

**OFFICIAL: Sensitive**

**Statement of Expectations**

**For the Board of Infrastructure South Australia**

**For the period 1 July 2023 to 30 June 2025**

The Statement of Expectations (the Statement) outlines my expectations for the operations, performance and strategic direction of Infrastructure SA (ISA) in line with the *Infrastructure SA Act 2018* (the Act).

The South Australian Government expects that ISA will efficiently and effectively perform its statutory functions to deliver high quality advice on the State's requirements for significant infrastructure. The overarching expectation is to support the Government's aspirations for a smart, sustainable and inclusive economy. To facilitate this and maximise the efficiency and insight of the advice of ISA I expect that other Government agencies will engage in an open and transparent manner as it undertakes its work.

Over the period of this Statement of Expectation, I expect the Board to deliver on the following initiatives.

***20-year State Infrastructure Strategy for South Australia***

The Act requires ISA to develop a revised 20-year State Infrastructure Strategy (the Strategy) at least once every 5 years. This Strategy is an important document that I expect to identify the strategic opportunities for infrastructure to enable and promote economic growth in South Australia over the next 20 years.

In fulfilling its obligation to review the Strategy I expect ISA to do the following:

- Have reference to the South Australian Economic Statement and other relevant strategies and policies of my Government
- Work collaboratively and transparently with other Government agencies in developing the Strategy
- Engage with industry and industry associations to seek their views on the infrastructure that will support economic growth
- Develop a program to deliver a revised Strategy with a target release date by the end of 2024
- Keep me and Cabinet informed as appropriate through the development of the Strategy as ISA begins to identify the strategic opportunities for infrastructure to enable and promote economic growth in South Australia

***Statement of Capital Intentions (CIS)***

The Act requires ISA to prepare a CIS that identifies specific major infrastructure projects to be undertaken in the State as a priority within the next 5 years and must review the CIS at least every year.

In fulfilling its obligation to review the CIS at least once every year I expect ISA to do the following:

- Support the Department of Treasury and Finance (DTF) in providing expert insight and advice in the review of infrastructure related budget bids where appropriate
- Work with DTF to engage early with agencies in the development concepts for infrastructure investment to review the strategic merit of the concept and apply a level of rigor before the concept is developed
- Proactively identify strategic opportunities for infrastructure projects that could enable and promote economic growth in South Australia and provide advice on the strategic case for why Government should pursue the opportunity within the next 5 years

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- In preparing the public facing CIS document for my consideration, ISA should have reference to the commitments to infrastructure projects over the forward estimates

### *Project monitoring and reviews*

The Act sets out a function of ISA to review, evaluate, monitor and assess risk of major infrastructure projects.

Through this function I expect ISA to enable Cabinet to make informed decisions regarding our capital program through providing independent advice on where projects demonstrate areas of both good practice but also areas for improvement in aspects such as the case for change, options development and analysis, project costing and risk, value for money, delivery models, project governance and benefit management. ISA may fulfill this function either by undertaking work directly themselves or by engaging appropriate independent experts on a cost recovery basis.

In fulfilling this function, I expect ISA to do the following:

- Maintain the ISA Assurance Framework (ISAAF) so that it continues to promote best practice in infrastructure planning, delivery and management and encourages continual improvement across the public sector
- Undertake assurance reviews in accordance with the ISAAF on projects over \$50 million and others by request
- Work collaboratively with my Premier's Delivery Unit to provide assurance over election commitments with a capital value over \$50 million
- Report to Cabinet or relevant Cabinet Committee on the outcomes and findings of project assurance reviews with a focus on providing actionable insights
- Monitor the implementation of assurance review recommendations by agencies
- Where appropriate or requested, to undertake deep dives on specific aspects of a project and provide advice to Cabinet on any improvements that should be implemented
- Provide Cabinet or relevant Cabinet Committee with an annual insights report providing the trends and analysis from the assurance reviews
- Maintain and respect the Cabinet in confidence nature of the advice

### *Infrastructure advice*

In fulfilling the general function of ISA to provide me with advice on matters regarding infrastructure, I expect ISA to provide robust and independent advice relating to economic and social infrastructure planning, delivery and use. This will include, but not be limited to:

- Completing the business case for the Northern Water Supply project and transitioning the delivery of the pre-FID stage to a dedicated delivery agency
- Providing advice on current market dynamics in the infrastructure sector and providing any insights to inform the planning, delivery and management of our capital portfolio
- Providing advice and analysis where requested on opportunities to optimise the performance of any portfolio or sector
- Providing strategic advice on any matter relating to infrastructure as I may request from time to time

### ***National Collaboration***

The Act sets out a function of ISA to provide me with advice in respect of infrastructure submissions that may be made by the State and its agencies to the Commonwealth Government and other bodies.

In fulfilling this function I expect ISA to do the following:

- Engage with the Commonwealth and other jurisdictions' infrastructure and assurance bodies to gain an insight into national priorities and identification of best practice that could be adopted in South Australia
- Work collaboratively with agencies to help identify priorities for approaches to the Commonwealth and to provide advice to improve the quality of submissions
- Coordinate the State submissions for projects to be included in the Infrastructure Australia's Infrastructure Priority List

### ***Annual Report***

Prepare an Annual Report that has regard to the requirements specified under section 19 of the *Infrastructure SA Act 2018*. This includes the disclosure of ISA strategies and plans, and reporting on the progress of their implementation.



Peter Malinauskas

Premier

7/11/23  
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