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## Greater transparency still needed for State's major infrastructure projects

The Auditor General tabled the <u>2023 Transparency Report: Major Projects</u> in Parliament today, the third such report.

Auditor General Ms Caroline Spencer said in 2023-24, the total budget allocation for major assets was \$10.4 billion.

'This includes investment in transport network projects, new and upgraded hospitals, schools, and clean energy projects that focused on climate action.

'Major infrastructure projects are often complex, and changes can significantly impact government strategic plans, budgets and delivery of services to the community.

'Out of the 20 projects we reviewed, cost budgets increased by 22.5%, or \$2 billion, since their original approval.

'Sixteen of the 20 projects reviewed have been or are expected to be delivered later than originally planned. Delays ranged from five to 58 months, with an average delay of 21 months.

'Many of the projects were impacted by labour and supply shortages and constraints in the construction industry,' Ms Spencer said.

The Government has responded by working with State entities to align the release of project works with industry's capacity to deliver and providing additional funding for unexpected price increases.

While there was development in planning and governance on major projects, it remained difficult to understand project progress due to static and disparate information.

Furthermore, there has been no progress on our Office's previous recommendations for regular and accessible public reporting on the status, and cost and time performance of major projects.

'This report includes a recommendation that the Department of Treasury, as custodian of the Asset Investment Program data set, regularly report to Parliament and the public to improve transparency on the cost, time and status of major projects.

'Pleasingly, Treasury has committed to exploring options to improve transparency of major projects from 2024-25, particularly around cost data which it already collects.'

'Such reporting would promote high levels of transparency and build community confidence in the management and significant investment of public money in major assets.

'Since January 2022, entities have been required to submit their proposals for major infrastructure projects costing \$100 million or more to Infrastructure WA,' Ms Spencer said.

'This allows Infrastructure WA to provide independent advice to the Premier as required by the *Infrastructure Western Australia Act 2019*.

'Infrastructure WA advice aims to ensure projects align with Government's objectives and costings are well-informed prior to an investment decision being approved and announced.





'I have also recommended all State entities seek Infrastructure WA's advice and assistance when preparing their infrastructure strategies, plans and policies.

'As an example of public reporting that could better inform Parliament and the community, we developed a data dashboard, available on our website, that displays information on the 20 selected projects,' Ms Spencer said.

To access the data dashboard, visit the OAG website.

## **Report resources**

- PDF version
- summary video