

# APPENDIX C

## Scope of this audit

### Objective

To determine whether business cases for major transport infrastructure projects support informed investment decisions.

Who we examined	Their key responsibilities
DoT	The state's lead transport agency responsible for developing and prioritising transport portfolio capital projects and programs
DPC	Supports the government to achieve its strategic objectives
DTF	Provides economic, financial and resource management advice to help the government deliver its policies
MTIA	Comprises a number of project offices, including RPV and MRPV, responsible for planning and delivering major transport infrastructure projects
SRLA	To plan and deliver the SRL program

### What we examined

We looked at 4 transport infrastructure business cases against DTF's ILHVHR guidelines:

- 2 rail projects—SRL and MAR
- 2 road projects—BHRU and MRU1.

## How we assessed performance

To form our conclusion against our objective we used the used the following lines of inquiry and associated evaluation criteria:

Line of inquiry	Criteria
DoT and relevant transport agencies apply comprehensive processes to develop business cases for major transport infrastructure projects.	<p>DoT and relevant transport agencies:</p> <ul style="list-style-type: none"><li>• meet DTF's ILHVHR guideline requirements for business case planning, development, quality assurance, oversight and approval processes, and any relevant department, agency and/or project-specific processes and requirements</li><li>• comply with and respond to relevant external oversight, assurance and review mechanisms and requirements such as the Gateway and HVHR review and project assurance frameworks.</li></ul>
DoT and relevant transport agencies develop comprehensive business case content for major transport infrastructure projects to support informed government investment decisions.	<ul style="list-style-type: none"><li>• The key content in business cases for major transport infrastructure projects, including on options analysis, benefits identification and measurement, risk, cost estimation and financial and economic analysis, comprehensively meets DTF's ILHVHR guideline requirements.</li><li>• DoT and relevant transport agencies adequately justify and approve any departures from the key content requirements of DTF's ILHVHR guidelines.</li></ul>
DoT and relevant transport agencies deliver timely business cases for major transport infrastructure projects.	<ul style="list-style-type: none"><li>• DoT and relevant transport agencies provide government with complete business cases for major transport infrastructure projects in time to inform key decisions on investment commitments and project solutions.</li></ul>

## Our methods

As part of the audit we reviewed:

- the business cases and related documentation, including any strategic assessments and preliminary business cases for selected projects
- relevant documentation relating to the planning, development, quality assurance, oversight and external review (including HVHR reviews and Gateway reviews) of the selected projects and business cases
- relevant briefs and advice provided to the government.

We conducted our audit in accordance with the *Audit Act 1994* and ASAE 3500 *Performance Engagements* to obtain reasonable assurance to provide a basis for our conclusion.

We complied with the independence and other relevant ethical requirements related to assurance engagements.

## Cost and time

The full cost of the audit and preparation of this report was \$975,000. The duration of the audit was 11 months from initiation to tabling.