

Video transcript: Major Projects Performance Reporting 2022

Audit objective

In this review, we assessed if the public sector transparently reports on major projects performance against their planned cost, time, scope and benefits.

Who and what we examined

We looked at the Department of Treasury and Finance (or DTF) and 13 public sector agencies that manage 133 major infrastructure projects. These projects are expected to cost more than \$100 million each.

What we concluded

DTF and public sector agencies don't consistently report on major projects performance in a transparent way.

Without transparent reporting, Parliament and the community can't hold the responsible agencies accountable.

We published a data dashboard along with this report that shows how DTF could help Parliament and the community better understand how agencies manage Victoria's major projects.

Why this audit is important

In the last 8 years, the average cost of major projects has doubled. The number of projects that cost more than \$1 billion has also risen from 2 to 18.

Changes to major projects

Major projects change over their life span.

The cost of 91 existing and complete major projects has increased by \$11 billion since they first appeared in Budget Paper 4.

Of these 91 projects:

- 30 had cost increases of more than 10 per cent, and
- 41 changed their estimated completion date.

Budget Paper 4 and agencies' annual reports have some information about these changes.

But Parliament and the community need a single report, dataset or dashboard that shows how projects change over time.

Agencies don't always assess the benefits of their completed projects

DTF requires agencies to do gateway reviews at 6 key points in a project's life span.

The sixth gateway review assesses a project's benefits and checks if the money was well spent.

Of the 39 complete major projects we looked at, only 2 have finished a gateway 6 review so far.

We also found that 10 complete projects didn't have a business case. Without a business case, Parliament and the community don't know if a project was needed.

What we recommended

We made one recommendation to DTF to make and maintain a public-facing dashboard that shows how major projects are performing.

More information

Go to audit.vic.gov.au to explore our major projects dashboard and read our full report.

To access the complete video, please go to <https://youtu.be/fscfhzAgzjE>