Submission No 5

ACCOUNTABILITY MEASURES FOR DECISION-MAKING FOR THE DELIVERY OF MAJOR INFRASTRUCTURE, CONTRACTING OF PUBLIC SERVICES AND/OR THE PRIVATISATION OF PUBLIC ASSETS IN NSW

Organisation: Infrastructure NSW

Date Received: 30 November 2023

INQUIRY AREA OF FOCUS: CRITICAL COMMUNICATIONS ENHANCEMENT PROGRAM (CCEP)

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Infrastructure NSW

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30 November 2023

Mr Jason Li MP
Committee Chair
Public Accounts Committee
Parliament House
Macquarie Street Sydney NSW 2000

Via email: PublicAccountsCommittee.PAC@parliament.nsw.gov.au

Dear Mr Li

I write in relation to your request for Infrastructure NSW to make a submission to the inquiry into the accountability measures for decision-making for the delivery of the Critical Communications Enhancement Program (CCEP).

As the Committee would be aware, Infrastructure NSW provides expert independent advice to the NSW Government on the identification and prioritisation of critical public infrastructure. Infrastructure NSW also assures the State's major projects pipeline and asset base and delivers priority projects and precincts. These functions span the full infrastructure life cycle, with the delivery of projects informing our advice and experience.

I note the request for submission refers to the project's business case and decision-making processes. Infrastructure NSW's involvement in these processes is through our Investor Assurance function, as outlined in the Infrastructure Investor Assurance Framework (IIAF). A copy of the IIAF and supporting information can be accessed on the Infrastructure NSW website: www.infrastructure.nsw.gov.au/investor-assurance.

The Assurance process, including consideration of business cases and reviewing of projects throughout their development, is Cabinet in Confidence. Therefore, I am unable to provide the Commitee specific details in relation to the CCEP beyond the information available in the public Business Case Summary, available on the Infrastructure NSW website:

www.infrastructure.nsw.gov.au/investor-assurance/business-case-summaries.

To provide transparency to the public on Government investment decisions on major projects, Infrastructure NSW publishes summaries of the final business cases for Tier 1 and 2 projects with a capital value of over \$100 million. Infrastructure NSW's business case summary format is modelled on Infrastructure Australia's Business Case Evaluation publications.

Publication of a summary is subject to:

- the finalisation of a business case assurance review of the Final Business Case, known as a Gate 2 Review
- the NSW Government's Expenditure Review Committee of Cabinet (ERC) making a specific investment decision; and
- the NSW Government making a corresponding public announcement of that investment decision for the project.

Beyond our Assurance role, Infrastructure NSW prepares the State Infrastructure Strategy every five years, or as directed by Government. This 20-year infrastructure investment plan sets the overall direction and approach to infrastructure delivery for the State.

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A key objective in the 2022 State Infrastructure Strategy is the need to embed reliability and resilience across infrastructure assets in order to withstand major natural hazards and shocks. It identified the need to deliver assets that reduce the risk and impact of these events. The CCEP was identified as a key resilience initiative under this objective.

More broadly, Infrastructure NSW's expertise gathered through its various functions enables us to provide some general comments on the delivery of major infrastructure which may assist the Committee.

Best practice for the scoping and delivery of projects is to identify any specific infrastructure requirements within the planning phase. Early engagement with relevant agencies and regulators helps to inform the understanding of these requirements, supporting the project definition phase and enabling more robust cost estimates. These requirements include infrastructure that support telecommunications (such as the CCEP), safety, and accessibility for users.

Thank you for the opportunity to make a submission to this Inquiry. If further information is required, please contact

Yours sincerely

Tom Gellibrand Chief Executive