
Major Projects Performance

Tabled 22 September 2021



What we examined

We looked at whether public sector reporting of Victoria's major capital projects, worth \$100 million or more, provides Parliament with the information it needs to understand their performance.

For this review, we looked at projects between 2014–15 and 2021–22.

Who we reviewed

We reviewed the Department of Treasury and Finance (DTF) and its Office of Projects Victoria (OPV).

We also surveyed 16 public sector entities that were delivering 110 major projects in 2019–20 and 2020–21.

What we concluded

We concluded that DTF and public sector entities' reporting to Parliament and the public about major projects performance is not timely, relevant or sufficient.

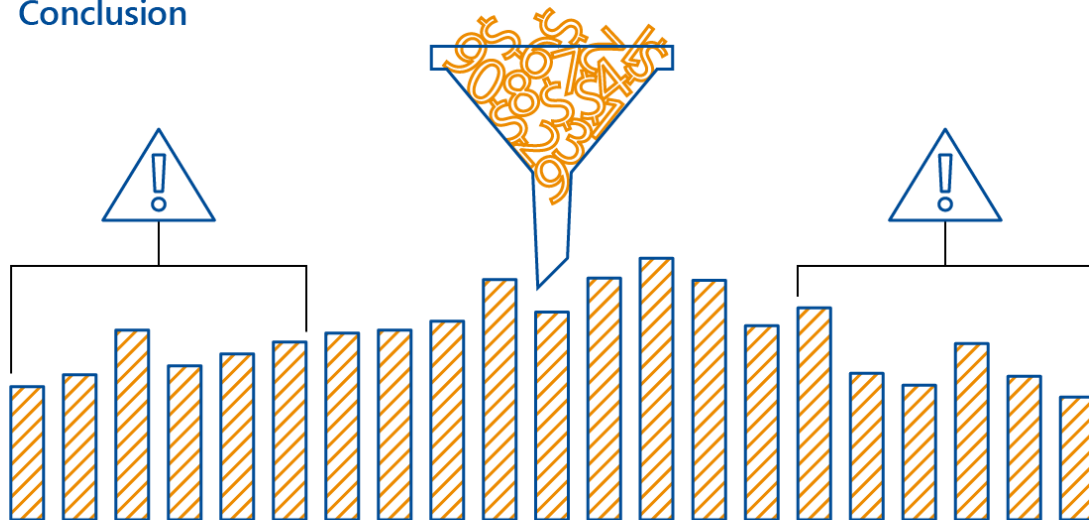
Publicly available data does not disclose the expected scope or benefits of projects, or how performance variance might affect outcomes.

DTF collects useful project data and provides clear performance reports about High Value and High Risk (HVHR) projects to government. But it does not report on major projects holistically to Parliament and the public.

Why this review is important

As at 1 July 2021, Victoria has \$144 billion invested in public infrastructure with \$95.64 billion invested in major projects.

Conclusion



Given their size and importance, Parliament and the community expect to know how major projects are performing against scope, time, cost and benefit expectations.

How agencies report

The most comprehensive source of public information about major projects is 'Budget Paper no. 4: State Capital Program' (or BP4).

The public can also access information about capital projects in entities' annual reports.

Major Projects Performance Reports (MPPR), which give detailed quarterly assessments of HVHR projects, are not publicly available and do not report on all major projects.

Major project information for the public ...

Public reporting on major projects is limited due to:

- data inconsistencies across BP4 over time and occasional errors
- a lack of information about a project's actual performance versus its targets.
- a lack of reporting about expected benefits
- insufficient reasons why projects' Total Estimated Investment (TEI) or estimated completion dates have changed
- not identifying delivery agencies of major projects or sub projects within works programs
- BP4 and entity annual reports are released once a year and only report on historical issues around a project's schedule or cost.

... Versus information for the government

However, the MPPR provides the government with frank information about the HVHR projects underway.

It includes details about emerging risks, project progress, how entities assess their own performance and commentary about projects' cost, time and scope.

Interactive dashboards we developed



Data quality assurance issues

The MPPR relies heavily on entities being candid about project issues. This means there's some risk of bias impacting entities' data and self-assessment ratings.

DTF uses the State Resource Information Management System (SRIMS) database to record capital projects data.

SRIMS was designed 10 years ago and has limitations that mean users cannot see their previous quarter's data.

DTF is working to move SRIMS to a cloud-based system that will enable it to back up and store historical data.

Interactive dashboards we developed

We developed two interactive dashboards. One collates seven years of published BP4 data from 2014–15 to 2021–22 for major projects.

The other shows current scope, cost and time performance for 110 major projects and demonstrates how DTF could report major project performance.

What we recommended

We recommended that DTF and OPV:

- develop and maintain a public-facing major projects performance dashboard
- improve entities' data collection, data quality and data disclosure, and
- formalise and share lessons learnt from major capital projects

Find out more by visiting audit.vic.gov.au, where you can read our full report and access our interactive major projects performance dashboards.