

OFFICIAL



**Government
of South Australia**

INFRASTRUCTURE SA

2021-22 Annual Report



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To:

The Hon Peter Malinauskas MP

Premier of South Australia

This annual report will be presented to Parliament to meet the statutory reporting requirements of *Public Sector Act 2009*, the *Public Sector Regulations 2010* and the *Public Finance and Audit Act 1987* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of Infrastructure SA by:

Jeremy Conway

Chief Executive



Date 30 September 2022

From the Chair



Infrastructure SA is now well and truly an established infrastructure body. Its role is entrenched in the South Australian public infrastructure planning and delivery ecosystem and it has also fostered engagement with the Commonwealth and other jurisdictional bodies to facilitate a national discussion around infrastructure policy development and best practice.

There's never been a better time to put ISA's capabilities to use. While COVID-19's direct impacts on the workforce are easing and government policy responses are being rolled back, a distinct pandemic hangover is nonetheless being felt, exacerbated by record amounts of Federal and State

Government stimulus channelled into infrastructure projects over the past two years. This has stretched market capacity to its limit, and managing the constraints facing the construction sector will require unprecedented levels of national coordination on infrastructure development.

We are seeing an enormous demand for skills and materials, plant and equipment, which is expected to continue over the medium term. An acute skills shortage arising from border closures combined with congested global supply chains means that supply is ultimately unable to keep up with demand, leading to timing and cost overruns.

With more modest budgets likely for the foreseeable future, the importance of evidence-based prioritisation cannot be underestimated to ensure investments deliver on their intended benefits.

Thus, the work of governments to plan, program and deliver infrastructure in a responsive *and* responsible manner will require a delicate balance and a broad, long-ranging perspective. As an independent body, ISA is well placed to add value at this critical time.

A handwritten signature in blue ink, appearing to read 'Anthony F Shepherd', written over a faint circular stamp.

Anthony F Shepherd, AO

Chair

Infrastructure SA

From the Chief Executive



In its fourth year of operation ISA is increasingly being utilised as a trusted source of advice and assessment relating to the State's infrastructure. Our inaugural 20-Year State Infrastructure Strategy is frequently referenced by other agencies in action plans and Cabinet submissions, and we are undertaking annual updates to the Capital Intentions Statements, which lists potential priority projects over a five-year horizon.

Meanwhile, the ISA assurance function, with its expanded guidance material for agencies, continues to raise the standard of evidencing and analysis across a capital project's lifecycle, which has included the establishment of a business case fund, to support increased capability across the public sector.

A growing part of our work has been to provide advice on demand, with requests to comment on projects before Cabinet as well as conduct an independent review into mass transit options to respond to growth in Mount Barker and the Adelaide Hills. This advice includes preparation of a business case to identify the potential for a Northern Water Supply project to support significant economic growth for the Far North and Upper Spencer Gulf through increased copper production and clean industries, including hydrogen production at Port Bonython. ISA is investigating the feasibility of different options to unlock the potential of the region.

With the change of government this year there has been an increased focus on health, green hydrogen, technical education and infrastructure provision to keep pace with growth areas in metropolitan Adelaide as well as strategic regional investments. In the context of COVID-19 related market capacity constraints, ISA will continue to be cognisant of market conditions when prioritising and assessing major infrastructure proposals that will deliver on the government's ambitious agenda for South Australia.

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a long horizontal stroke that loops back to the left.

Jeremy Conway
Chief Executive
Infrastructure SA

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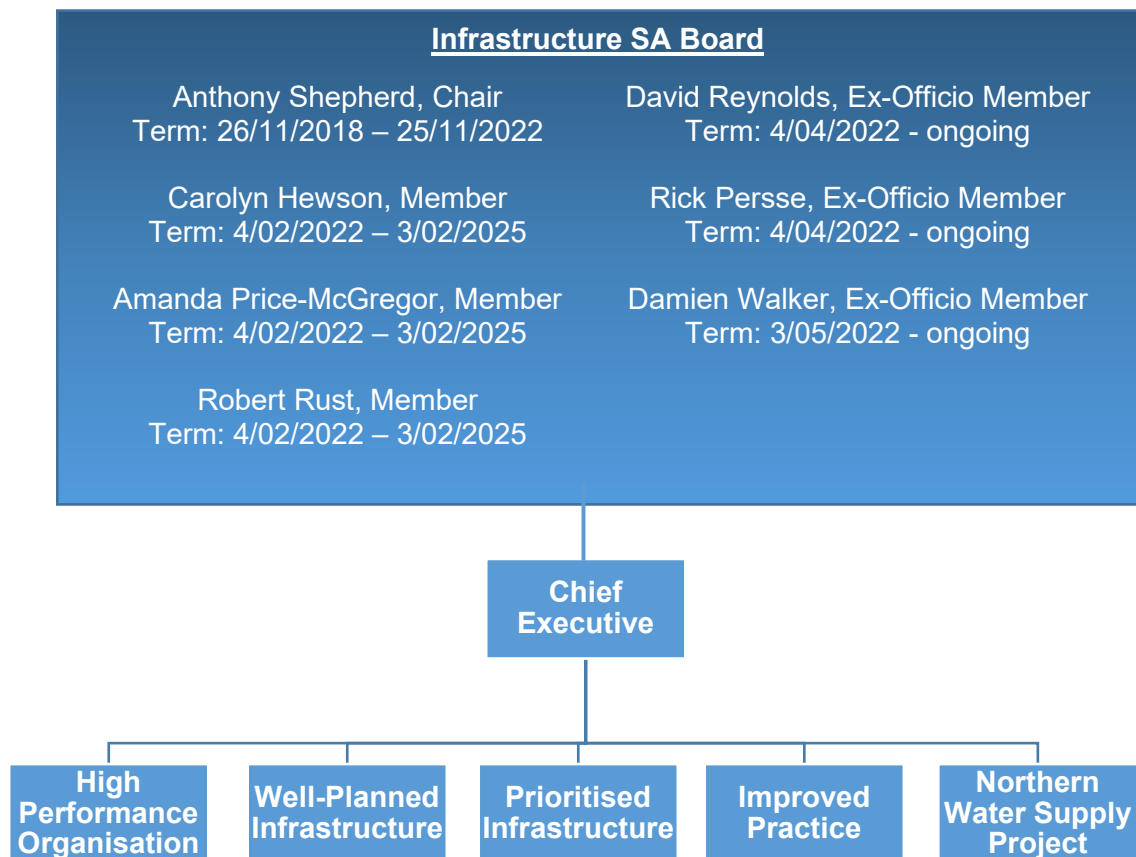
Overview: about the agency

Our strategic focus

Our Purpose	To provide independent and valued expert advice to government to enable informed and integrated decisions on infrastructure planning, investment, delivery and optimisation.
Our Vision	That efficient and evidence based infrastructure planning and delivery will grow the economy, create jobs and improve liveability for all South Australians.
Our Values	<ul style="list-style-type: none"> • Independence • Stewardship • Collaboration • Transparency • Respect
Guiding Principles	<p>Grow the economy and create jobs: Infrastructure builds prosperity by raising productivity, improving access to markets and increasing business confidence.</p> <p>Improve access to services: Infrastructure connects cities and regions, people and services.</p> <p>Holistic and integrated: A coordinated approach to infrastructure delivers better outcomes.</p> <p>Economically efficient: Existing and new investments are optimised to best meet real needs and deliver value for money</p>
Our functions, objectives and deliverables	<p>In accordance with the <i>Infrastructure SA Act 2018</i>, Infrastructure SA undertakes four key activities:</p> <ul style="list-style-type: none"> • Develop a 20-Year State Infrastructure Strategy (Strategy) to set the long-term vision for infrastructure in South Australia. • Develop an annual Capital Intentions Statement (CIS) that will prioritise potential major projects for government consideration over a five-year timeframe. • Maintain oversight of the delivery and performance for all major infrastructure projects with a capital value of \$50 million and over. • Provide policy advice relating to infrastructure planning, delivery and use, including advice on appropriate funding and financing models.
Strategic Goals	Well-planned infrastructure: Bring together business, community and government throughout South Australia to make

	<p>sure new and existing infrastructure most effectively addresses opportunities and challenges to better support economic development and quality of life for current and future generations.</p> <p>Prioritised investment: Support more rigorous and evidenced based prioritisation of investment through the Capital Intentions Statement and Infrastructure Priority List. Provide signals to industry on the State’s priorities to encourage private sector investment.</p> <p>Improved practice: Build rigour in infrastructure planning and delivery via improved coordination, business case development and appropriate assurance frameworks to support financial integrity and sustainability, facilitate policy reform and remove duplication and other inefficiencies.</p> <p>High-performance organisation: Comprise highly knowledgeable and respected people who share a common vision and goals, work together effectively and hold each other accountable in order to achieve exceptional outcomes.</p>
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Our organisational structure



Changes to the agency

During 2021-22 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

Changes to the Infrastructure SA Board and Infrastructure SA Risk and Performance Committee membership over the 2021-22 financial year are reflected in the notes to and forming part of the Financial Statements.

Our Minister

The Hon Peter Malinauskas MP is South Australia's 47th Premier.

Board

The Infrastructure SA Board is an independent board that combines the expertise of the public and private sectors and is charged with overseeing the development of SA's major infrastructure plans. The Board is comprised of four private sector representatives and three ex-officio public sector members, and reports directly to the Premier of South Australia.

➤ **Anthony F Shepherd AO, Chair, appointed 26 November 2018**

Tony is Chairman of Infrastructure SA as well as Macquarie Specialised Asset Management Limited (a global infrastructure fund), Venues NSW, the AFL GWS Giants and Bingo Industries Limited. He is a Director of Enviropacific Pty Ltd, Racing NSW, Virgin Australia International Holdings Limited and Snowy Hydro Limited.

Tony has had an extensive career in Australia and overseas in the private and public sectors. He pioneered private infrastructure with projects such as the Sydney Harbour Tunnel, Melbourne City Link and East Link.

Tony was the inaugural Chairman of WestConnex and oversaw the listing of Transurban, Transfield Services and Connect East. He was also President of the Business Council of Australia, Chairman of the National Commission of Audit and Chairman of ASTRA (the subscription TV Association).

Tony is a Member of the Australian Institute of Company Directors and a Patron of Infrastructure Partnerships Australia. In June 2012, Tony was named as an Officer of the Order of Australia.

➤ **Carolyn Hewson AO, re-appointed 4 February 2022**

Carolyn has had wide-ranging experience in the financial sector. She was an Executive Director of Schroders Australia and remained on its board until she moved from executive work to non-executive roles in 1995.

Carolyn is currently serving on the Reserve Bank of Australia Board and is also a non-executive Director of CSL Limited.

Carolyn served as a Panel Member on the Federal Government's Financial System Inquiry and has been a director of various companies including, most recently, BHP Limited and, previously, AGL Limited, AMP Limited, CSR Limited, SA Water, the

Economic Development Board of South Australia, Stockland Corporation and Westpac Banking Corporation.

Carolyn has always been very involved in the not-for-profit sector. Her current roles include Opportunity International and Impact 100 South Australia.

Carolyn is a Life Fellow of the Australian Institute of Company Directors and in 2009, she was made an Officer in the Order of Australia for her "services to the community, especially the YWCA, and to business".

➤ **Amanda Price-McGregor, re-appointed 4 February 2022**

Amanda is Managing Director and owner of consulting firm Green Light Planning Solutions. She has some 25 years' experience in strategic and land use planning, infrastructure planning, policy development, community engagement and project delivery.

Amanda has in recent times been appointed to the Construction Industry Training Board and her diverse industry background encompasses state and national project experience in private sector consulting and state and local government sectors.

Amanda has widespread experience across an array of portfolio areas as part of her urban and regional planning work, including tourism infrastructure, roads and transport, policy and planning, education and retail planning, housing and land development, building and construction in South Australia and nationally.

Amanda has considerable expertise in high level consulting, project planning, portfolio policy-making and project implementation. She is a strong and passionate advocate for her home State of South Australia and, in particular, its diverse regional areas and their communities.

➤ **Robert Rust, re-appointed 4 February 2022**

Robert has spent the majority of his 40-year career working on major projects across the full range of delivery models for both the private and public sectors, including several public-private partnerships in the economic and social infrastructure sectors.

Robert's public sector work includes roles as the inaugural Chief Executive of Health Infrastructure NSW and the Chief Operating Officer of the WestConnex Delivery Authority in Sydney. His private sector work includes landmark projects such as the Sydney Harbour Tunnel and Melbourne CityLink. He has been Bid Director on several major projects and brings a strong commercial and technical focus to project development and delivery, with a successful background in claims resolution.

Robert is a Director of both Reliance Rail and Ontoit Pty Ltd, and a member of the EnergyCo NSW Advisory Committee and the New Dunedin Hospital Executive Steering Group. He also conducts assurance and dispute resolution work for various state governments on major projects, including chairing both the Independent Dispute Avoidance and Resolution Panel and Joint Project Committee for City and South-West Metro in Sydney.

Robert studied civil engineering at the University of South Australia and obtained an MBA from the University of Technology Sydney. He is a Graduate of the Australian Institute of Company Directors.

➤ **Rick Persse (ex-officio member), appointed 4 April 2022**

Rick was appointed to lead the Department for Treasury and Finance in April 2022.

Rick joins the department after a successful five and a half year period as Chief Executive of the Department for Education and four years prior to that as Chief Executive of the Attorney-General's Department.

With expertise in policy and strategy development, change management, public sector reform and project delivery, Rick's knowledge of public administration was gained from an expansive career working at a variety of South Australian central government agencies at an executive level.

Prior to being appointed to the role of Chief Executive, Attorney-General's Department, Rick worked with government and non-government clients as PricewaterhouseCoopers SA Government and Health Leader.

Rick has a Master of Business Administration from the University of Adelaide and a Graduate Certificate in Public Sector Management from Griffith University.

➤ **David Reynolds (ex-officio member), appointed 4 April 2022**

David is Chief Executive of the Department for Trade and Investment (DTI) where his team is driving business investment in the State across all industries and facilitating trade in all goods and services both interstate and internationally.

David's executive and management career includes more than 20 years' experience in policy advice, financial management and organisation and executive leadership.

Prior to this current appointment, David was Chief Executive of the Department of Treasury and Finance for seven years and also held roles including Executive Director of the Budget Branch and Director of Gambling Policy.

David is passionate about improving the public sector through organisational development and a 'staff first' approach. He places a strong focus on gender equality and staff leadership and collaboration.

David has completed a Bachelor of Economics (Hons) from the University of Adelaide, is a Fellow of the Australian Institute of Company Directors and also a National Fellow of the Institute of Public Administration Australia.

➤ **Damien Walker (ex-officio member), appointed 3 May 2022**

Damien Walker was appointed Chief Executive of the Department of the Premier and Cabinet in April 2022. He is a proud South Australian, who has returned to the South Australian Public Sector following nearly 12 years in Queensland.

Damien is an experienced executive who has broad background in strategic planning, industry development and public policy. He was formerly Director-General

of the Department of State Development, Infrastructure, Local Government and Planning in the Queensland Government. In his various Director-General roles, he drove economic growth and job creation and successfully led Queensland's delivery of the 2018 Gold Coast Commonwealth Games. Immediately prior to returning to South Australia, he led the Queensland Government's flood recovery efforts.

His background also includes senior executive roles in the South Australian Government in infrastructure planning and delivery, investment facilitation, contract management and reform implementation, including working on the construction of the new Royal Adelaide Hospital, the Glenside campus redevelopment and the SAHMRI building. Damien has also served on a number of boards in the areas of economic development, trade and investment.

Above all, Damien is passionate about gender equity in the workplace and the prevention of domestic and family violence. He is also driven to deliver initiatives to create opportunities for First Nations people.

Damien holds a Bachelor of Arts and a Bachelor of Planning, and further academic qualifications in property and planning.

Our Executive team

➤ **Jeremy Conway, Chief Executive**

The Chief Executive leads the agency and supports the Board of Infrastructure SA to deliver on the Premier's Statement of Expectations and the ISA's legislative functions.

➤ **John Haese, Director, Infrastructure Prioritisation**

The Director, Infrastructure Prioritisation is responsible for ISA's Prioritised Investment work stream and for leading and directing ISA's Capital Intentions Statement program and the State Government's response to Infrastructure Australia's Infrastructure Priorities List process.

➤ **Des Khoo, A/Director Assurance**

The Director Assurance is responsible for leading, directing and planning the investor assurance function and framework that will provide assurance across the South Australian Government's infrastructure program.

Risk and Performance Committee

The ISA Risk and Performance Committee comprises:

- David Powell, Independent Chair, appointed 14 December 2020
- Robert Rust, Board representative, appointed 5 February 2019
- Carolyn Hewson, Board representative, appointed 8 October 2020
- Catherine Jamieson, ISA representative, appointed 7 May 2019

Assurance Committee

The ISA Assurance Committee comprises:

- Robert Rust, Board representative, appointed 8 October 2020
- Carolyn Hewson, Board representative, appointed 8 October 2020
- Amanda Price-McGregor, Board Representative, appointed 8 October 2020
- Brad Gay, DTF representative, appointed 8 October 2020

Legislation administered by the agency

The following Act is administered by ISA:

- *Infrastructure SA Act 2018*

The agency's performance

Performance at a glance

Infrastructure SA is an independent body established to combine the expertise of the private and public sectors to develop a state infrastructure strategy to grow the economy, support local jobs and meet the needs of communities across South Australia.

Key highlights for the 2021-22 financial year:

- Developed and released further specific and targeted guidance material to support the implementation of the ISAAF for the use of agencies and consultants.
- Through the ISAAF process, worked with agencies to continue a program of change management to drive best practice development of business cases and infrastructure planning.
- Provided Cabinet with independent information and advice to inform infrastructure investment decisions.
- Developed the third Capital Intentions Statement and monitored the implementation of the recommendations made in the second.
- Worked with agencies to coordinate further submissions for Infrastructure Australia in respect of the Infrastructure Priorities List and monitored and progressed initiatives and projects already on the list.
- Continued to monitor the implementation of the first 20 year State Infrastructure Strategy. Commenced planning for the next 20-Year State Infrastructure Strategy.

Premier's Statement of Expectations:

The Premier of South Australia, The Hon Peter Malinauskas MP, outlined his expectations for the operations, performance and strategic direction of ISA for the Board of Directors in his Statement of Expectations. The Statement of Expectations is available to download from the ISA website [here](#).

Board meetings and attendance

Infrastructure SA held seven board meetings over 2021-22. The meetings were held in August, October, November, December 2021 and February, April and June 2022. The below table details the number of meetings attended by each member.

Board Member	Number of meetings attended
Anthony Shepherd	7
Carolyn Hewson	7
Amanda Price-McGregor	7
Robert Rust	6

David Reynolds	5
Rick Persse	1*
Damien Walker	1**
Caroline Mealor	5***
Nick Reade	4****
Jon Gorvett	1*****

* Rick Persse was appointed to ISA Board on 4 April 2022

** Damien Walker was appointed to ISA Board on 5 May 2022

*** Caroline Mealor's board appointment expired 24 March 2022

**** Nick Reade's board appointment expired on 1 April 2022

***** Jon Gorvett was appointed to ISA Board on 4 April 2022 and his appointment expired on 2 May 2022.

Agency contribution to whole of Government objectives

ISA contributed to the achievement of the South Australian Government's objectives as follows:

Agency's contribution

- Developed the third Capital Intentions Statement to ensure that the State has a strategic and productive approach to infrastructure planning and to build a forward pipeline for capital projects to address infrastructure needs, grow our economy and create jobs.
- Continued to provide an across-government assurance framework and function to review high value, high risk capital projects at critical intervals in the planning, development and delivery process, with a view to providing better value for money and fit-for-purpose infrastructure.
- ISA, through delivering on its legislative functions, aims to drive better decisions about the provision of infrastructure that will take a holistic, independent and coordinated approach to planning in order to improve the delivery of services.

Agency specific objectives and performance

Agency objectives	Indicators	Performance
Well-planned infrastructure to better support economic development and quality of life for current and future generations.	South Australia has the right kind of economic and social infrastructure in the right places at the right time to support positive economic and social outcomes.	ISA has continued to work with agencies to progress implementation of the 20-Year State Infrastructure Strategy (Strategy).

<p>Deliver prioritised investment by providing oversight and assurance of high capital value (\$50 million plus) or high-risk projects.</p>	<p>The ISA Board provides advice on the five-year priorities for infrastructure capital investment to meet South Australia’s needs.</p>	<p>The third Capital Intentions Statement (CIS) was developed. This document prioritises potential major projects and areas of focus for government decisions over a five-year time horizon.</p> <p>ISA submitted five proposals to Infrastructure Australia on behalf of the SA Government on 3 September 2021 for consideration for inclusion in the Infrastructure Priority List (IPL). As a result of these proposals, one new SA initiative was added to the IPL.</p>
<p>Improved practice through building rigour in infrastructure planning and delivery.</p>	<p>An across government assurance framework is implemented to facilitate a disciplined and consistent approach to planning, developing and delivering major infrastructure projects.</p>	<p>ISA has continued to develop an assurance framework to monitor and review the development and delivery of capital, as requested under the Statement of Expectations.</p> <p>Through the assurance framework, ISA will maintain oversight of delivery and performance for all projects with a capital value of \$50 million and over, including assessing all relevant business cases and undertaking post implementation review of projects in scope.</p> <p>ISA has undertaken a comprehensive review of the ISA Assurance Framework (ISAAF), Premier’s Circular 049 and the ISA Cost Recovery Model.</p> <p>ISA has also produced an Assurance Review Guide, an Assurance Reviewer Management Framework, a Guide to Infrastructure Announcements and an Impact Analysis Guide – Cost Benefit Analysis Guide.</p>
<p>High-performance organisation comprised of individuals that work together</p>	<p>The ISA team is working toward the same goals.</p> <p>Team members are clear on how to work</p>	<p>During the 2021-22 financial year, ISA has ensured that it has a complete and stable staffing complement in order to guarantee it</p>

effectively and hold each other accountable in order to achieve exceptional outcomes.	together and how to accomplish tasks. Governance and risk management processes are in place. The purpose and role of the agency is promoted to key stakeholders.	can achieve and deliver on its strategic goals.
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Corporate performance summary

ISA has in place service-level agreements (SLAs) with the Department of the Premier and Cabinet (DPC) for the provision of the following corporate services:

- Human resources, work health safety and injury management (WHSIM), and learning and development
- Procurement Services
- Risk and Audit Services
- Objective Support and Records Management Services
- Freedom of Information Services
- Administration services
- Financial services
- Communication and marketing
- ICT business application services
- ICT infrastructure services
- ICT service desk
- ICT service management.

Employment opportunity programs

Program name	Performance
DPC Aboriginal and Torres Strait Islander employment pools	Through the SLA with DPC, ISA is able to access employment opportunity programs implemented by DPC. This includes access to the register of Aboriginal and Torres Strait Islander employment pools for potential future recruitment.

Agency performance management and development systems

Performance management and development system	Performance
ISA employees participate in bi-annual discussions as a minimum, in line with the Premier's direction	<p>ISA is committed to continuously monitoring and supporting employees to engage in regular and meaningful performance development discussions.</p> <p>As at 30 June 2022, 100% of employees had a performance development discussion in the past six months.</p>

Work health, safety and return to work programs

Program name	Performance
Injury and Workers Compensation Management	<p>Through the SLA with DPC, strategies have been adopted to minimise the potential for work-related injury.</p> <p>ISA has adopted DPC's WHS performance measures, which align with government WHSIM performance measures and have been achieved.</p>
Wellbeing and Engagement	<p>A comprehensive Wellbeing Program is available to ISA staff, delivered through DPC, based on the concept of healthy body/healthy mind. The program also aims to help build resilience and a positive culture, with a focus on psychological wellbeing.</p> <p>Through the SLA DPC, ISA staff has access to two Employee Assistance Program providers with a wide range of online resources made available to workers and their families in addition to a variety of delivery methods for counselling services.</p>

Workplace injury claims	2021-22	2020-21	% Change (+ / -)
Total new workplace injury claims	0	0	0%
Fatalities	0	0	0%
Seriously injured workers*	0	0	0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0%

**number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)*

Work health and safety regulations	2021-22	2020-21	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	0	0	0%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	0%

Return to work costs**	2021-22	2020-21	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	0	0%
Income support payments – gross (\$)	0	0	0%

**before third-party recovery

Data for previous years is available at: [Data.SA Infrastructure SA Work Health and Safety & Return to Work Performance.](#)

Executive employment in the agency

Executive classification	Number of executives
SAES 2	1
SAES 1	2

Data for previous years is available at: [Data.SA Infrastructure SA Executives.](#)

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2021-2022 are attached to this report.

Statement of Comprehensive Income	2021-22 Budget \$000s	2021-22 Actual \$000s	Variation \$000s	2020-21 Actual \$000s
Total Income	11 373	13 953	(2 580)	4 287
Total Expenses	11 373	6 062	5 311	4 143
Net Result	2 529	7 891	(5 362)	144
Total Comprehensive Result	2 529	7 891	(5 362)	144

Statement of Financial Position	2021-22 Budget \$000s	2021-22 Actual \$000s	Variation \$000s	2020-21 Actual \$000s
Current assets	1 382	9 604	(8 222)	1 382
Non-current assets	0	0	0	0
Total assets	1 382	9 604	(8 222)	1 382
Current liabilities	353	701	(348)	353
Non-current liabilities	236	219	17	236
Total liabilities	589	920	(331)	589
Net assets	793	8 684	(7 891)	793
Equity	793	8 684	(7 891)	793

Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Not applicable	\$0

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
ACIL Allen Consulting	Energy study	\$ 138,793

Consultancies	Purpose	\$ Actual payment
Arup Australia Pty Ltd	Options analysis for Northern Water Supply Project	\$ 613,480
Australian Housing and Urban	Housing benefits analysis study	\$ 55,241
Infraplan Pty Ltd	Independent review on the Mitcham Hills Corridor upgrades projects	\$ 57,834
Inside Infrastructure Pty Ltd	Analyse specifications in relation to the Business Case of the Northern Water Supply Project	\$ 20,473
Jacobs Group (Aust) P/L	Assessment of brine management options for a potential desalination plant	\$ 23,637
JBS&G Australia Pty Ltd	Advisory services to undertake regulatory approvals and land assessment study for the Northern Water Supply Project	\$ 308,749
Project Partners Advisory	Northern Water Supply project funding strategy options and recommendations	\$ 222,500
WSP Australia Pty Limited	Strategic assessment of mass transit options for the Mount Barker to Adelaide corridor	\$ 193,370
	Total	\$ 1,634,077

Data for previous years is available at: [Data.SA Consultants engaged by Infrastructure SA.](#)

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$ 145,028

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
Academie Consulting Pty Ltd	Assurance review	\$ 12,000
Akera Partners Pty Ltd	Procurement support for Northern Water Supply project	\$ 84,770
Altus Group Cost Management	Assurance review	\$ 33,750
Aurecon Australasia P/L	Secondment of staff member to Infrastructure SA	\$ 145,600
Catherine Russo Consulting	Assurance review	\$ 20,813
Christine Cunningham	Assurance review	\$ 16,000
Djma Project Consulting	Assurance review	\$ 37,950
Duffield Consulting Pty Ltd	Assurance review	\$ 38,875
Ellis Consulting Pty Ltd	Assurance review	\$ 23,100
Feasa Consultancy Services	Assurance review	\$ 23,650
Five Consulting Pty Ltd	Assurance review	\$ 12,000
Flagstaff Consulting Group Pty	Assurance review	\$ 35,766

Contractors	Purpose	\$ Actual payment
Flynn Advisory Solutions	Assurance review	\$ 12,100
Graeme Joyce Pty Ltd	Assurance review	\$ 21,600
Hawkridge Entertainment Services	Assurance review	\$ 15,540
Heathwest Advisory Pty Ltd	Assurance review	\$ 55,383
Ian Dixon Pty Ltd	Independent project facilitation for Northern Water Supply project	\$ 12,500
Inxure Pty Ltd	Assurance review	\$ 40,500
JBS&G Australia Pty Ltd	Corporate affairs support for the Northern Water Supply project	\$ 121,665
Johnstaff Advisory Pty Ltd	Assurance review	\$ 69,600
Ken Kanofski Advisory Pty Ltd	Assurance review	\$ 28,950
Kev Hegarty And Associates	Assurance review	\$ 28,600
Littlehorn Pty Ltd	Assurance review	\$ 13,200
Living Infrastructure	Assurance review	\$11,500
Living Infrastructure Pty Ltd	Assurance review	\$ 26,575
Muller Partnership	Assurance review	\$ 14,000
NineSquared	Assurance review	\$ 15,080
Pamela Ryan	Assurance review	\$ 11,000
Pier2pier Consulting Pty Ltd	Assurance review	\$ 14,720
Programme Consulting Pty Ltd	Assurance review	\$ 41,522
Project Services Intl Pty Ltd	Assurance review	\$ 13,140

Contractors	Purpose	\$ Actual payment
Ranfurlie Consulting Group P/L	Assurance review	\$ 27,600
Richard Rawnsley	Assurance review	\$ 19,000
RL Wattle Pty Ltd	Assurance review	\$ 12,675
Sync Advisory Pty Ltd	Assurance review	\$ 12,100
The Trustee for Julian	Assurance review	\$ 62,250
The Trustee for Moules Family	Assurance review	\$ 10,500
Tim Bamford Consulting Pty Ltd	Assurance review	\$ 13,200
TSA Management Pty Limited	Assurance review	\$ 13,650
WHR Australia Pty Ltd	Assurance review	\$ 24,200
	Total	\$ 1,246,624

Data for previous years is available at: [Data.SA Contractors engaged by Infrastructure SA.](#)

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Risk management

Risk and audit at a glance

ISA has a Risk and Performance Committee (Committee) comprised of representatives of the Board of ISA and an external Chair. The Committee is an integral part of the ISA governance framework and is established to provide independent advice and assurance to the Board to identify, prevent and respond to real and potential risks, and to monitor ISA’s compliance requirements.

The principles that underpin effective governance within the agency include:

- Compliance – to ensure that ISA meets the requirements of the law, regulations, published standards and community expectations of probity, accountability and openness.
- Performance – to ensure that ISA achieves or delivers on its strategic priorities through the effective management of risks.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Not applicable	0

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

Through the SLA with DPC, the following strategies are implemented to control and prevent fraud:

Policies and procedures	<p>ISA has adopted and promotes The Code of Ethics for the South Australian Public Sector, which provides guidance to employees on appropriate behaviour.</p> <p>ISA has also adopted DPC’s Corruption and Maladministration Control Policy and Corruption and Maladministration Control Strategy, which are consistent with the across-government Fraud and Corruption Policy issued by the Commissioner for Public Sector Employment.</p>
Internal processes	<p>Processes are in place for identifying, recording, analysing, reporting and escalating fraud and corruption loss events and control failures.</p> <p>These processes are supported by mechanisms to prevent, detect and respond to the risks of fraud, including:</p> <ul style="list-style-type: none"> • Strategic risk register • annual internal audit plans • monthly Executive Financial Performance Reports

	<ul style="list-style-type: none"> certification of internal controls under the DPC Financial Management Compliance Program and the end of financial year statements preparation process.
Annual Financial Report	The annual financial report is supported by a system of internal controls that are monitored and assessed during the financial year through ISA's internal assurance processes and other processes undertaken by Shared Services SA as the external service provider.
Employee inductions and online training	Through the induction process, ISA will ensure that all new employees are made aware of the Code of Ethics for the South Australian Public Sector and the Corruption and Maladministration Control Policy. This policy clearly stipulates a zero-tolerance position in respect to fraud and corruption. This is reinforced through the mandatory online training program.
Financial Management Compliance Program	Appropriate business practices are reinforced through ISA's Financial Management Compliance Program (FMCP) as mandated by Treasurer's Instruction 28. The FCMP was undertaken through a control self-assessment comprising a series of questions which assess relevant policies, procedures, systems, internal controls, risk management and statutory/financial/ management reporting that is in operation across all business units within ISA.

Data for previous years is available at: [Data.SA Fraud detected in Infrastructure SA.](#)

Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil.

Data for previous years is available at: [Data.SA Whistle-blowers Protection Act 1993.](#)

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Reporting required under any other act or regulation

Act or Regulation	Requirement
<i>Infrastructure SA Act 2018</i>	<p>19—Annual report</p> <ol style="list-style-type: none"> 1) ISA must, on or before 30 September in each year, deliver to the Minister a report on the work and operations of ISA for the preceding financial year. 2) The report must contain the audited statements of account of ISA for the preceding financial year. 3) The Minister must, within 12 sitting days after receiving a report under this section, have copies of the report laid before both Houses of Parliament.

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0

Complaint categories	Sub-categories	Example	Number of Complaints 2021-22
Service quality	Information	Incorrect, incomplete, outdated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		Total	0

Additional Metrics	Total
Number of positive feedback comments	0
Number of negative feedback comments	0
Total number of feedback comments	0
% complaints resolved within policy timeframes	0

Data for previous years is available at: [Data.SA Complaints received by Infrastructure SA.](#)

Service Improvements

ISA has undertaken a comprehensive review of the ISA Assurance Framework (ISAAF), Premier’s Circular 049 and the ISA Cost Recovery Model, including extensive consultation with, and feedback from, Public Sector Agencies on the effectiveness of the ISAAF, its relevance to the Act and its objectives, and the desire of Management to continually improve.

The amendments to the ISAAF reflect improved and current best-practice, better alignment with the ISA Act in relation to monitoring of major infrastructure projects on behalf of the Government and streamlined work practices.

ISA has produced an Assurance Review Guide (AR Guide) to enable ISA, public sector agencies and independent reviewers successfully engage with the Assurance Review process. The AR Guide includes roles and responsibilities, code of conduct, preparation, engagement and completion of Assurance Reviews.

ISA has produced an Assurance Reviewer Management Framework to outline how ISA will manage its engagement with independent Assurance Reviewers.

ISA has produced a Guide to Infrastructure Announcements (Announcement Guide) to assist Government and others communicate initiatives and projects detail to a wider stakeholder audience. The Announcement Guide may also be utilised for non-infrastructure projects or programs.

ISA has produced an Impact Analysis Guide – Cost Benefit Analysis (CBA Guide). The CBA Guide has been developed to support proponents undertake cost-benefit analysis, which is a key component of ISA’s integrated assessment approach, within ISA’s overall approach to justifying initiatives. The CBA Guide provides guidance on the approaches, parameters and sensitivities that should be considered when identifying and undertaking analysis of impacts.

Compliance Statement

Infrastructure SA is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
Infrastructure SA has communicated the content of PC 039 and the agency’s related complaints policies and procedures to employees.	Y

Appendix: Audited financial statements 2021-22



Our ref: A22/032

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Mr A Shepherd AO
Chair
Infrastructure SA
Level 15
Wakefield House
30 Wakefield Street
ADELAIDE SA 5000
email: Almerinda.Pollice@sa.gov.au

Dear Mr Shepherd

Audit of Infrastructure SA for the year to 30 June 2022

We have completed the audit of your accounts for the year ended 30 June 2022. Two key outcomes from the audit are the:

- 1 Independent Auditor's Report on your agency's financial report
- 2 audit management letters.

1 Independent Auditor's Report

We are returning the financial report for Infrastructure SA, with the Independent Auditor's Report. This report is unmodified. The *Public Finance and Audit Act 1987* allows me to publish documents on the Auditor-General's Department website. The enclosed Independent Auditor's Report and accompanying financial report will be published on that website on Wednesday, 19 October 2022.

2 Audit management letters

As the audit did not identify any significant matters requiring management attention, we will not issue any audit management letters.

What the audit covered

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

OFFICIAL

Our audit covered the principal areas of the agency's financial operations and included test reviews of systems, processes, internal controls and financial transactions. Some notable areas were:

- revenue
- expenditure
- payroll.

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely



Daniel O'Donohue
Assistant Auditor-General (Financial Audit)

30 September 2022

enc

INDEPENDENT AUDITOR'S REPORT



Government of South Australia
Auditor-General's Department

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To the Chair Infrastructure SA

Opinion

I have audited the financial report of Infrastructure SA for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of Infrastructure SA as at 30 June 2022, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chair and the Chief Executive.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of Infrastructure SA. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive and the Board for the financial report

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards – Simplified Reporting Requirements, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Board are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 18(2) of the *Infrastructure SA Act 2018*, I have audited the financial report of Infrastructure SA for the financial year ended 30 June 2022.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Infrastructure SA's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive

- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chief Executive about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O'Donohue
Assistant Auditor-General (Financial Audit)

30 September 2022

Infrastructure SA

Financial Statements

For the year ended 30 June 2022

Infrastructure SA
Certification of the Financial Statements
for the year ended 30 June 2022

We certify that the:

- financial statements of Infrastructure SA:
 - are in accordance with the accounts and records of Infrastructure SA;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of Infrastructure SA at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by Infrastructure SA for the financial year over its financial reporting and its preparation of financial statements have been effective.



Anthony Shepherd AO
Chair
29 September 2022



Jeremy Conway
Chief Executive
29 September 2022

Infrastructure SA
Statement of Comprehensive Income
for the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Income			
Appropriation	2.1	2 529	2 483
Sales of goods and services	2.2	2 225	1 798
Commonwealth-sourced grants and funding	2.3	1 500	-
SA Government grants, subsidies and transfers	2.4	7 692	-
Other income	2.5	7	6
Total income		13 953	4 287
Expenses			
Employee benefits expenses	3.3	2 205	1 988
Supplies and services	4.1	3 857	2 155
Total expenses		6 062	4 143
Net result		7 891	144
Total comprehensive result		7 891	144

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Infrastructure SA
Statement of Financial Position
as at 30 June 2022

	Note	2022 \$'000	2021 \$'000
Current assets			
Cash	5.1	9 379	1 229
Receivables	5.2	225	153
Total current assets		9 604	1 382
Total assets			
		9 604	1 382
Current liabilities			
Payables	6.1	512	121
Employee benefits	3.4	187	230
Provisions	6.2	2	2
Total current liabilities		701	353
Non-current liabilities			
Payables	6.1	19	20
Employee benefits	3.4	194	211
Provisions	6.2	6	5
Total non-current liabilities		219	236
Total liabilities			
		920	589
Net assets			
		8 684	793
Equity			
Retained earnings		8 684	793
Total equity		8 684	793

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Infrastructure SA
Statement of Changes in Equity
for the year ended 30 June 2022

	Retained earnings	Total equity
	\$'000	\$'000
Balance at 1 July 2020	649	649
Net result for 2020-21	144	144
Total comprehensive result for 2020-21	144	144
Balance at 30 June 2021	793	793
Net result for 2021-22	7 891	7 891
Total comprehensive result for 2021-22	7 891	7 891
Balance at 30 June 2022	8 684	8 684

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Infrastructure SA
Statement of Cash Flows
for the year ended 30 June 2022

	2022	2021
	Inflows	Inflows
	(Outflows)	(Outflows)
Note	\$'000	\$'000
Cash flows from operating activities		
Cash inflows		
Appropriation	2 529	2 483
Sales of goods and services	2 196	1 663
Commonwealth-sourced grants and funding	1 500	-
SA Government grants, subsidies and transfers	7 692	-
Cash generated from operating activities	13 917	4 146
Cash outflows		
Employee benefits payments	(2 288)	(1 881)
Payments for supplies and services	(3 479)	(2 184)
Cash used in operating activities	(5 767)	(4 065)
Net cash provided by operating activities	8 150	81
Net increase in cash	8 150	81
Cash at the beginning of the reporting period	1 229	1 148
Cash at the end of the reporting period	9 379	1 229
5.1		

The accompanying notes form part of these financial statements.

Infrastructure SA

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

1 About Infrastructure SA

Infrastructure SA (ISA) is a statutory authority of the state of South Australia, established pursuant to the *Infrastructure SA Act 2018*. ISA is an administrative unit acting on behalf of the Crown.

ISA was established under the *Infrastructure SA Act 2018* to provide advice on the State's requirements for significant infrastructure with respect to economic growth and delivery of public services.

1.1 Basis of preparation

These financial statements are general purpose financial statements prepared in accordance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- *Treasurer's Instructions and Accounting Policy Statements* issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards applying simplified disclosures.

The financial statements have been prepared based on a 12-month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out throughout the notes.

Cash flows are exclusive of Goods and Services Tax (GST). The GST component of cash flows which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows of the Department of the Premier and Cabinet (DPC), not ISA.

1.2 Objectives

ISA's mission is to provide independent advice to government to enable informed and evidence-based decisions on infrastructure planning, investment, delivery and optimisation.

The role of ISA is to ensure better planning and more transparent decision-making for critical public infrastructure projects for the State.

1.3 Impact of COVID-19 pandemic on ISA

COVID-19 has had no material impact on the operations of ISA during 2021-22.

Infrastructure SA
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

2. Income

2.1 Appropriation

Appropriations are recognised on receipt.

2.2 Sales of goods and services

ISA, in accordance with the Cabinet-approved ISA Assurance Framework and its Act, charges government agencies for assurance reviews. ISA reviews, evaluates and monitors delivery and performance of major infrastructure projects and programs with a capital investment value of \$50 million and above, or those considered high risk.

Assurance reviews are recognised on receipt.

2.3 Commonwealth-sourced grants and funding

The Commonwealth has provided funding to the State for the Northern Water Supply Project. Revenue is recognised on receipt.

2.4 SA Government grants, subsidies and transfers

SA Government grants are recognised on receipt.

SA Government grants, subsidies and transfers includes funding for the Northern Water Supply Project from the Business Case Fund (\$7.5 million). ISA has underspent these funds during 2021-22 by \$6.075 million, and these remaining funds will be incurred over the lifetime of the project.

2.5 Other income

Contribution of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

ISA receives Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services free of charge from Shared Services SA following Cabinet's approval to cease intra-government charging.

Infrastructure SA

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

3. Board, committees and employees

3.1 Key management personnel

Key management personnel of ISA include the Premier, Chief Executive, General Manager, the Chair and the Board members who have responsibility for the strategic direction and management of ISA.

Total compensation paid by ISA for key management personnel was \$831 000 (2021: \$911 000).

The compensation disclosed in this note excludes salaries and other benefits the Premier receives. The Premier's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*.

See DPC's Financial Statements for disclosures of the Premier's remuneration paid and recovered from the Consolidated Account.

Transaction with Key Management Personnel and other related parties

There were no significant related party transactions based on initial assessment.

3.2 Board and committee members

Members during the 2022 financial year were:

Infrastructure SA Board

Anthony Shepherd (Chair)

Jon Gorvett* (appointed April 2022, concluded May 2022)

Carolyn Hewson

Caroline Mealor* (concluded March 2022)

Amanda Price-McGregor

David Reynolds*

Robert Rust

Nick Reade* (concluded April 2022)

Rick Persse* (appointed April 2022)

Damien Walker* (appointed May 2022)

Infrastructure SA Risk and Performance Committee

David Powell (Chair)

Carolyn Hewson

Catherine Jamieson*

David Lovell* (resigned December 2021)

Robert Rust

*In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board duties during the financial year.

Infrastructure SA
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

3.2 Board and committee members (continued)

Board and committee remuneration

The number of members whose remuneration received or receivable falls within the following bands:	2022	2021
	Number	Number
\$0 - \$19 999	9	10
\$20 000 - \$39 999	-	3
\$40 000 - \$59 999	3	-
\$160 000 - \$179 999	1	1
Total number of members	13	14

The total remuneration received or receivable by members was \$301 000 (2021: \$284 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid.

3.3 Employee benefits expenses

	2022	2021
	\$'000	\$'000
Salaries and wages	1 448	1 327
Annual leave	155	131
Long service leave	(3)	28
Board and committee fees	273	259
Employment on-costs - superannuation	245	171
Employment on-costs - other	76	58
Skills and experience retention leave	4	3
Workers compensation	2	3
Other employee related expenses	5	8
Total employee benefits expenses	2 205	1 988

Employment on-costs - superannuation

The superannuation employment on-cost charge represents ISA's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

The number of employees whose remuneration received or receivable falls within the following bands:

	2022	2021
	Number	Number
\$177 001 - \$197 000	1	-
\$197 001 - \$217 000	-	1
\$297 001 - \$317 000	-	1
\$317 001 - \$337 000	-	1
\$337 001 - \$357 000	1	-
Total number of employees	2	3

The total remuneration received by those employees for the year was \$539 000 (2021: \$831 000).

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left ISA.

Infrastructure SA
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

3.4 Employee benefits liability

	2022	2021
	\$'000	\$'000
Current		
Accrued salaries and wages	-	48
Annual leave	162	160
Long service leave	20	20
Skills and experience retention leave	5	2
Total current employee benefits	187	230
Non-current		
Long service leave	194	211
Total non-current employee benefits	194	211
Total employee benefits	381	441

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

AASB 119 *Employee Benefits* contains the calculation methodology for the long service leave liability.

The actuarial assessment performed by DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds for 2022 is 3.5% (2021: 1.25%)

The net financial effect of the changes to the actuarial assumption in the current financial year is a decrease in the long service leave liability of \$38 000 and employee benefits expense of \$38 000.

The salary inflation rate applied in the actuarial assessment performed by DTF remained at 2.5% for the long service leave liability.

The non-current portion of long service leave reflects the estimate of leave to be taken in greater than 12 months.

Infrastructure SA
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

4. Expenses

4.1 Supplies and services

	2022	2021
	\$'000	\$'000
Consultants	1 605	244
Contractors	1 315	1 263
Intra government transfers	258	250
Information technology	197	53
Temporary staff	76	189
Administrative costs	62	17
Audit fees	11	10
Shared Services SA	7	6
Other	326	123
Total supplies and services	3 857	2 155

Consultants

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	2022		2021	
	No.	\$'000	No.	\$'000
\$10 000 or above	10	1 605	2	244
Total	10	1 605	2	244

Audit fees

Audit fees paid/payable to the Auditor-General's Department relate to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Auditor-General's Department.

5. Financial assets

5.1 Cash

The agency does not earn interest on its deposits with the Treasurer. Cash is measured at nominal amounts.

5.2 Receivables

	2022	2021
	\$'000	\$'000
Current		
Trade receivables	165	136
Prepayments	60	17
Total receivables	225	153

Receivables are normally settled within 30 days after the issue of an invoice. Receivables and prepayments are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Infrastructure SA
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

6. Liabilities

6.1 Payables

	2022	2021
	\$'000	\$'000
Current		
Trade payables	38	-
Accrued expenses	445	82
Employment on-costs	29	39
Total current payables	512	121
Non-current		
Employment on-costs	19	20
Total non-current payables	19	20
Total payables	531	141

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Employment on-costs

Employment on-costs include payroll tax, the ReturntoWorkSA premium and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

ISA makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the superannuation schemes.

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave remained unchanged at 42% and the average factor for the calculation of employer superannuation cost on-costs has increased to 10.6% (2021: 10.1%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is a decrease in the employment on-cost of \$2 000 and employee benefits expense of \$2 000.

Infrastructure SA
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

6.2 Provisions

Provision for workers compensation

	2022	2021
	\$'000	\$'000
<i>Reconciliation of workers compensation</i>		
Carrying amount at the beginning of the period	7	4
Additional provisions recognised	1	3
Carrying amount at the end of the period	8	7

ISA is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, ISA is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes).

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2022 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

The additional compensation scheme provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are nonserious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to a variety of factors involved. The liability is impacted by ISA's claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

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7. Outlook

7.1 Unrecognised contractual commitments

Revenue commitments

ISA has funding agreements for the completion of the Northern Water Supply Detailed Business Case as follows:

- a Federation Funding Agreement – Infrastructure with the Commonwealth Government for \$5 million with \$1.5 million received in 2021-22;
- Funding from the State Government’s Business Case Fund of \$11.5 million, with \$7.5 million received in 2021-22.

	2022	2021
	\$'000	\$'000
Within one year	7 000	-
Later than one year but not longer than five years	500	-
Total revenue commitments	7 500	-

Expenditure commitments

	2022	2021
	\$'000	\$'000
Within one year	213	-
Total expenditure commitments	213	-

Commitments comprise costs relating to a future energy supply analysis and a housing economics analysis.

7.2 Contingent assets and liabilities

ISA is not aware of any contingent assets or liabilities as at 30 June 2022.

7.3 COVID-19 pandemic outlook for ISA

ISA does not expect any material impacts as a result of the COVID-19 pandemic in 2022-23.

7.4 Events after the reporting period

There were no events occurring after the end of the reporting period that had a material financial implication on these financial statements.