



**Infrastructure  
Australia**

# **Infrastructure Australia Corporate Plan**

2016-17 to 2019-20

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# Introduction

I am pleased to present Infrastructure Australia's 2016-17 Corporate Plan, which covers the years 2016–17 to 2019-20, as required by paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013*.

The Corporate Plan sets out Infrastructure Australia's key priorities and activities, along with our strategic agenda and the directions we will take over the next four years to achieve our purposes.

Considered and well-thought-through infrastructure investment is one of the most effective ways we have to drive our ongoing economic growth.

In 2016, Infrastructure Australia delivered the first ever 15-year Australian Infrastructure Plan to the Australian government.

The Plan has four headline aspirations that outline where Australia will need to focus to take advantage of our many opportunities:

- Productive cities, productive regions
- Efficient infrastructure markets
- Sustainable and equitable infrastructure
- Better decisions and better delivery

Over the next four years, Infrastructure Australia will provide a strategic focus to these key infrastructure aspirations, as well as providing leadership in policy reform.

We will publicly advocate for reform on key issues including financing, delivering and operating infrastructure and how to better plan and utilise Australia's infrastructure networks.

Our success will be dependent on effective and influential relationships with our stakeholders. Infrastructure Australia will continue developing productive working relationships with our federal, state and territory counterparts, as well as business, peak bodies and the wider community.

The Corporate Plan outlines the strategic context in how we work and how we will position ourselves to help ensure that Australia is well-placed to reap the many social and economic benefits that infrastructure can provide, and protect and enhance our quality of life.



The Hon Mark Birrell  
Chairman

# Purposes

Infrastructure Australia is an independent statutory body with a mandate to prioritise and advise on nationally significant infrastructure.

Infrastructure Australia's purpose is to:

- improve decision-making on matters relating to infrastructure
- advise governments and others on infrastructure matters including the better assessment of infrastructure needs and prioritisation of infrastructure projects
- promote best practice in infrastructure planning, financing, delivery and operation.

Infrastructure Australia does this by:

- evaluating project proposals on all infrastructure proposals, excluding defence projects, where funding of more than \$100 million is sought from the Commonwealth
- regularly updating and further developing the Infrastructure Priority List
- undertaking research initiatives that promote best practice in the planning, funding and delivery of infrastructure

Under the *Infrastructure Australia Act 2008*, Infrastructure Australia also has responsibility to strategically audit Australia's nationally significant infrastructure, and develop 15 year rolling Infrastructure Plans that specify national and state level priorities.

Infrastructure Australia strategy and operational functions are guided by the *Infrastructure Australia Act 2008* (no.17 as amended) and other Commonwealth guiding legislation including the Public Governance, Performance and Accountability Act 2013.

In accordance with our responsibilities under section 39B of the *Infrastructure Australia Act 2008*, Infrastructure Australia has consulted on our Corporate Plan with the Minister for Urban Infrastructure, The Hon Paul Fletcher MP; the Department of Infrastructure and Regional Development and the Department of Finance and Deregulation.

# Environment

Australia has an impressive natural and built environment, a highly educated population and a diverse and dynamic culture. Infrastructure has been fundamental to this national success story, underpinning a standard of living which is the envy of the world.

However, Australia is undergoing a process of generational change, bringing real opportunities and challenges.

Australia's population growth now exceeds that of our peers, outstripping countries like the UK, Canada and the United States.

By 2031, more than 30 million people will call Australia home. Most of them will live in our four largest cities – Sydney, Melbourne, Brisbane and Perth.

Australia's proximity to a rapidly growing Asia-Pacific will unlock new economic opportunities. By 2031, Asia will represent around two-thirds of the world's middle class population, creating huge demand for Australian produce and skills.

To ensure Australia can take advantage of our opportunities we need infrastructure that:

- strengthens our global role as an exporter of resources, services and products, with improved networks and gateways which boost connectivity
- meets our needs as a highly urbanised nation, enhancing the liveability of our cities
- underpins our prospects for sustainable growth, by focusing on resilience and whole-of-life asset management.

Australia will only be able to meet the challenges of this environment by:

- improving our decision-making on matters relating to infrastructure
- better assessing our infrastructure needs and the prioritisation of infrastructure projects
- committing to best practice in infrastructure planning, financing, delivery and operation.

Infrastructure Australia supports these goals by providing independent research and advice to all levels of government as well as investors and owners of infrastructure on the projects and reforms Australia needs to fill the infrastructure gap.

We will also publicly advocate for reforms on key issues including financing, delivering and operating infrastructure and how to better plan and utilise Australia's infrastructure networks.

# Performance

## Statement of Expectations

The Australian Government Review of Corporate Governance and Statutory Authorities and Office Holders recommended that Ministers issue a Statement of Expectations to their portfolio bodies to clearly articulate the Government's expectations of each body, while respecting areas of independence of the body in accordance with the legislation establishing it.

On 30 October 2015, the Minister for Major Projects, Territories and Local Government, The Hon Paul Fletcher MP, issued Infrastructure Australia with a Statement of Expectations covering the period 1 November 2015 to 30 June 2017. The Statement of Expectations provides guidance on the Australian Government's expectations relating to the strategic direction, operation and performance of Infrastructure Australia.

In the Statement of Expectations, the Minister stated that he expected Infrastructure Australia to deliver:

**A Fifteen Year Infrastructure Plan** – finalise and deliver a 15 year rolling Infrastructure Plan that takes into account the outcomes from audits and where appropriate the lists and evaluations developed and undertaken by Infrastructure Australia; and clearly specify infrastructure priorities at national and state levels for the period covered by the Plan.

**Evaluation of Infrastructure Proposals** - evaluate project proposals that are nationally significant or where Commonwealth funding of over \$100 million is sought, and approve a methodology or methodologies (if required for different sectors) that enables proposals to be compared.

**Infrastructure Priority Lists** – develop, and regularly update, a top down priority list that is based on the outcomes of the Infrastructure Plan and any other additional research undertaken by Infrastructure Australia, including the evaluation of infrastructure proposals; and ensures a project is included in the list based on assessed merit (including in relation to the cost benefit analysis).

**Australian Infrastructure Audit and Northern Australia Audit** - maintain the currency of the data and analysis for both the Australian Infrastructure Audit and the Northern Australia Audit, in order to inform future Australian Infrastructure Plans, Priority Lists, updates and project evaluations.

The Statement of Expectations can be accessed at [www.infrastructureaustralia.gov.au](http://www.infrastructureaustralia.gov.au)

Infrastructure Australia responded to the Statement of Expectations with a Statement of Intent published in January 2016. The Statement of Intent outlines:

- The specific priorities Infrastructure Australia will be accountable for delivering in 2016.
- How Infrastructure Australia will establish itself as a trusted collaborator and advisor to governments and industry, on the planning, funding and financing, delivery and maintenance of infrastructure.
- The governance and performance arrangements that will enable Infrastructure Australia to demonstrate that it is efficiently and effectively performing its statutory functions.

The Statement of Intent can be accessed at [www.infrastructureaustralia.gov.au](http://www.infrastructureaustralia.gov.au).

## Portfolio Budget Statement

Infrastructure Australia's annual Portfolio Budget Statement provides detailed information on each deliverable and the key performance indicators for the year. The Portfolio Budget Statement can be accessed at:

[https://infrastructure.gov.au/department/statements/2016\\_2017/budget/index.aspx](https://infrastructure.gov.au/department/statements/2016_2017/budget/index.aspx)

Infrastructure Australia's 2016-17 Portfolio Budget Statement includes the following Outcome:

*Improve decision-making on matters relating to infrastructure; advise governments and others on matters relating to infrastructure, including better assessment of infrastructure needs and prioritisation of infrastructure projects; and promote best practice infrastructure planning, financing, delivery and operation.*

## Strategy

Infrastructure Australia will contribute to the Government's objectives of supporting competitiveness, driving productivity and enhancing quality of life, through the provision of high quality independent advice.

This advice will be prepared in consultation with all levels of government, investors in and owners of infrastructure, and other relevant organisations.

During 2016-17, Infrastructure Australia's work program will include:

- continuing to undertake evaluations on all infrastructure proposals where funding of more than \$100 million is sought from the Commonwealth. This includes economic and social infrastructure proposals but excludes defence proposals
- periodically updating and further developing the Infrastructure Priority List. This priority list will be informed by the other work of Infrastructure Australia, in particular the Australian Infrastructure Audit, the Australian Infrastructure Plan and evaluation of infrastructure proposals
- development of further advice, through the development of research papers, on the recommendations in the Australian Infrastructure Plan (delivered in 2015–16)
- development and maintenance of data sources to inform future plans and priority lists
- continuing to evolve the frameworks utilised by jurisdictions in submitting proposals to Infrastructure Australia for evaluation to promote best practice in infrastructure planning, procurement and delivery. This will include consideration of costs and benefits and the appropriate assessment of wider benefits (in addition to direct benefits) providing guidance on how these should be measured and applied, if required
- promoting best practice in the planning, funding, delivery and operations of infrastructure through leadership on regulatory reform objectives
- through engagement with all levels of government and industry, facilitating the continual evolution of planning and procurement practices by contributing to a repository of data, information and knowledge on the nation's infrastructure resources, requirements, delivery and practices
- continuing to establish and maintain productive working relationships with all levels of government and industry. This includes engaging closely with Commonwealth departments, agencies and entities as well as states, territories, local governments, investors in infrastructure, owners of infrastructure and communities – as the end users of infrastructure, and
- continuing to establish and develop the corporate capabilities which support Infrastructure Australia's role as an independent entity that provides high quality advice.

## Measures

Infrastructure Australia's key performance indicators are:

- evaluating project proposals and publishing a summary of these evaluations on the Infrastructure Australia website regularly each year.
- publishing updated Infrastructure Priority Lists annually.
- reviewing Infrastructure Australia's assessment framework in collaboration with all States and Territories in 2016-17.
- delivering research and other initiatives that provide leadership on regulatory reform objectives and promote best practice in the planning, funding and delivery of infrastructure regularly each year.



# Capability

Infrastructure Australia places a high priority on ensuring we have the necessary capability to provide high quality advice to governments and the community.

Infrastructure Australia will focus on building capacity to deliver on our objectives across the following three areas:

- Being outcome-driven – In order to provide high quality advice to Governments, Infrastructure Australia will utilise appropriate internal and external resources. A focus on outcomes will ensure appropriate selection of those resources and will provide an active management tool to ensure delivery of advice in an efficient manner.
- Building productive and trust-based stakeholder engagement – Infrastructure Australia will build long term strategic relationships across all levels of government and industry to contribute to and inform Infrastructure Australia’s work program.
- Fostering a high performance culture – Infrastructure Australia will attract, engage, enable, develop and retain talented resources in order to fulfil its purpose. This includes appropriate consideration of secondments from within and outside of the public service.

Infrastructure Australia will also develop its corporate capabilities in 2016-17 to support governance and corporate structures introduced in September 2014. This will include a review and implementation of systems, structures and processes which will enable the organisation to fulfil its duties as an independent statutory body providing high quality advice on infrastructure matters.

# Risk oversight and management

Effective risk management is essential to ensure Infrastructure Australia achieves its strategic objectives as well as fulfilling its legislative mandate within the *Infrastructure Australia Act 2008*.

As a corporate Commonwealth entity, Infrastructure Australia must operate within the relevant rules and regulations prescribed by the Public Governance, Performance and Accountability Act 2013 and associated rules.

Infrastructure Australia's organisational culture will embrace and promote risk management activities. To facilitate this outcome, Infrastructure Australia has embedded risk management into its systems and business processes to develop a risk management culture throughout the organisation and to optimise our ability to meet our strategic objectives.

Infrastructure Australia has adopted an enterprise risk management framework to support its corporate plan, key objectives and delivery of core business. The framework includes a tailored risk management process to ensure risks are identified and analysed consistently across all areas, and that risk evaluation is linked to practical and cost effective risk response and controls that are appropriate to the business. In addition, the risk management framework ensures that risks are regularly monitored, reviewed, and communicated to internal and external stakeholders in a timely and effective manner.

The risk management framework consists of six steps:

1. Identify
2. Analyse
3. Evaluate
4. Respond
5. Monitor and report
6. Review

The risk management framework will continue to be implemented in 2016-17, It will include an enterprise risk assessment and internal audit program for the period of 2016-19.

Infrastructure Australia will review its risk management framework and the application of its risk management practices at least annually, and implement improvements arising out of such reviews, to ensure that the risk management framework remains current and relevant.

**Infrastructure Australia Corporate Plan 2016-17**

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