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## Premier and Cabinet Circular

**PC 049 – INFRASTRUCTURE SA MAJOR PROJECT ASSURANCE  
PROCESS**



Effective from November 2023

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## Purpose

This circular states the requirements for monitoring, reviewing and evaluating the delivery and performance of major infrastructure projects and programs that are undertaken by public authorities.

Note: This circular does not apply to ICT infrastructure projects.

## Context

Infrastructure SA (ISA) was established under the Infrastructure SA Act 2018 (the Act) to improve infrastructure planning, prioritisation, operation and implementation.

The Act creates a requirement for ISA to:

- a. review and evaluate proposals for major infrastructure projects by public sector agencies
- b. assess the risks involved in planning, funding, delivering and managing infrastructure, and the management of those risks, and
- c. monitor the delivery of major infrastructure projects and other infrastructure projects identified in strategies, statements or plans adopted by the Minister (Premier) and any other infrastructure project at the request of the Minister.

This Circular and the ***Infrastructure SA Assurance Framework (ISAAF)*** enables ISA to meet these requirements.

## Authority and accountability

The ISAAF recognises two types of public authorities in relation to major infrastructure projects and programs: sponsor agencies and delivery agencies.

A sponsor agency is a public authority that initiates a major infrastructure project/program, justifies the initiative, secures the funding and ensures the project/program is delivered in accordance with the sponsor agency's needs and requirements.

A delivery agency is a public authority that is appointed by a sponsor agency to construct/deliver a package of works for a major infrastructure project/program.

The Chief Executive of a public authority must ensure the public authority complies with this circular and the ISAAF.

Sponsor agencies will nominate a senior responsible officer (SRO) as the individual that holds the single point of accountability for each project/program that is within the scope of this Circular. An SRO is generally a senior executive that reports directly to the Chief Executive of the public authority.

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## Application

### Government delivered projects

Public authorities must comply with the ISAAF when they are undertaking:

- a) an infrastructure project with an estimated capital investment value of \$50 million (excl. GST) and above,
- b) an infrastructure program with an estimated total capital investment value of \$50 million (excl. GST) and above per annum
- c) any other infrastructure project or program that the Minister or Cabinet has approved to be monitored and assured by ISA.

These thresholds are based on the capital investment value of the project or program (including design, construction and land costs but not including GST) and are applied irrespective of the amount of State funding being contributed.

### Government sponsored projects and partnerships

The ISAAF applies to major infrastructure projects (as per the above thresholds) being undertaken via a public-private partnership.

It can also be applied to major infrastructure projects the SA Government is sponsoring: that is, SA Government is contributing funding (including via a grant), but not delivering. The sponsoring agency must ask ISA to undertake assurance.

Sponsoring agencies should contact ISA before making agreements or confirming funding with external parties to:

- decide whether the project or program is within scope for the ISAAF, and
- clarify how the ISAAF will be applied to the project or program, noting ISA may tailor it depending on each project or programs unique circumstances.

How the ISAAF will be applied and the obligations this places on all parties, must be fully explained to the proponent delivering the project as part of project delivery negotiations.

### ISA Written Advice

Public authorities must attach written advice from ISA to submissions seeking Cabinet approval or direction from a Cabinet Committee for:

- a) significant scope and budgetary directions and/or decisions
- b) an investment decision, or
- c) any exemption from this Circular.

Agencies must give ISA at least five (5) business days to prepare the advice.

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**OFFICIAL****Cost**

ISA's direct and indirect costs to provide assurance will be charged to the relevant sponsor agency in accordance with the approved cost recovery model.

**Exemptions**

The ISAAF enables the CE ISA to approve a delegated level of exemptions and variations to the ISAAF process and/or framework.

All other exemptions to this circular and the ISAAF must be approved by Cabinet.

**Monitoring and compliance**

Cabinet Office and ISA will review Cabinet submissions / notes to ensure ISA written advice is attached and provided to Cabinet in accordance with this circular.

ISA will provide reports to Cabinet at least once in every year on compliance with this circular and the ISAAF.

**Distribution and publication**

This circular will be published on the DPC and Infrastructure SA website.

**Document Control**

Review number: 2  
Review date: November 2023

Next review date: April 2026

**For more information**

The ISAAF is complemented by a range of agency guidance materials, which support this Framework. The complete ISAAF can be downloaded from the ISA web site at <https://www.infrastructure.sa.gov.au/> .

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