go ahead as the ARFC agreed they were not required.

Position	Member	Meeting invitations	Meetings Attendances
Chairperson	Wayne Zekulich	2	2
Member	Kerryl Bradshaw	2	2
Member	Andrea Sutton	2	2

Occupational 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 RMF identifies occupational safety and health (OSH) as a risk criterion against which organisational risks are assessed. Regular RMF reporting is made to the CEO, ARFC and Board.

During 2021–22, 2 staff completed first aid training sessions, and fire warden training was undertaken quarterly.

Regular OSH updates are provided to staff in debrief meetings from ARFC and Board, and by the CEO at team meetings when required.

In 2022–23, IWA will review its OSH policies, procedures, guidelines and plans to ensure compliance with the *Occupational Safety and Health Act 1984* and the *Workers' Compensation and Injury Management Act 1981*.

Indicator	Target	Performance			Notes
		2019–20	2020–21	2021–22	
Number of fatalities	Zero (0)	Zero (0)	Zero (0)	Zero (0)	
Lost time injury and disease incidence rate	Zero (0) or 10% improvement on the previous 3 years	Zero (0)	Zero (0)	Zero (0)	
Lost time injury and disease severity rate	Zero (0) or 10% improvement on the previous 3 years	Zero (0)	Zero (0)	Zero (0)	
Percentage of injured workers returned to work within	Greater than or equal to 80% return to work within 26 weeks	NA	NA	NA	
i) 13 weeks		NA	NA	NA	
ii) 26 weeks					
Percentage of managers and supervisors trained in occupational safety, health and injury management responsibilities	Greater than or equal to 80%	Zero (0)	30%	17%	One of IWA's 6 managers has been trained in injury management, which is one less than in 2020–21 due to staff turnover. IWA will continue to offer injury management training to all management and staff through its OSH development.

COVID-19

In March 2020, a worldwide pandemic was declared by the World Health Organization in response to the escalating nature of the COVID-19 novel coronavirus. Shortly following this, the WA Government declared a public health state of emergency and released the WA Government Pandemic Plan.

Throughout 2021–22, IWA prioritised the health of its employees, Board and visitors, and maintained a range of procedures and tools to minimise the potential spread of the virus and maintain social distance in the office.

IWA applied its policies and tools to enable staff to work from home, including a flexible working policy, and a working from home occupational safety and health checklist. These policies and tools were also used through the year to allow staff to work from home should they need to for health or other reasons.

In early 2022, as COVID-19 spread through the WA community, IWA continued to monitor and follow the WA Government's health advice.

WA Multicultural Policy Framework

Based on the Western Australian Charter of Multiculturalism, in 2020 the WA Government introduced the Western Australian Multicultural Policy Framework (WAMPF). Implemented through the Office of Multicultural Interests at the Department of Local Government, Sport and Cultural Industries, the WAMPF requires state agencies to develop multicultural plans addressing:

Policy Priority 1: Harmonious and inclusive communities

Policy Priority 2: Culturally responsive policies, programs and services

Policy Priority 3: Economic, social, cultural, civic and political participation.

IWA's inaugural Multicultural Plan was finalised and submitted to the Minister of Citizenship and Multicultural Interests in March 2022.

Since the submission of the 2-year plan, IWA held an agency-wide Aboriginal cultural and awareness training session and promoted and attended National Reconciliation Week 2022 events. Planning is underway to continue implementing actions by March 2024.



Photo acknowledgements

IWA would like to thank the many state agencies, GTEs, local governments and other entities who have generously made their photography available for IWA's use (in order of appearance).

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10	Infrastructure WA Staff – Release of the State Infrastructure Strategy	Infrastructure WA
10	Consultation workshop, Albany	Infrastructure WA
11	Infrastructure WA Staff – National Reconciliation Week	Infrastructure WA
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29	Gateway WA Perth Airport and Freight Access Project	Main Roads
30	Chartered Institution of Building Services Engineers information session	Infrastructure WA
31	Infrastructure WA at Walk for Reconciliation	Infrastructure WA
31	Sector roundtable consultation	Infrastructure WA
33	Aerial view of the Merredin silo artwork by Kyle Hughes-Odyers	Tourism Western Australia
41	Scarborough Beach	Development WA
42	Gantheaume Point, Broome	Tourism Western Australia
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71	Forrest Place	Stephen Nicholls
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Contact info

Infrastructure WA

Level 41, 108 St Georges Terrace, Perth
Western Australia 6000

Phone: 08 6552 5229

Email: enquiries@infrastructure.wa.gov.au

infrastructure.wa.gov.au

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