Building the West
Improving project consultation, planning and approval processes for public infrastructure projects in Western Australia

INFRASTRUCTURE COALITION
November 2016
About the Infrastructure Coalition

"...to promote and facilitate the creation of an independent statutory authority...”

The Infrastructure Coalition is a broadly based infrastructure industry group that has been established in Western Australia to promote and facilitate the creation of an independent statutory authority “Infrastructure WA”. The Infrastructure Coalition also aims to provide a robust forum for industry involvement in infrastructure issues.

Purpose of this Paper

"....to promote discussion about long term infrastructure planning in Western Australia...”

The purpose of this paper is to promote discussion about long term infrastructure planning in Western Australia and the creation of an independent statutory authority.

Governments are facing large infrastructure backlogs with limited funding available to address those backlogs. This has led to a world-wide trend where governments seek to improve engagement with industry and the community to improve access to private sector funding through mechanisms such as value capture.

The paper does not seek to dramatically change existing land use planning and funding approval mechanisms; rather, it seeks to expand industry and community engagement in advance of the budget process and promote discussion about opportunities that will facilitate innovative funding of infrastructure.

"....to expand industry and community engagement ahead of project decisions...”
Industry Support

Consult Australia
Improvements to long term infrastructure planning in Western Australia will be essential to ensuring the State’s future social and economic prosperity. The establishment of an independent statutory authority, tasked with the development of a rolling 15 to 30 year infrastructure plan for the State, will be an important mechanism to help do that. Such a body, like that already well established in other states, will be key to overcoming the current challenges of infrastructure planning within Western Australia.

Civil Contractors Federation (WA)
CCF WA supports the establishment of a statutory body to develop a coordinated, long-term infrastructure strategy for WA. We work closely with the government departments and agencies that deliver our state’s vital economic infrastructure, and we know each of those agencies has detailed forward plans. What’s needed is a stand-alone advisory body to pull it all together, to provide independent, evidence-based advice to government on its infrastructure priorities and on funding mechanisms.

Construction Contractors Association of Western Australia Inc
CCA strongly supports an independent statutory body to improve engagement with industry and the community and to promote innovation in funding of infrastructure. Other states are working to establish a pipeline of works and to provide greater stability for their construction sectors through long term infrastructure planning and value capture.

Society of Construction Law of Australia
The Society of Construction Law of Australia supports any process that improves decision-making and outcomes for procurement of public construction projects. Whilst governments try to do their best in this respect, the pressure to commence and complete projects within short political cycles has resulted in avoidable wastage of public funds from both poor planning and procurement. On the other hand governments are sometimes unfairly blamed when project delivery fails for unforeseen reasons resulting in decisions being made under political pressures. An independent statutory body could play an important part in promoting innovation in delivery of public assets with realistic time schedules and at costs that are in the public interest. A body such as exists in other States will improve long term planning, community and industry engagement and reduce the prospects of costly mistakes being repeated.

Engineers Australia
Availability of economic infrastructure is a critical enabler of productivity growth which in turn has been responsible for most historical improvements in our living standards. Planning future infrastructure is the responsibility of government but the design, construction and operation of infrastructure assets is the shared responsibility of the public and private sectors. An independent State infrastructure agency similar to Infrastructure Australia will ensure that WA projects are rigorously assessed devoid of political considerations and so smooth the way for this shared responsibility to be accepted to the benefit of the community and the State economy.
Executive Summary

The need for a long term, apolitical infrastructure plan has never been greater in a tight fiscal environment with new approaches being necessary to facilitate infrastructure funding and provision. The Infrastructure Coalition calls for the creation of an independent statutory authority as part of meeting the significant challenges arising from conflicting priorities and the need for greater community and industry engagement at the front end of the budget process.

“The need for a long term plan has never been greater ... the Infrastructure Coalition calls for the creation of an independent statutory authority...”

Western Australia has been transformed in the last decade or so, economically boosted by the resource sector and a rapidly growing population. There has been significant growth in Western Australia particularly in Greater Perth. Western Australia’s population rose to 2.6 million by December 2015 representing 11% of the national population. Western Australia’s population had grown by 600,000 over the last decade. Population growth had slowed to 1.2% in 2015, down from a peak of 3.7% in the last two quarters of 2012, but is expected to return to the high average growth rate of 2.5% within a few years.

The strong growth rate, particularly over the past decade, has contributed to an infrastructure backlog in many sectors producing extreme competition for infrastructure funding at a time when the State is seeking to reduce debt.

There is an unrivalled opportunity for the State to look longer term when planning, approving, funding, investing, and delivering long term public infrastructure projects. Western Australia is in desperate need to improve the currently disjointed and short term State wide planning process.

“...there is an unrivalled opportunity to look longer term when planning...”

In this paper, the Infrastructure Coalition outlines the complex web of the current processes to highlight the need for the establishment of an independent statutory authority to provide for a plan, which looks beyond election cycles.

The new authority, similar to those now established in New South Wales, Victoria, and Queensland would provide independent advice to the government and facilitate public infrastructure projects according to the long term needs of the State.

“...similar authorities are now established in Queensland, New South Wales and Victoria...”

The creation of an independent body to facilitate public debate, identification of priorities and shaping of infrastructure projects well ahead of the budget process will aid with Economic and Expenditure Reform Committee (EERC) prioritising proposals. The creation of this body will not change the role of governments to determine funding priorities, delivery options and procurement processes as part of the budget cycle.

The Infrastructure Coalition strongly supports the creation of the independent statutory authority “Infrastructure WA” to complement the work of the Infrastructure Coordinating Committee (ICC), provide an integrating front end to the Strategic Asset Management Framework (SAMF) process and to develop a long term strategic plan for infrastructure. The Infrastructure Coalition offers to work with the Western Australian Government to develop a model that suits the unique requirements of Western Australia.

“The Infrastructure Coalition strongly supports the creation of the independent statutory authority 'Infrastructure WA'”
The recent release of the Perth Transport Plan for 3.5 Million and beyond is a significant step forward in integrated long term planning. A similar step forward will be the use of an independent statutory authority to take the high level aspirations of the plan and through extensive consultation and through consideration of costs and benefits to recommend a 15-year infrastructure plan for implementation of the high level plan.

The Infrastructure Coalition is confident that a new body is needed to provide:

1. Transparent long term, bipartisan, infrastructure plans developed with governments that overcome deficiencies in infrastructure and reduce replacement backlogs
2. Consistent processes for assessing and prioritising infrastructure projects of State or National significance developed jointly with governments
3. Innovation in the funding, procurement and delivery of public infrastructure
4. Infrastructure that leverages private sector investment and facilitates development of the State and National economies
5. Development of strategic policy and planning to ensure infrastructure provision occurs within a proper economic, social and environmental planning context
6. Well informed community, government and industry understanding of infrastructure provision and open public debate around needs, funding mechanisms and priorities in developing infrastructure projects.

This paper considers gaps in engagement with industry and the community and explores the processes and structures for infrastructure planning in other states.
Gaps in the Project Planning, Approval and Delivery Process

The current processes in Western Australia do not provide for consistent and informed engagement with industry and the community. This is because the agency ten-year Strategic Asset Plans are kept confidential so that knowledge of what is being planned by agencies is either unclear or incomplete.

An independent statutory authority would facilitate consistent and informed engagement with industry and the community and publish a fifteen-year public infrastructure plan.

Infrastructure planning, project prioritisation and project funding are managed in discrete areas of government. Liaison with Infrastructure Australia is in another discrete area of government. The integration and sequencing of major infrastructure projects is not as well developed as land use planning and identification of strategic infrastructure sites and corridors.

An independent statutory authority would provide this integration role across government at the planning stage.

Experience in developing and managing major infrastructure projects can be very thin in those agencies with occasional major projects. The important role of Treasury in supporting and developing capability in these agencies is recognised however some projects are completed with sub optimal design and poor project delivery outcomes.

Innovation in financing government projects is challenging as the whole SAMF process is structured around traditional government financing of projects. Having a front end engagement with industry and the community should open up a wider range of funding and financing opportunities.

A major advantage of an independent statutory authority and a fifteen-year public infrastructure plan is the ability to encourage engagement with private sector financing bodies.

Western Australia does not have a comprehensive public process for unsolicited bids for infrastructure projects although a process exists for proposals related to land. There is insufficient publicly available information about long term infrastructure planning to give the private sector confidence to invest resources into unsolicited bids. The Economic Regulation Authority recommend that the Government develop a mechanism by which the private sector is encouraged to present unsolicited proposals that may result in innovative solutions to infrastructure needs. Such a mechanism needs to balance the protection of private sector intellectual property with the overriding requirements for probity and value for money from government procurement. We note that such processes exist in other jurisdictions.

It would be important for comprehensive processes for unsolicited bids to exist to improve the effectiveness of an independent statutory authority.
Planning and Approval of Public Projects in Western Australia

Most public infrastructure projects in Western Australia have their genesis in the Strategic Asset Management Framework (SAMF) and are ultimately approved through the annual budget process with its four year horizon. Projects can also receive approval in principle to progress the planning and development of the project.

The SAMF is based around the concept of a lead agency that initiates the project, secures “planning money” if needed, develops the business case, obtains project approvals and undertakes the procurement process.

Each agency in Western Australia is required to have a ten-year Strategic Asset Plan as a context for project planning and budget submissions.

Government Trading Enterprises are required to table an Annual Planning Report, Strategic Development Plan, Statement of Opportunities or Statement of Corporate Intent in the WA Parliament outlining their capital expenditure plans. Links to examples are included at items 7, 8 and 9 in Appendix 1. The Economic Regulation Authority has a major influence on these capital investment programs, through ex-ante and post assessment of all capital investments exceeding a threshold amount to determine whether the expenditure will be added to the capital base on which returns are allowed.

Each of the nine Regional Development Commissions has developed Regional Blueprints to be able to access funding for transformative projects under the Royalties for Regions fund.

In some cases, the initial phases of project planning are undertaken by one agency and then handed to another agency for the delivery phases.

Government projects may be approved by Western Australian Cabinet outside of the budgetary process. Typically, this happens where there is an external funding opportunity, a change in priorities or an alternative way of delivering the intended outcome.

The Department of Treasury is at the core of the public project approval process. They manage the SAMF and have an officer allocated to each of the major agencies.

Origins of Projects

While government projects generally will follow the procedures in SAMF, they may arise in many different ways. All projects are structured around a perceived need that may be identified within or outside of government.

Projects may be to implement an ongoing strategy or program such as the Underground Power Program or the Backlog Sewerage Program. Projects may also be a simple response to growth and land use planning such as schools or new rail cars. They may also arise from monitoring of asset condition and economic life or the response to opportunities from technology.

Changes in legislation, standards and community expectations also may drive infrastructure projects such as upgrading stability and spillways on dams or improving water supply standards in remote communities.

Funding opportunities can be strong drivers to initiate or accelerate projects. The availability of a Federation Fund grant of $80 million for the Australian Marine Complex and the opportunities from the $5.15 million in the Federal Better Cities program to sink the Subiaco rail line are examples of project priorities being accelerated by external funding.

Private sector activity may also lead to projects being initiated such as projects required to support private sector funding in resources and industrial development. Unsolicited bids, such as the Dawesville Channel development, is another way the private sector can lead to initiation of projects.
Election commitments are also a way in which projects can currently be initiated, generally without detailed assessment and only limited consultation with key stakeholders.

Most of the forms of government project initiation in Western Australia are strictly controlled by government or government agencies. It is rare that industry or the community initiate, shape and prioritise public infrastructure projects in Western Australia.

**Lead Agency**

The SAMF includes the concept of a lead agency to guide the development of the project and gain necessary approvals for a project (see Lead Agency Framework at item 2 in Appendix 1). The lead agency has an obligation to consult but only with other government agencies.

**Stages of a Project**

The key document for initiating government projects is an agency ten-year Strategic Asset Plan. These plans are confidential and need to be approved by the agency’s Minister. Projects that require work to progress the business case require a Concept Approval also approved by the agency’s Minister (see Application for Concept Approval at item 3 in Appendix 1).

The second stage of a project is the completion of a Business Plan containing high quality estimates suitable for the out years (Years 2 to 4) of the State Budget.

The third stage of a project is undertaking a Project Definition Plan suitable to support a Budget Submission or Cabinet Submission.

Some government projects will require planning money to develop the Business Case and the Project Definition Plan and this will require a Budget Submission or Cabinet Submission.

The annual Budget Process commences in June each year with agencies reviewing corporate and strategic plans. Consultation with internal stakeholders is undertaken in July and the Strategic Asset Plan updated in August. A draft budget submission is made in September and finalised by December. The process is outlined in SAMF and the Budget Cycle (see Appendix 1). Also see Figure 1 (page 10).

Each project needs to be accompanied by a Concept Approval, Business Case or Project Definition Plan depending on its timing and scale.

**The Budget Process**

In February the Economic and Expenditure Reform Committee (EERC), a subcommittee of Cabinet assesses the budget submissions. This is often a brutal process due to the size of infrastructure backlogs coupled with the task of reducing the requested budget allocations to the available funds.

The EERC, as at August 2016, consisted of the Treasurer (Chair), the Premier, the Minister for Regional Development, the Minister for Planning, the Minister for Mines and Petroleum and the Minister for Finance.

Consultation during this process is typically only with internal agency stakeholders and with government Members of Parliament.

The creation of an independent body to facilitate public debate, identification of priorities and shaping of infrastructure projects well ahead of the budget process will aid with EERC prioritising proposals. The creation of this body will not change the role of governments to determine funding priorities, delivery options and procurement processes as part of the budget cycle.
Figure 1: WA Government roles and responsibilities for infrastructure planning and departments

<table>
<thead>
<tr>
<th>Minister</th>
<th>Infrastructure Portfolios</th>
<th>Department/Agency</th>
<th>Infrastructure Roles</th>
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<tr>
<td>Premier</td>
<td>Premier, Tourism</td>
<td>Premier and Cabinet</td>
<td>EERC</td>
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<td>Sporting and Recreation facilities</td>
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<td>Paul Miles</td>
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<td>Local Government and Communities</td>
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Government Mid-Year Financial Projections Statement (MYFPS)

The Government Financial Responsibility Act 2000 (GFRA) requires that the Treasurer release a Government Mid-Year Financial Projections Statement updating the budget-time forecasts by 31 December each year (section 13). The required content of these statements is detailed in sections 11 and 13 of the Act. In years with stronger than expected revenue growth the MYFPS provides the opportunity for government to approve additional expenditure. Conversely in years of poor revenue growth projects approved in the May Budget may be delayed or curtailed.

Relationship of an independent statutory authority to the budget process

The role of an independent statutory is upstream of the four years of capital works detailed in the annual budget process. The role in Western Australia should take elements from each of the infrastructure bodies established in other states to deliver:

1. Transparent long term, bipartisan, 15-year infrastructure plans developed with governments that overcome deficiencies in infrastructure and reduce replacement backlogs
2. Consistent processes for assessing and prioritising infrastructure projects of State or National significance developed jointly with governments
3. Innovation in the funding, procurement and delivery of public infrastructure
4. Infrastructure that leverages private sector investment and facilitates development of the State and National economies
5. Development of strategic policy and planning to ensure infrastructure provision occurs within a proper economic, social and environmental planning context
6. Well informed community, government and industry understanding of infrastructure provision and open public debate around needs, funding mechanisms and priorities in developing infrastructure projects.
Royalties for Regions

Up until the 2016 State Budget, $1 billion a year had been set aside to fund regional projects. Funding in 2016/17 will drop to $803 million rising to $898 million in 2017/18 and $983 million in 2018/19. It will return to $1 billion in 2019/20.

$330 million a year is available for projects that fit with the Regional Blueprints developed by the nine Regional Development Commissions (see Appendix 1).

The Royalties for Regions process of community engagement, development of regional blueprints and establishing regional priorities part of the processes that an independent statutory authority would undertake across Western Australia but in much more detail. The bundling of projects under the $0.5 billion Southern Inland Health Initiative funded by Royalties for Regions is also similar to the way in which an independent statutory body would identify synergies or linkages between individual projects.

Examples of the way in which discussion of priorities could proceed using Citizen Juries is given at Appendix 1, item 12.

Perth Transport Plan 3.5 million and beyond

The recent release of the Perth Transport Plan for 3.5 Million and beyond is a significant step forward in integrated long term planning. A similar step forward will be the use of an independent statutory authority to take the high level aspirations of the plan, through extensive consultation and through consideration of costs and benefits to recommend a 15-year infrastructure plan for implementation of the high level plan.

Infrastructure Coordinating Committee (ICC)

The twenty-one members of the ICC are listed at Appendix 2. The role of the ICC is to provide advice to the WA Planning Commission on land use planning to meet the needs for the provision of physical and community infrastructure throughout the state. The aim of the ICC is to be the primary source of high quality advice to the WA Planning Commission and Government. In practice the ICC has a focus on land use planning and identification of both key infrastructure corridors and strategic infrastructure sites.

The role and operation of the ICC is currently being reviewed and a new model is being trialed. The ICC does not have a role in establishing the priority of projects or in recommending how projects are delivered or funded.

Liaison with Infrastructure Australia is through the Department of Premier and Cabinet.

The ICC would continue to operate to provide advice to government as there is very little overlap with the anticipated role of an independent statutory authority.
**Future opportunity to lead and engage**

The absence of a pattern of engagement with industry and the community has led to a situation where any consultation is about projects whose shape and function has been largely determined. This leads to a situation where early consultation on long term planning is difficult and where there is no ownership by industry and the community of the challenge being addressed.

The current process is politically adversarial where the government seeks to make it as difficult as possible for the opposition and the community to discover mid to long term planning within agencies. As a result, it is almost impossible to get bi-partisan support for projects with parties seeking to make points of difference around long term planning and infrastructure projects.

**The operation of an independent statutory authority would reduce the adversarial approach being taken to major infrastructure projects.**

There is also a lack of understanding in the community about the nature of long term planning and the difference between a priority project and a committed project.

**Undertaking structured planning processes through an independent statutory authority will aid understanding and reduce the fear in government that not delivering long term plans exactly as they are published will constitute breaking a promise.**

The EERC process is of its nature highly political and by this conclusion the dynamics of its operation could change with the different personalities in the room. Whilst the EERC may have good information about the characteristics of a project there seems to be a lack of information about industry and community support flowing into the EERC process. Whilst politicians do represent the views of the community they are in contact with, they may not necessarily understand the positions of key stakeholders in the absence of a structured long term planning process.

**The positions of key stakeholders on major projects would be clearly identified well before projects were considered for funding through the operation of the independent statutory authority.**

The current process is not conducive to developing bi-partisan support for a pipeline of works and an agreed 15-year public infrastructure plan. It does not maximise the opportunities for innovative funding of projects and its consultation is largely limited to internal stakeholders.

Queensland, NSW, Victoria and Tasmania have all moved to have structures that improve industry and community engagement starting at the initial phases of a project, open up processes of infrastructure planning and establish a pipeline of works (see Appendix 3).

The logic for establishing Building Queensland is neatly summarised in the extracts from the recently published Infrastructure Pipeline shown at Appendix 4. All of the reasons to establish infrastructure bodies in other states exist in Western Australia.

Appendix 5 outlines the operation and nature of consultation for Infrastructure Victoria.
Conclusion

The Infrastructure Coalition strongly supports the creation of the independent statutory authority “Infrastructure WA” to complement the work of the ICC, provide an integrating front end to the SAMF process and to develop a 15-year infrastructure plan.

The Infrastructure Coalition offers to work with the Western Australian Government to develop a model that suits the unique requirements of Western Australia.
**APPENDIX 1. Resources**


APPENDIX 2. Infrastructure Coordinating Committee Membership

Mr Eric Lumsden - Chairman WAPC
Ms Gail McGowan - Director General, Department of Planning
Mr Richard Sellers - Director General, Department of Transport
Mr Mike Rowe - Acting Director General, Department of Water
Dr Ray Challen - Deputy Director General, Public Utilities Office, Department of Finance
Mr John Fischer - Nominee of the Director General, Department of Education
Ms Angela Kelly - Nominee of the Director General, Department of Health
Mr Ralph Addis - Acting Director General, Department of Regional Development
Mr Joe Ostojich - Nominee of the Director General, Department of State Development
Dr Tim Griffin - Acting Director General, Department of Mines and Petroleum
Mr Daniel Simms - Local government representative
Mr Dean Davidson - Professions representative
Mr Nigel Hindmarsh - WAPC appointee – Nominee of the Chief Executive Officer, Housing Authority
Ms Sue Murphy - WAPC appointee – Director General, Water Corporation
Mr Frank Marra - WAPC appointee – Director General, LandCorp
Ms Sarah McEvoy - WAPC appointee – Nominee of the Director General, Department of Environment Regulation
Ms Kaylene Gulich - WAPC appointee – Nominee of the Director General, Department of Treasury
Mr David Smith -WAPC appointee – Nominee of the Director General, Department of the Premier and Cabinet
Mr Terence Werner - WAPC appointee – Nominee of Director General, Department of Education Services
Vacant - WAPC appointee – Nominee of the Director General, Department of Commerce
Mr Bill Sullivan - WAPC appointee – Nominee of the Director General, Department of Finance

# The role and operation of the ICC is currently being reviewed and a new model with fewer members is being trialed.
## APPENDIX 3: Australian Infrastructure Organisations Overview

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<th>Organisation</th>
<th>Structure</th>
<th>Board</th>
<th>Members/Fee</th>
<th>CEO</th>
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<td>Infrastructure Australia</td>
<td>Statutory Body Infrastructure Australia Act 2008</td>
<td>12</td>
<td>$12.9 m Budget</td>
<td>Philip Davies</td>
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<td>30 staff</td>
<td>David Quinn</td>
</tr>
<tr>
<td></td>
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<td>Private Sector</td>
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<tr>
<td>Infrastructure Victoria</td>
<td>Statutory Body Infrastructure Victoria Act 2015</td>
<td>7</td>
<td>30 staff</td>
<td>Michel Masson</td>
</tr>
<tr>
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<td>Private Sector</td>
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<tr>
<td>Infrastructure Tasmania</td>
<td>Office within Department of State Growth</td>
<td>No</td>
<td>$800,000 a year</td>
<td>Allan Garcia</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>Budget</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3 staff</td>
<td></td>
</tr>
<tr>
<td>Infrastructure Partnerships Australia</td>
<td>Registered Business</td>
<td>20</td>
<td>120 members</td>
<td>Brendan Lyon</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>40% Public Sector</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>16 -18 staff</td>
<td></td>
</tr>
<tr>
<td>Infrastructure Association of Queens</td>
<td>Incorporated Association</td>
<td>20</td>
<td>57 members</td>
<td>Roger Black</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Part time ED</td>
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<td>Part time EA</td>
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<td>$2,200 Company</td>
<td></td>
</tr>
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<td></td>
<td></td>
<td></td>
<td>$440 Individual</td>
<td>(Executive Director)</td>
</tr>
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APPENDIX 4: Industry Call for Building Queensland and Role of Building Queensland

‘The Australian Constructors Association (ACA) and the Queensland Major Contractors Association (QMCA) support the establishment of Building Queensland to provide independent specialist advice and input into the development of a long term, sustainable process for the development and delivery of proposals in Queensland, and to facilitate arrangements with other Australian governments. The ACA and the QMCA submit the establishment and operation of Building Queensland is an opportunity for the new Queensland Government to break the nexus between good project planning and development, and the constraints of the electoral cycle.’ – Australian Constructors Association and the Queensland Major Contractors Association

‘The announcement of Building Queensland represents a change in policy that will provide certainty for business and better value for money outcomes for the taxpayer. This will both build certainty in a pipeline of proposals supporting private sector investment, and trust within the community that infrastructure being considered will meet their needs. We support the vision that Building Queensland becomes a centre of excellence for the provision of contemporary and relevant advice to government.’ – Stacey Rawlings, Queensland Manager, Consult Australia

‘Ensuring the state government receives regular and rigorous independent advice as to what ought to be included in a pipeline of priority proposals is an important step towards ensuring the community receives the best return on its investment of scarce funds. The Institute supports the establishment of Building Queensland and its potential to deliver increased rigour and visibility in infrastructure planning and investment decisions in Queensland.’ – Marina Vit, Chief Executive Officer, Urban Development Institute of Australia

‘We support the establishment of Building Queensland as an independent body with a range of powers and obligations—specifically the requirement to develop and publish an infrastructure pipeline, and the centralisation of proposal analysis with Building Queensland. We encourage the state government to establish a policy that clearly articulates the roles and responsibilities of Building Queensland, Queensland Treasury, and the line agencies in the development and delivery of proposals under the Project Assessment Framework. This is critical to the efficient progress of proposals as it will reduce friction between agencies and encourage private sector participation in projects through a greater visibility of the process.’ – Infrastructure Association of Queensland

The Role of Building Queensland

Building Queensland was established as an independent statutory body on 3 December 2015 under the Building Queensland Act 2015.

Governed by an eight-member Board, the majority from the private sector, Building Queensland provides independent expert advice to Queensland Government agencies, government owned corporations and selected statutory authorities to enable better infrastructure decisions.

Building Queensland is broadly similar to independent infrastructure advisory bodies established interstate, such as Infrastructure NSW and Infrastructure Victoria. These other bodies are also seeking to achieve best practice and drive better infrastructure outcomes in their respective jurisdictions.

Building Queensland’s core functions are to:

• provide strategic advice on infrastructure matters
• assist with the early stage development of proposals
• assist with Business Case development for proposals with a capital value of $50–$100 million
• lead the development of rigorous Business Cases, including cost benefit analyses, for proposals over $100 million
• develop and publish an infrastructure pipeline of priority proposals and
• play a role in procurement and delivery of infrastructure projects if directed by the Minister.

The recent experience in Queensland shows how a bespoke organisation can be developed for long term infrastructure planning as well as for project delivery. The Infrastructure Coalition is recommending that a model is developed in Western Australia that suits our unique requirements based on elements of the Queensland, New South Wales and Victorian statutory infrastructure bodies.
APPENDIX 5: Planning and Community Engagement Facilitated by Infrastructure Victoria

Establish an independent body
The Infrastructure Victoria Act 2015 has a number of provisions which ensure Infrastructure Victoria is independent of the government.

Objective of Independence
Infrastructure Victoria’s legislated objective is to provide independent and expert advice about Victoria’s current and future infrastructure needs. This independence strongly informs the organisation’s culture and behaviour.

Independent Board
Infrastructure Victoria’s board consists of seven directors. Four of these directors are appointed by the Governor in Council and must meet private sector knowledge and experience requirements. Appointed board members cannot be removed without the agreement of the Governor of Victoria. The Chair of the board cannot be removed without a statement of grounds being provided to Parliament. Three of the board directors are Secretaries of Victorian Government departments. These Departmental Secretaries appropriately represent and inform Infrastructure Victoria.

While acting in their role with infrastructure Victoria, all board directors have a legal duty to give priority to the best interests of the organisation.

No Ministerial Direction or Control Infrastructure Victoria is not subject to direction or control of the Minister when it performs functions such as development of the 30-year infrastructure strategy, undertaking research or supporting development of sectoral infrastructure strategies.

A Departmental Secretary cannot be directed by a Minister in relation to his or her role as a director of Infrastructure Victoria.

Freedom to Publish
Infrastructure Victoria does not require the approval of the government to publish its 30-year strategy or research. The 30-year strategy will be transmitted to the Parliament for all Victorians to see as soon as possible after it is completed. Infrastructure Victoria’s public annual report will include an assessment of the Government’s progress in meeting identified infrastructure needs.

Independence of Advice
The Minister may request that Infrastructure Victoria provide the government with advice on infrastructure matters such as major infrastructure project proposals. The Minister cannot direct what Infrastructure Victoria’s advice will be in response to such a request. Infrastructure Victoria's public annual report will disclose the subject of any request for advice, when it was asked for and when it was provided.

Power to Obtain Information
Infrastructure Victoria has the power to request information from the public sector to perform its functions. This information must be provided in a timely and efficient manner. Infrastructure Victoria also has the power to receive confidential information from anyone and not disclose it – even to the government – without consent.
Role to develop and promote options

There are literally hundreds of options to meet Victoria’s infrastructure needs. Each option has its own advantages and disadvantages. This paper is about starting a conversation around how we weigh these up. The development of the 30-year infrastructure strategy will be a contest of ideas that we encourage everyone to get involved in. This is your chance to have a say on solutions and trade-offs. Your feedback will help us identify and consider what matters most to people. – Extract from options paper “All Things Considered”

Ability to use a variety of consultation options, including citizen juries to develop and consider options

Citizen juries bring together randomly selected people to deliberate on a problem. Infrastructure Victoria is asking the juries to consider the question: What should we do to meet Victoria’s infrastructure needs? Like a court jury, they will consider evidence and hear from experts before delivering a verdict.

Jury members were recruited through a random selection process. The two juries will meet over six Saturdays between April and July before each delivering a report of recommendations.

The unedited recommendations of both juries will be published on the Infrastructure Victoria website.

“This is a relatively new and innovative engagement approach that will allow the community to contribute in a meaningful way and it’s an exciting element of our community consultation program,” Mr Masson said.

– Extract from Infrastructure Victoria website

Develop a Thirty Year Infrastructure Strategy

A prime role of Infrastructure Victoria is to develop and publish a 30-year Infrastructure Strategy.

Infrastructure Victoria have undertaken extensive industry and community consultation guided by information provided by government agencies. Elements of this consultation process should be incorporated into the operation of Infrastructure WA.