



Annual Report

INFRASTRUCTURE NSW
ANNUAL REPORT 2020-21

Letter to the Premier

The Hon. Dominic Perrottet
Premier of NSW
Parliament House
Macquarie Street Sydney NSW 2000

Dear Premier

I am pleased to submit for presentation to Parliament the Infrastructure NSW Annual Report for the financial year ended 30 June 2021.

The report has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984*, the *Public Finance and Audit Act 1983* and the regulations under those Acts.

The financial statements for 2020–21, which form part of the report, have been submitted to and certified by the Auditor-General of New South Wales.

Yours sincerely

A handwritten signature in black ink, appearing to read 'SD', with a long horizontal stroke extending to the right.

Simon Draper
Chief Executive

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About us

Infrastructure NSW provides independent, evidence-based advice to the NSW Government on infrastructure investment and prioritisation. We were established under the *Infrastructure NSW Act 2011*.

Infrastructure NSW's core functions include providing independent and strategic advice to ensure infrastructure investment decisions are underpinned by robust assessment and long-term planning; monitoring NSW's infrastructure program through independent reviews and expert analysis; recommending infrastructure projects to the NSW Treasurer for funding from the Restart NSW Fund; and managing the procurement and delivery of nominated priority projects. Infrastructure NSW is also responsible for the development of Barangaroo and management of its public spaces.

The Act

Infrastructure NSW was established in July 2011 under the *Infrastructure NSW Act 2011*. The Act tasks Infrastructure NSW with the following functions:

- a) to prepare and submit to the Premier a 20-year State infrastructure strategy
- b) to prepare and submit to the Premier 5-year infrastructure plans and other plans requested by the Premier
- c) to prepare and submit to the Premier Sectoral State infrastructure strategy statements
- d) to prepare project implementation plans for major infrastructure projects
- e) to review and evaluate proposed major infrastructure projects by government agencies or the private sector and other proposed infrastructure projects (including recommendations for the role of Infrastructure NSW in the delivery of those projects)
- f) to oversee and monitor the delivery of major infrastructure projects and other infrastructure projects identified in plans adopted by the Premier
- g) to carry out or be responsible for the delivery of a specified major infrastructure project in accordance with an order of the Premier under Part 5
- h) to assess the risks involved in planning, funding, delivering and maintaining infrastructure, and the management of those risks
- i) to provide advice to the Premier on economic or regulatory impediments to the efficient delivery of specific infrastructure projects or infrastructure projects in specific sectors
- j) to provide advice to the Premier on appropriate funding models for infrastructure
- k) to co-ordinate the infrastructure funding submissions of the State and its agencies to the Commonwealth Government and to other bodies

-
- l) to carry out reviews of completed infrastructure projects at the request of the Premier
 - m) to provide advice on any matter relating to infrastructure that the Premier requests.

Infrastructure NSW also has functions under the *Barangaroo Act 2009* including:

- a) to promote, procure, facilitate and manage the orderly and economic development and use of Barangaroo, including the provision and management of infrastructure
- b) to promote, procure, organise, manage, undertake, secure, provide and conduct cultural, educational, residential, commercial, transport, tourist and recreational activities and facilities at Barangaroo
- c) to develop and manage the Barangaroo Reserve and public domain so as to encourage its use by the public and to regulate the use of those areas
- d) to facilitate and provide for appropriate commercial activities within the Barangaroo Reserve and public domain that are consistent with their use for cultural, educational and recreational activities and the use and enjoyment of those areas by the public
- e) to promote development within Barangaroo that accords with best practice environmental and town planning standards, is environmentally sustainable and applies innovative environmental building and public domain design
- f) to liaise with Government agencies with respect to the co-ordination and provision of infrastructure associated with Barangaroo
- g) to undertake the delivery of infrastructure associated with Barangaroo or that relates to the principal functions under this Act of Infrastructure NSW.

Infrastructure NSW is also taken to be a development corporation for the purposes of the Blackwattle Bay precinct that was formerly the responsibility of UrbanGrowth NSW Development Corporation. This function is set out in the *Growth Centres (Development Corporations) Act 1974*.

Vesting of former Urban Growth projects

On 1 July 2020, projects and assets, rights and liabilities relating to the former Urban Growth Development Corporation were transferred from Infrastructure NSW to other government agencies, as follows:

1. Redfern-Eveleigh – Infrastructure NSW to Transport for NSW
2. Waterloo Estate – Infrastructure NSW to Land and Housing Corporation (within Department of Planning, Industry and Environment)
3. Waterloo Metro Quarter & Waterloo Estate Joint Contracts – Infrastructure NSW to Land and Housing Corporation and Sydney Metro jointly
4. Bays West – Infrastructure NSW to Department of Planning, Industry and Environment
5. White Bay Power Station – Infrastructure NSW to Place Management NSW (within Department of Planning, Industry and Environment)
6. Parramatta North – Infrastructure NSW to Property NSW (within Department of Planning Industry and Environment)
7. Cumberland Precinct Transaction with University of Sydney – Infrastructure NSW to Department of Premier and Cabinet

Chairman and CEO overview

Throughout 2020-21, Infrastructure NSW has focussed on helping the NSW Government maintain momentum on its unprecedented infrastructure program. The COVID-19 pandemic posed many unforeseen challenges for the infrastructure sector over the past year but Infrastructure NSW has progressed delivery of several major projects, maintained its role as an independent, expert advisor to the government, and continued to encourage best practice in capital investment in Infrastructure projects.

The COVID-19 pandemic has elicited renewed energy for collaboration as both the industry and government adjusted to a new normal. Infrastructure NSW has been at the forefront of this collaboration – working with all parts of the infrastructure sector to help maintain project delivery. Adopting a leadership role, Infrastructure NSW continuously monitored and reported on the impacts of COVID-19 on the construction sector and published timely information for industry.

Infrastructure NSW has worked with government and agencies to improve their capacity to deliver a very full infrastructure program. In December 2020, the government published a guideline on Timely Information on Infrastructure Projects, prepared by Infrastructure NSW to ensure that public information and commitments stay in step with the stage of development on each project. This is essential for maintaining public confidence and avoiding unnecessary and counterproductive pressures on those delivering projects. In June 2021, the government published a Premier's Memorandum on Procurement of Large, Complex Infrastructure Projects. This document was prepared by Infrastructure NSW in cooperation with delivery agencies following deep engagement with industry. It sets out the methodologies and requirements for procuring high risk projects that require extensive cooperation between government and industry.

The NSW Infrastructure Pipeline brings together all NSW Government infrastructure projects with a minimum capital value of over \$50 million that are expected to come to market. It provides industry with the best possible information to enable planning and resourcing for the next 3 to 5 years. Information regarding the Pipeline is regularly updated on the Infrastructure NSW website to reinforce the Government's commitment to transparency and to attract competitive investment in major infrastructure projects across the whole of NSW.

At the request of the government, Infrastructure NSW also established a Strategic Programs Office (SPO) in late 2020 to oversee more than \$5 billion of additional infrastructure expenditure in support of the government's \$29 billion COVID economic recovery strategy. Since inception, the SPO has provided coordinated oversight on each cluster's contribution and progress in delivering the Stimulus Infrastructure Program. The SPO also assisted agencies and project teams by providing expert advice on pre-procurement approvals, planning approval pathways, procurement, and delivery mobilisation.

Projects NSW made significant progress on several major projects in 2020/21. In December 2020 construction on Wharf 4/5 was completed, a key milestone in the Walsh Bay Arts Precinct project. The early works contract was awarded for the Powerhouse Parramatta project and a large part of the demolition and investigation works was completed. Early works also commenced at the New Sydney Fish Market which has swiftly moved into the construction phase. The Sydney Football Stadium Redevelopment project has progressed well despite COVID-related site restrictions and in

June 2021 unveiled its public art plan, including Indigenous artist Tony Albert's spectacular seating design.

Barangaroo South achieved key milestones with many development projects completed. The Wulugul walk opened to the public in April and provides a scenic 11km waterfront walk from Woolloomooloo to the Anzac Bridge. The hotel and restaurant components of Crown Sydney opened to the public in 2020, as well as Watermans Cove, the foreshore fronting the Crown Resort and Hickson Park. Barangaroo maintained its carbon neutral certification in 2020 under the Australian Climate Active Carbon Neutral Certification Scheme.

Restart NSW made significant progress in administering funding deeds for key local and community infrastructure projects in 2020-2021. Twenty-seven projects were funded this year, taking the total funding for local and community projects to \$2.3 billion. More than 100 projects funded under the Restart NSW Fund were completed during the year.

In partnership with WaterNSW, the Hawkesbury Nepean Valley team progressed the proposal to raise Warragamba Dam for flood mitigation, including conducting significant due diligence as part of the drafting of the Environmental Impact Statement (EIS) in the reporting year. The March 2021 floods were debilitating for the Valley and provided verification for the Hawkesbury Nepean-River Flood Study which builds on the outcomes of the 2019 Regional Flood Study.

Infrastructure NSW continued to provide major project assurance during the financial year, with new project registrations increasing the size of the portfolio to 905 projects, up 10% on last year, and completed 148 gateway reviews. The Investor Assurance team plays a key role in facilitating strategic policy reform and was a catalyst for the project delivery of improvement initiatives, outlined above. Assurance work was also extended to asset management reviews across the State's portfolio. These will become increasingly important for reliability of service continuity and community resilience in the face of future stresses and shocks.

Infrastructure NSW continues to lead the Government's 10-point commitment to the construction sector, guiding government and industry to work more effectively together to strengthen the capability of the sector. Infrastructure NSW has also developed resilience proposals based on the lessons from COVID-19, bushfires and floods, which will inform the 2022 State Infrastructure Strategy (2022 SIS).

Our Strategy team has made good progress on the 2022 SIS, the culmination of a 2-year program of research, analysis, and consultation, building on NSW's infrastructure achievements of the past decade.

In 2021-2022, Infrastructure NSW will continue its work to assist Government to refine and deliver its infrastructure program, including helping the industry recover from the impacts of the COVID outbreak in mid-2021. Infrastructure is a long-term proposition – a long time in planning, in delivery and in service. Infrastructure NSW will focus on ensuring that the State's infrastructure legacy will serve the needs of the people of NSW for decades to come.



Graham Bradley AM
Chairman



Simon Draper
Chief Executive

The year in review

Infrastructure NSW had a successful year in 2020-21. Major achievements of the year are outlined below.

Investor Assurance

Capital Investments Assurance – IIAF

Background

The NSW Government established the Infrastructure Investor Assurance Framework ¹(IIAF) to apply independent assurance on the State's portfolio of capital infrastructure programs and projects through the NSW Gateway Review System ². The Investor Assurance (IA) function within Infrastructure NSW administers the IIAF for Government. The framework's primary objectives are to ensure that Government's key infrastructure programs and projects are delivered on time and on budget and to provide Cabinet with early warning of any emerging issues to prevent projects from failing. The IA team achieves these objectives through:

1. registration and risk profiling of capital projects and programs
2. IIAF Assurance Gateway Reviews (reviews)
3. selection of Subject Matter Experts (SMEs) to execute reviews and manage the Expert Reviewer Panel (ERP)
4. monitoring closing of review recommendations made to address risks impacting project delivery confidence
5. monitoring and reporting the performance of capital portfolios, programs and projects
6. coordinating the development of mitigation plans prepared to address projects that are rated red
7. identifying systemic drivers of risk across the portfolio of investments and leading the development and implementation of policy reforms to improve future outcomes
8. continuously improving its processes, technology and capabilities to deliver the above.

Performance summary

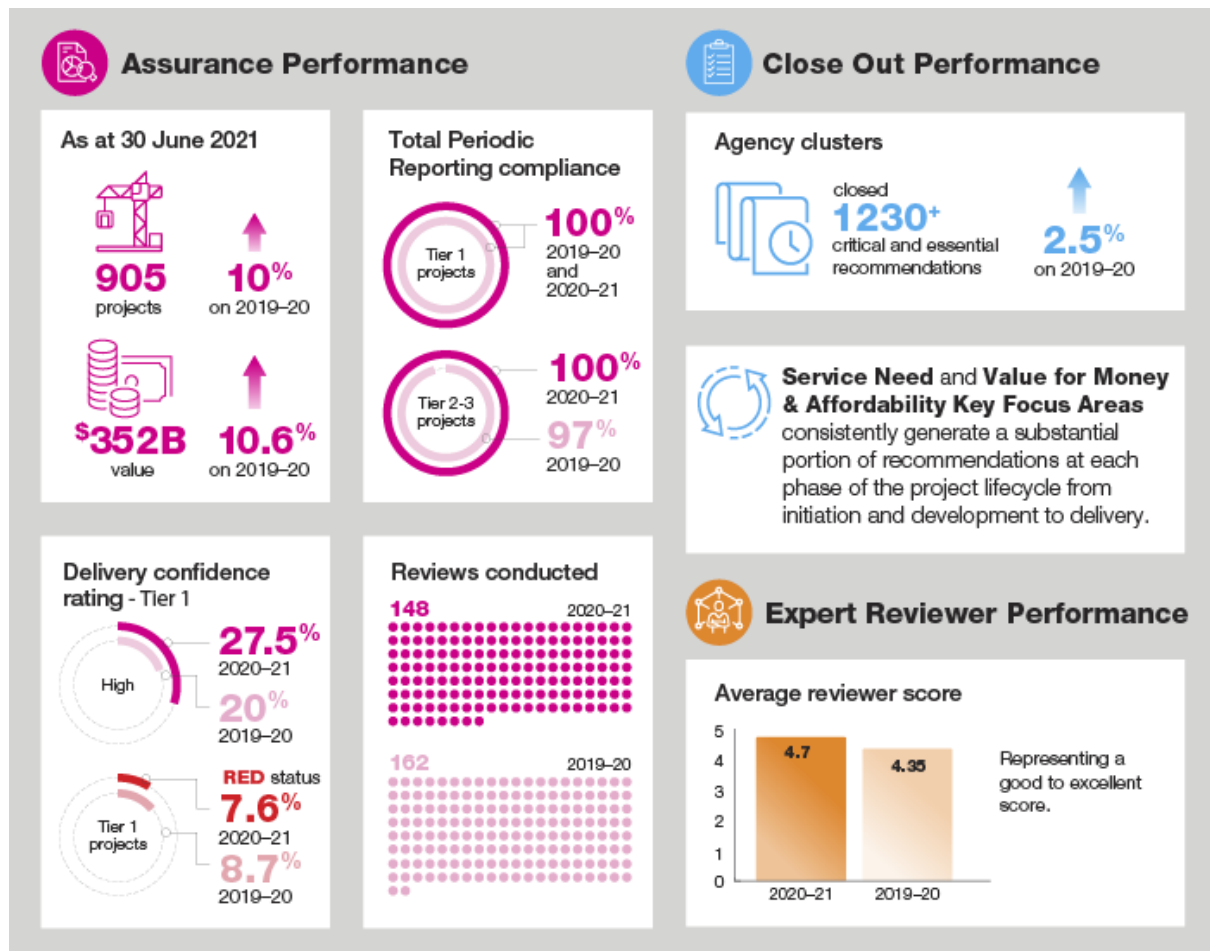
Overall, the performance of the NSW projects covered by the IIAF improved in FY2020-21. This is supported by increased levels of delivery confidence across the High-Profile High-Risk (HPRH) projects with the ratio of 'High' confidence ratings, increasing from 20% to 27.5% year-on year. This is despite a significant increase in the number, complexity, and value of the State's portfolio. Performance in the number of recommendations closed increased by 2.5% year-on-year with the Clusters closing over 1230 recommendations. The Expert Reviewers contribution also improved with performance scores increasing from 4.35 to 4.7 out of 5 when compared to last year. When combined, these resulted in the percentage of HPRH projects at risk reducing year-on-year from 8.7% to 7.6%. This improvement is, in part, the result of the implementation of new initiatives

¹ Infrastructure Investor Assurance Framework, March 21 (<https://www.infrastructure.nsw.gov.au/media/3011/infrastructure-investor-assurance-framework-iaf-march-2021.pdf>)

² NSW Gateway Policy (TPP 17-01)

including the Oversight Framework ³, the Timely Information on Infrastructure Projects ⁴ guide and advanced portfolio analytics through the NSW Assurance Portal. Figure 1 provides a score card of the IIAF performance in FY2020-21.

Figure 1, IIAF FY2020-21 Performance Score Card



The IIAF applies a 4-tiered risk-based approach to assurance. The most scrutiny is applied to HPHR and the lowest level of assurance is applied to Tier 4 projects ⁵. The number and value of projects in the State's infrastructure program continued to increase in 2020-21 with new project registrations increasing the size of the portfolio by 10% year-on-year to 905 projects. The value of these registered projects increased by 10.6% year-on-year, to \$352 billion. The number of HPHR projects fluctuated throughout the year between 42 and 48 as projects were added, re-tiered or completed.

Infrastructure NSW conducted 148 Gateway Reviews this year which is down by 8.6% from FY2019-20. Of these Reviews, 81 were for HPHR projects, 45 for Tier 2 Projects and 22 for Tier 3 and 4 projects combined.

³ Oversight Framework, May 2021 (https://www.infrastructure.nsw.gov.au/media/2932/oversight-framework_final.pdf)

⁴ Timely Information on Infrastructure Projects (<https://www.infrastructure.nsw.gov.au/expert-advice/timely-information-on-infrastructure-projects/>)

⁵ Infrastructure Investor Assurance Framework, March 21 (Section 3.2 – Risk-based approach to investor assurance and projects tiering definition and approach. Page 24).

Assurance produced 131 Close-Out Plans with 1586 recommendations prepared over the financial year. Infrastructure NSW completed 1838 Periodic monthly and quarterly reports with 100% compliance.

In FY2020–21, the Investor Assurance team contributed to the following strategic policy reform and improvement initiatives:

1. Premier’s Memorandum on the Procurement of Large, Complex Infrastructure Projects⁶ and the Framework for Establishing Effective Project Procurement⁷ which apply practices to increase participation, competition, and efficiency in the delivery of the NSW infrastructure pipeline.
2. Oversight Framework³ and the accompanying Guide⁸ improves accountability and transparency in project delivery oversight and decision making.
3. Timely Information on Infrastructure Projects⁴ guide which supports the provision of project information to the community, in line with the level of details available at the project lifecycle stage.
4. Facilitated the infrastructure Co:Lab which supports the sharing of lessons learnt across project teams and responds to the Trends and Insights⁹ recommendations to establish stronger networks, develop capability and create awareness of systemic issues.
5. Development of a new Capital Portfolio Review which focuses on an agency’s capability and capacity to successfully deliver its portfolio.
6. Amendments to the IIAF¹ to incorporate new framework releases, update of the gateway workbooks and include reference to the new Capital Portfolio Review.

These initiatives are high-impact measures which positively influence future infrastructure investment outcomes at the whole-of-government level.

The team continues to focus on activities undertaken by specific clusters through the Cluster Partner Teams while the Portfolio Performance and Analytics Team provides an aggregated view of the portfolio performance and the systemic issues to be addressed to improve future investment outcomes. The Infrastructure Assurance team structure is detailed at Figure 2.

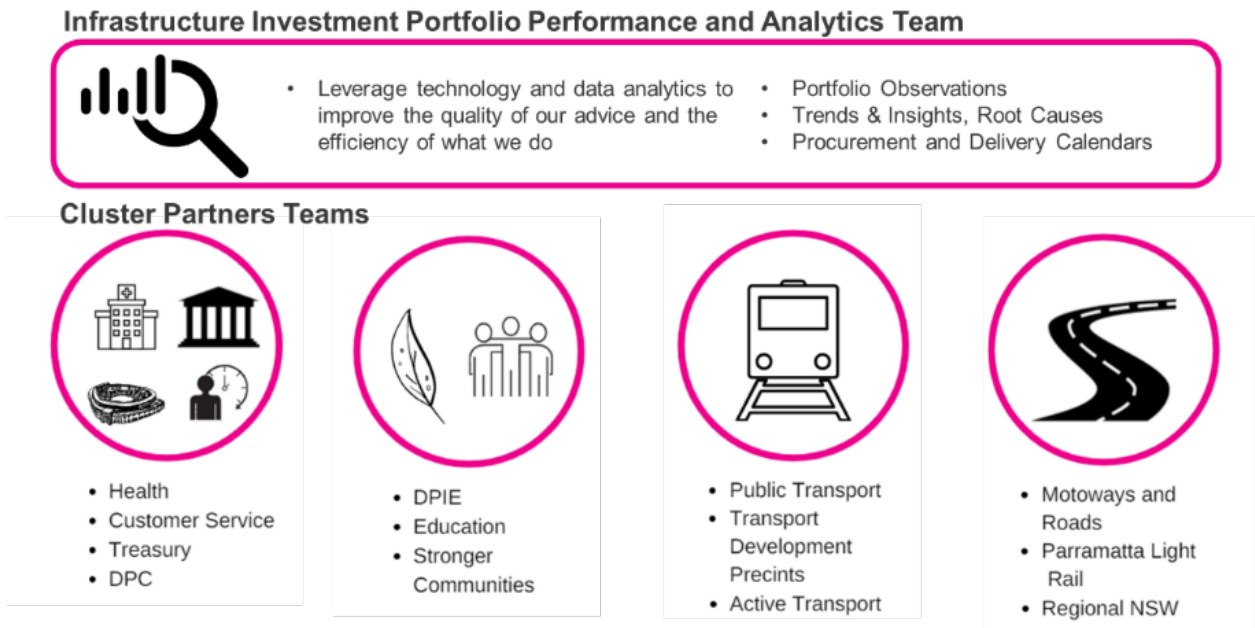
⁶ Premier’s Memorandum on the Procurement of Large, Complex Projects (<https://arp.nsw.gov.au/m2021-10-procurement-for-large-complex-infrastructure-projects/>).

⁷ Framework for Establishing Effective Project Procurement (https://www.infrastructure.nsw.gov.au/media/2944/procurement-framework_3-june-21_final.pdf)

⁸ A Guide to the Oversight Framework (https://www.infrastructure.nsw.gov.au/media/2931/oversight-framework-guide_final.pdf)

⁹ Trends and Insights report, 2020 (https://www.infrastructure.nsw.gov.au/media/3082/2020-trends-and-insights-report-draft-v45_public_final.pdf)

Figure 2, Investor Assurance Team



Enablers – the NSW Assurance Portal

Throughout the year, the IA Team completed some major improvement initiatives transitioning all assurance processes to digital and automating the production of reports and insights. This work realised efficiencies and improved the depth of insights available to the Government to identify and mitigate risks earlier. This combined with the strategic policy initiatives listed, resulted in a stronger overall performance of both the IIAF and the State’s portfolio of infrastructure projects and programs in FY2020-2021.

Asset Management Assurance – AMA

Background

Asset Management Assurance was established in 2020-21, to give NSW Government confidence that the Asset Management Policy for the NSW Public Sector ¹⁰ (NSW AM Policy) is effective and that its objectives are being achieved.

The Investor Assurance (IA) function within Infrastructure NSW administers Asset Management Assurance on behalf of NSW Government.

The NSW AM Policy became effective in November 2020 and seeks to achieve 4 outcomes in support of sustainable service provision:

1. increase asset management capability
2. improve asset use and resilience
3. strengthen financial sustainability
4. target effective investments in existing assets.

The IA function supports delivery of these outcomes through monitoring and reviewing:

- the asset management capability of the NSW public sector, and
- the performance of NSW Government assets.

It also identifies and delivers whole-of-government asset management continuous improvement initiatives recommended through analysis of assurance findings.

Performance summary

Significant activity was undertaken across government in support of NSW AM Policy implementation, led by Infrastructure NSW in conjunction with NSW Treasury.

Policy implementation activities included:

- the establishment of NSW AM Policy governance, including regular reporting to Cabinet
- support and guidance for agencies in delivering their first Asset Planning Submissions and Attestation Submissions required under the NSW AM Policy, including consideration of exemptions
- design, testing and approval of Asset Management Assurance processes
- completion of 26 independent asset management assurance reviews
- production of whole-of-government reports, including the 2020-21 State of Infrastructure Report and the 2020-21 Asset Management Capability Report
- ongoing NSW Asset Management Community of Practice events
- addition of functionality in the NSW Assurance Portal to support efficient delivery of 2021-22 activities.

¹⁰ [TPP19-07 Asset Management Policy for the NSW Public Sector](#)

Strategic Programs Office

Regular reporting and monitoring on more than 150 projects and programs across seven Clusters.

Over \$1.8 billion of expenditure overseen in the 6 months to end-June 2021.

More than 45 projects directly assisted across the program to date.

High level collaboration with embedded staff from NSW Treasury and DPIE.

In late 2020, the NSW Government requested Infrastructure NSW establish the Strategic Programs Office (SPO) to oversee and drive more than \$5 billion in additional infrastructure expenditure to support the NSW Government's \$29 billion COVID-19 economic recovery strategy.

The SPO coordinates across government to monitor, assist, and report each cluster's contribution and progress in delivering the Stimulus Infrastructure Program.

The objectives of the SPO are to:

- provide coordinated oversight and assist in the timely delivery of the infrastructure works.
- report to Cabinet on the progress of the projects and recommend policy initiatives for improved delivery of the program.
- directly assist clusters and project teams to improve Stimulus infrastructure outcomes and ensure Stimulus funds move out into the economy.

SPO's direct assistance to clusters is offered through proactive collaboration. This assistance is broadly targeted at:

- improving efficiencies in pre-procurement approvals and timeframes
- improving procurement and grant evaluation processes
- opportunities to improve delivery mobilisation and mitigate delivery issues.

The types of assistance provided to clusters has included:

- advice, mentoring and coaching to project teams
- review and assistance with project program documentation and cashflows
- provision and guidance on model procurement and project documentation
- embedding in project teams to directly oversee programs of works
- short-term assignments (such as drafting management plans, optimising programs and schedules)
- facilitating inter-government coordination
- advising and guidance on commercial arrangements with contractors and third-parties.

Through coordinated oversight and proactive assistance to clusters, the following benefits are being achieved for the government and the community:

- targeted funding to both regional and metro areas to support communities impacted by COVID

-
- contributing to jobs growth and State productivity through the delivery of infrastructure
 - promoting transparency of progress and development and delivery risks on projects targeting and mitigating capability and capacity constraints in industry and government
 - identifying, escalating and resolving inter and intra-government issues quickly and effectively
 - improving overall confidence to government in the efficient and timely development, procurement and delivery of projects.

Strategy, Planning and Innovation

Infrastructure NSW provides independent and strategic advice to the NSW Government to ensure infrastructure investment decisions are informed by robust assessment and long-term planning.

Key initiatives of the Strategy, Planning and Innovation team are outlined below.

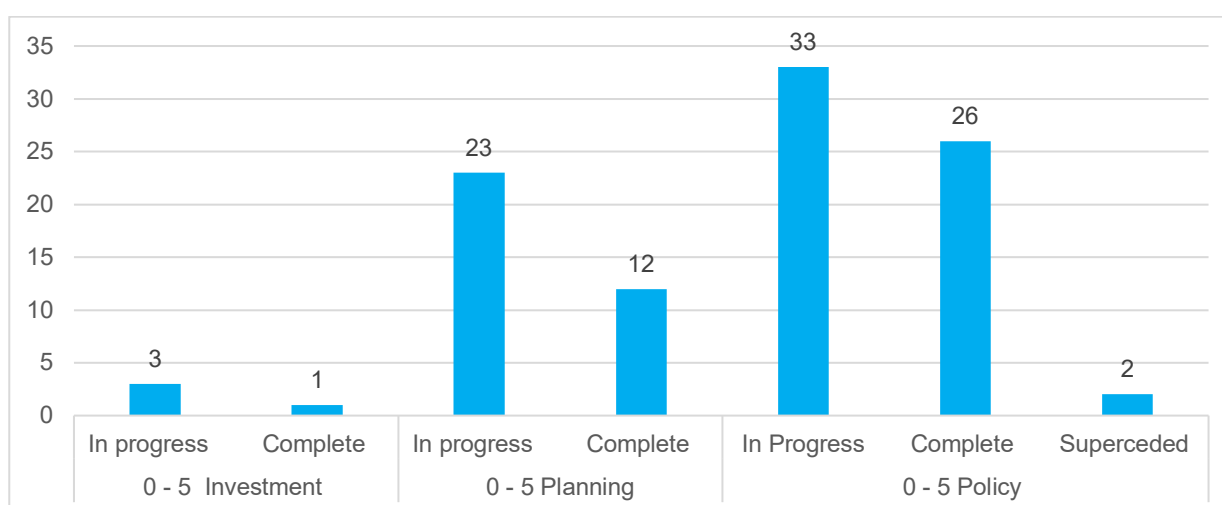
Implementation and monitoring of the 2018 State Infrastructure Strategy

The 2018 State Infrastructure Strategy (2018 SIS) was released in March 2018, with the Premier adopting 113 out of 121 recommendations made by Infrastructure NSW.

In contrast to the 2 previous State Infrastructure Strategies, *Building Momentum: State Infrastructure Strategy 2018-2038* switched the focus from developing an infrastructure project pipeline to achieving sustainable growth for NSW by aligning investment in infrastructure with land use decisions, and achieving innovation in service delivery.

Many of the 2018 SIS recommendations have either been completed or are currently in implementation stage. One hundred recommendations (out of a total of 113) were to be completed in the first 5 years, which primarily relate to policy or planning initiatives rather than project construction or delivery. The progress of those recommendations as of Q3 2021 is outlined in the figure below.

Figure 3, 2018 SIS Recommendations for Completion in 0-5 Years, Progress to Date¹¹



Key projects and initiatives achieved since the 2018 State Infrastructure Strategy

- Comprehensive suite of sectoral strategies across NSW Government.
- Asset Management Policy and Assurance Framework for the NSW Public Sector.
- Moving towards a place-based approach, including Smart Places Strategy development.
- Cyber Security Strategy and Internet of Things Policy.
- Warringah Freeway Upgrade.

¹¹ Status as at Q3 2021.

Development of the 2022 State Infrastructure Strategy

The development of the 2022 State Infrastructure Strategy (2022 SIS) has been the core focus of the Strategy, Policy and Innovation team in FY20/21. The 2022 SIS will identify needs and strategic priorities for infrastructure in NSW for the next 20 years and complement the progress made by NSW Government in implementing recommendations and strategic directions set out in the 2018 SIS.

The 2022 SIS is being developed in a collaborative manner with NSW Government agencies. The key activities undertaken throughout FY20/21 are as follows:

- **Baseline Review:** to understand and establish the NSW infrastructure landscape today, and the challenges and opportunities in the long term.
- **Agency and industry consultations:** to identify and understand complex long-term challenges faced by NSW Government agencies and industry.
- **Options analysis:** identifying and evaluating a range of government intervention options, drawing on stakeholder input, best practices in other jurisdictions, and consultation with subject matter experts.
- **Expert advice:** Infrastructure NSW convened an independent Expert Advisory Panel (EAP), comprised of leading experts across multiple areas of the SIS, to challenge the team developing the SIS. The EAP was involved throughout the lifecycle of the SIS development.
- **Infrastructure NSW Board involvement:** the SIS is developed and finalised with the input and guidance of the Infrastructure NSW Board. The Board has overseen all the processes set out above and approves the final document.

The Strategy, Planning and Innovation team will continue to develop the 2022 SIS in Q1 and Q2 of FY21/22. It is expected to be delivered to the NSW Government by December 2021.

The Construction Leadership Group

The NSW Government Construction Leadership Group (CLG) continues to collaborate across government and industry to deliver the *NSW Government Action Plan: a ten-point commitment to the construction sector*. CLG members include key NSW Government agencies engaged in the delivery of the large long-term pipeline of infrastructure investment for NSW.

Since publishing the 10-point commitment in 2018, the CLG has implemented initiatives across state infrastructure projects to support the long-term sustainability of the sector. Key initiatives for 2020-21 include:

- continuing transparency through ongoing updates of the interactive whole-of-government [NSW Major Project Pipeline](#) hosted on the Infrastructure NSW website
- monitoring of contractor performance for major infrastructure projects across whole of NSW Government
- review of procurement practices for major infrastructure projects leading to the recent publication of the [Premier's Memorandum on Procurement for Large, Complex Infrastructure Projects](#) and associated [Framework for Establishing Effective Project Procurement](#), developed by Infrastructure NSW
- development of Practice Notes to guide NSW government and industry

Achievements/milestones in 2020-21

A number of initiatives have been delivered against the 10-point commitment resulting from the collaborative approach by agencies and industry, including:

- development and publication of Interactive Tendering Guidelines and Procurement Method Guidelines in support of government and industry best practices in tendering and procurement
- establishment of a working group to develop an implementation plan for the Construction Industry Culture Task Force (CICT) draft 'Culture Standard'
- implementation of the NSW Procurement Board's updated Procurement Policy Framework, including the new Aboriginal Procurement Policy
- working with NSW delivery agencies in implementing the Infrastructure Skills Legacy Program (ISLP) which as of 1 July 2020 mandated comprehensive skills and diversity targets for government infrastructure procurement; to date, all ISLP projects have met or exceeded targets
- fostering collaboration across industry and with Victoria through the Construction Industry Leadership Forum (CILF)
- convening a new Infrastructure Industry Forum hosted by Infrastructure NSW for industry that meets quarterly to collaborate on the issues facing the sector
- establishing a new traineeship program across NSW Government to provide over 100 high school graduates a pathway to employment and training in office-based infrastructure roles.

NSW Major Infrastructure Pipeline

Infrastructure NSW continues to publish the 'whole-of-government' NSW major project pipeline under the *NSW Government Action Plan: a 10-point commitment to the construction sector*, detailing projects which are planned or likely to come to market over the following 5 years. The pipeline is updated on a post-budget basis and includes infrastructure projects with an expected project value of over \$50 million.

The purpose of the published pipeline is to provide industry with appropriate lead time and readiness for a government engagement, bidding, procurement contractor partnering, planning and mobilisation of a skilled workforce across the project lifecycle.

COVID-19 response

In light of the COVID-19 pandemic, the CLG has focused on ongoing engagement with the construction industry to mitigate impacts from COVID-19 and associated Public Health Orders. The CLG prioritised relaying relevant health advice and engaging with industry to ensure all stakeholders were well versed on the ongoing changes to the Public Health Orders. This included regular updates to the COVID-19 Response FAQ section of the Infrastructure NSW website and responding to queries from participants across the construction sector.

Projects NSW

Projects NSW is a division within Infrastructure NSW established in 2015 to manage the procurement and delivery of nominated priority projects. From 1 July 2019, Projects NSW also took on the role of overseeing delivery and management of the Barangaroo precinct and master planning the Blackwattle Bay precinct.

Work Health and Safety, and Environment Management

The Projects NSW division works with delivery partners to ensure the health and safety of workers and others affected by project activities.

Safety performance

Major project delivery: WHS performance

Projects NSW directly engages delivery partners to deliver priority projects as the Principal Contractor. The following table shows their work, health and safety (WHS) performance against key performance indicators:

Table 1, Major projects' WHS performance against key performance indicators:

HSE Statistics	New Sydney Fish Market	Sydney Modern	Walsh Bay Arts Precinct	Sydney Football Stadium	Powerhouse Museum Parramatta
Total number of hours worked	38,058	360,548	1,088,127	1,532,980	5,170.5
Total number of first aid injuries	0	23	30	152	0
Total number of days/hours lost due to injury	0	8hrs	64hrs	60days	0
Number of SafeWork NSW inspections	3	4	3	4	0
Number of notifications (including Improvement Notices or fines) from SafeWork NSW	0	0	1	0	0
Number of environment notices from the regulator	0	0	0	0	0

Barangaroo Precinct: WHS performance

During the reporting period, major construction activities occurred at various locations within the Barangaroo precinct. Projects NSW was not the Principal Contractor for these construction activities.

The following table shows the number of WHS Notifiable Incidents that occurred at the Barangaroo precinct during the reporting period:

Table 2, WHS notifiable incidents at the Barangaroo precinct in 2020-21:

Entity	No. of WHS Notifiable Incidents
Barangaroo Crown Resorts	4
Barangaroo Lend Lease One Sydney Harbour	1
INSW (Barangaroo Activation and Precinct Management)	Nil

Managing the risks of COVID-19

Projects NSW worked with our delivery partners to manage the risks associated with COVID-19.

Major project delivery

Projects NSW is responsible for overseeing the design, planning, procurement, and delivery of selected major projects on behalf of the NSW Government.

Throughout 2020-21, Projects NSW was responsible for the planning and delivery of 5 major projects, with a combined capital investment value at over \$2.7 billion, as well as the ongoing urban renewal of the Blackwattle Bay precinct.

Achievements throughout 2020-21 are outlined below.

Walsh Bay Arts Precinct

Projects NSW, in partnership with Create NSW, continues to lead the delivery of the Walsh Bay arts precinct, a redevelopment of the heritage wharves at Pier 2/3 and Wharf 4/5 to create a public arts and cultural hub.

In December 2020, construction works at Wharf 4/5 were complete, marking a major milestone for this important project. By early 2021, Sydney Theatre Company, Sydney Dance Company, Bangarra, The Song Company, Sydney Philharmonia Choirs and Gondwana Choirs commenced operations in their new spaces, putting on shows and rehearsing.

2020-21 also saw progress of Pier 2/3 with all the new tenancy spaces starting to take shape. The new arts tenants – Australian Chamber Orchestra, The Australian Theatre for Young People and Bell Shakespeare - are expected to commence operations on the Pier in early 2022 marking the completion of the project.

Sydney Football Stadium Redevelopment

The redeveloped Sydney Football Stadium will be a modern, world-class venue, ensuring Sydney has a sporting and entertainment precinct of an international standard and that NSW remains the number one choice for sporting and entertainment events.

Projects NSW is managing the planning, procurement, and delivery of the project on behalf of Venues NSW.

The construction contractor, John Holland, commenced major work on the new stadium in April 2020. Since then, many milestones have been reached, including the completion of piling, completion of the concourse, installation of steel rakers and seating plats, and the topping out of the concrete structure in May 2021. More recently, installation of the stadium façade, installation of the large steel roof structure and internal building fit-out have commenced.

The Public Art Plan for the stadium was revealed in June 2021 and features 6 opportunities for public art in and around the stadium. It is highlighted by a spectacular stadium seating design by award winning Indigenous artist Toby Albert.

Sydney Modern

In 2020-21, Sydney Modern Project, the expansion of the Art Gallery of NSW, saw significant progress and the site transformed from earthworks, to the erection of the gallery's steel structures. Work also began on the 'rammed earth wall', a special feature on the project which will continue through to next financial year.

The project includes a new stand-alone building, located to the north of the existing gallery, a public art garden, and the adaptive reuse of a decommissioned World War II oil tank.

Projects NSW continued to work closely with its delivery partners, Richard Crookes Constructions, the Art Gallery of NSW and Create NSW throughout the year.

Sydney Modern remains on track for completion in 2022.

Powerhouse Parramatta

Projects NSW is responsible for the planning and delivery of Western Sydney's first cultural institution, Powerhouse Parramatta. Working closely with the Powerhouse Museum and Create NSW, Projects NSW has successfully taken the project forward from planning to delivery. A State Significant Development Application exhibition closed in July 2020, with over 1200 submissions received. A Response to the Submissions Report was finalised in October 2020 and the project received planning consent in February 2021.

An early works contract was awarded to Liberty Industrial, with a large portion of demolition and investigation works completed in the reporting period. In 2021-22, Projects NSW will focus on finalising the competitive tender process to appoint a main works delivery partner to enable construction commencement in early 2022.

New Sydney Fish Market

The new Sydney Fish Market will be a world-class building and destination providing an authentic market experience and strengthening its position as one of Australia's leading tourist destinations.

Designed by 3XN, BVN and Aspect Studios, the new Sydney Fish Market will be a distinctive architectural addition to the city's foreshore. The project's stunning design is inspired and informed by some of the most iconic markets around the world.

The project will also return inaccessible harbourfront land to the community and will deliver a variety of new public spaces. This will allow people to access the head of Blackwattle Bay for the first time since industrial uses took over in the 19th Century.

Following planning approval in June 2020, early works commenced in September 2020 which involved demolition of the existing wharves and structures. The site was handed over to the main works contractor, Multiplex, in April 2021. The project has now moved into the construction phase with marine piling to begin later this year. The new Sydney Fish Market remains on track to be open in late 2024.

Blackwattle Bay State Significant Precinct

Relocating the Sydney Fish Market to the head of Blackwattle Bay enables this part of the harbour foreshore to be returned to the public. It provides an exciting opportunity to improve pedestrian and cycling links, and to connect Glebe and Pyrmont to the water as part of the long-awaited revitalisation of the area. The relocation of the Fish Markets also provides the catalyst for a major urban renewal of the area (9 hectares), the planning for which is being led by Projects NSW.

The urban renewal at Blackwattle Bay is following a State Significant Precinct pathway to redevelop the site. The preferred precinct plan has been completed in alignment with NSW Government policy and objectives, stakeholder and community engagement, technical performance requirements, sustainability, place and design excellence, and the principles developed with the community in 2017.

The State Significant Precinct Study was submitted to the Department of Planning, Industry and Environment, and placed on public exhibition on 2 July 2021 for community feedback.

The Barangaroo Precinct

Barangaroo is Australia's most significant urban regeneration project – transforming a disused container terminal, previously closed off to the public on the edge of Sydney's CBD, into a spectacular 22-hectare waterfront precinct. Barangaroo is a dynamic residential, retail, cultural and financial precinct, with more than 50% of the precinct offering extraordinary public spaces for everyone to enjoy.

Barangaroo is made up of 3 distinct and interconnected precincts – Barangaroo Reserve, a 6-hectare harbour parkland; Barangaroo South, a dynamic commercial and residential hub; and Central Barangaroo, the future community and civic focal point of the precinct which includes a Metro station.

Projects NSW is responsible for the development, management and activation of the precinct in line with the Barangaroo Act 2009 (NSW). Projects NSW partners with the private sector to meet these responsibilities and to deliver the vision for Barangaroo – a safe, iconic waterfront destination that reflects global best practice in architecture, sustainability and cultural identity.

Barangaroo South

Barangaroo South is a commercial and residential precinct featuring world class dining, retail, and premium waterfront office space. Throughout 2020-21, significant progress was made in Barangaroo South, with many elements being completed. These included:

- The Wulugul Walk was opened to the public in April and completes a continuous 11km harbourside walk from Woolloomooloo to the Anzac Bridge.
- The hotel and restaurant components of Crown Sydney opened to the public in December 2020.
- Watermans Cove, the foreshore fronting Crown Resort and Hickson Park (2 hectares were complete and open to the public at the end of 2020).

Central Barangaroo

Central Barangaroo will be the civic heart of Barangaroo, linking Barangaroo Reserve in the north with the financial and retail hub of Barangaroo South. Half of the 5.2ha precinct will be open space for recreation, events and entertainment. At the precinct's core, the Sydney Metro Barangaroo Station will welcome people from across Greater Sydney.

Projects NSW is working in partnership with Aqualand and Scentre Group to finalise the plans for Central Barangaroo. Before construction can begin, there is further statutory planning processes and approvals required.

Sustainability

In December 2019, Barangaroo became the first urban precinct in Australia to achieve carbon neutral certification under the Australian Climate Active Carbon Neutral Certification Scheme. Our commitment to sustainability has continued with Barangaroo achieving the carbon neutral certification again for 2020.

Design excellence

Design excellence is a guiding principle for Barangaroo, as reflected in the exceptional buildings, landscape and public domain across the 22-hectare site.

In late 2020, the winner of the national design competition for the new Pier Pavilion at Watermans Cove was announced. Chosen from over 170 entries, the design by Jessica Spresser and Peter Besley is set to become an iconic landmark and a valuable contribution to the world-class architecture of Barangaroo.

Arts and culture

Projects NSW continued to oversee the delivery of public art, cultural activities and public programs within the precinct. The Barangaroo Public Art and Cultural Plan is the strategic framework for Infrastructure NSW and its development partners to guide the commissioning and management of public art and cultural programming across the precinct.

Activation and Precinct Management

The open space at Barangaroo hosts thousands of visitors each year for cultural, art and educational programs, and public activities based around leisure, recreation and hospitality.

The public domain is managed by Projects NSW in accordance with the statutory provisions of the Barangaroo Delivery Authority Regulation 2015 to ensure Barangaroo continues to deliver a safe, welcoming and engaging place for its many visitors, workers and residents. There were 565 works permits issued for works within the public domain in the reporting period.

Events, activations and the Cutaway:

Barangaroo hosted and delivered a broad range of events in line with COVID-19 guidelines and restrictions. Sydney Festival proceeded in January 2021 with 16,500 visitors attending festival concert events at Barangaroo Reserve. A range of new placemaking initiatives and online content were also delivered, including the Mother's May Barangaroo promotion. The use of interactive elements throughout the precinct partnered with online campaigns and a range of promotional initiatives have created a significant increase in visitor engagement and stakeholder partnerships this year.

COVID-19 impacts led to the cancellation of 9 large events and 84 days of activity for the Cutaway. However, some of the notable events delivered at Barangaroo included:

- Sydney Festival Launch: 10 November 2020
- World AIDS Day: 1 December 2020
- Sydney Festival: 6-26 January 2021
- The Vigil: 25 January 2021
- WugulOra Morning Ceremony: 26 January 2021
- The Conscious Space 13-14 March 2021
- The Other Art Fair 18-21 March 2021
- Wulugul Walk Foreshore Opening 12 April 2021
- Biennale of Sydney Media launch 13 April 2021

-
- Guide Dogs NSW/ACT: 28 April 2021
 - The Finder Keepers Market: 7-9 May 2021
 - Damulay Ngurang (Mother's Day Event): 9 May 2021
 - I Came To See... Art Exhibition: 19 May-8 June 2021
 - ART AID Exhibition: 8-25 June 2021
 - One Fine Day: 18-20 June 2021

Education and Visitor Services

The Barangaroo Visitor Services team delivered 139 tours, programs and workshops for over 1300 visitors, despite COVID-19 restrictions and closure periods. A range of cultural tours for Infrastructure NSW staff and other government agencies were also delivered and focused on cultural learning and understanding. New tour content and programs were developed as the Barangaroo precinct continued to grow with new dog-friendly, Valentine's Day and Ghost Tour programs. Some highlights from 2020-21 include:

- 437 primary, high school and tertiary students participated in educational programs
- 66 cultural tours for groups of 2 or more were booked through the online booking platform
- 7 large private groups including probus and shared interest clubs attended private cultural tours
- 116 children and carers participated in the April school holidays Easter Egg Basket program which was delivered with great success and positive feedback.

Restart NSW

Under the *Restart NSW Fund Act 2011*, Infrastructure NSW is responsible for assessing projects for funding from the Restart NSW Fund and making recommendations to the NSW Treasurer. Restart NSW funds are used to deliver infrastructure that will improve the State's economic growth and productivity. They include NSW Government agency-led infrastructure projects and local and community infrastructure projects delivered by local government, non-government organisations and other entities, most of whom have participated in a submission-based application process through targeted funding programs. Thirty per cent of Restart NSW funding is targeted at regional and rural areas (outside the metropolitan areas of Sydney, Newcastle and Wollongong) over the lifetime of the fund.

New infrastructure projects considered for funding are subject to a rigorous selection process. Projects must be supported by a sound business case showing the project is economically justified. The key components of the project assessment framework are:

- a strategic assessment to ensure the project aligns with the *Restart NSW Fund Act 2011* criteria and NSW Government priorities
- an economic assessment to ensure the project will improve economic growth and productivity (demonstrated by a benefit-cost ratio greater than 1)
- confirmation that the project has successfully completed the appropriate business case development processes, including, where appropriate, relevant assurance review processes.

Milestones in 2020-21

- Infrastructure NSW administers funding deeds for local and community infrastructure projects on behalf of the NSW Treasurer to ensure that projects are delivered on time and on budget. During the 2020-21 financial year, a further 27 of these projects have been funded from the Restart NSW Fund, taking total funding for local and community projects to \$2.3 billion. There were 101 projects completed.
- Further details of Restart NSW funding approved in 2020-21, including funding for NSW Government projects, is outlined in the [2021-22 NSW Budget Papers](#).

Hawkesbury-Nepean Valley Flood Risk Management Strategy

The Hawkesbury-Nepean Valley has the highest unmitigated flood risk in Australia, with floods posing a significant risk to people's lives, livelihoods and homes.

The NSW Government's Resilient Valley, Resilient Communities – Hawkesbury-Nepean Valley Flood Risk Management Strategy (Flood Strategy) aims to reduce the flood risk to life, property and communities, now and in the future. It is working to improve community resilience and prepare for the impacts of climate change on flood risk. The Flood Strategy is a comprehensive long-term plan for NSW Government agencies, local councils, businesses and the community to work together to manage the risk posed by regional flooding. It includes 9 integrated outcomes across the prevent-prepare-respond-recover disaster resilience management framework.

A Climate Change Fund grant of \$58 million has provided the primary funding for implementation of Phase 1 of the Flood Strategy, with Infrastructure NSW overseeing delivery that began in 2016 and extended through to 2021.

Significant progress was achieved across the 9 outcomes with the following highlighting key achievements during the year:

Outcome 2 – Reduced flood risk in the Valley by raising Warragamba Dam Wall

- WaterNSW has progressed the proposal to raise Warragamba Dam for flood mitigation with the draft Environmental Impact Statement (EIS) proposal nearing finalisation for exhibition.

Outcome 3 - Strategic and integrated land use and road planning

- Significantly progressed delivery of the leading-edge flood evacuation model which is being developed with CSIRO'S Data 61. The model is being used in testing scenarios to consider flood risk more effectively in strategic land use and road planning decisions and emergency planning.

Outcome 4 – Accessible contemporary flood risk information

- The Hawkesbury Nepean-River Flood Study has been significantly progressed, using the March 2021 flood as a verification event. The new study builds on the outcomes of the 2019 Regional Flood Study. It focuses on areas that require more detailed investigations, hydraulic modelling and analysis to better inform land use planning. The study has involved development of a higher resolution, 2-dimensional model of the floodplain from Bents Basin near Wallacia downstream of Brooklyn.
- Agencies used the Flood Strategy's contemporary information, data and tools to support operational response and recovery in responding to the March 2021 flood event. This demonstrated the value of the tools and the criticality of the relationships developed through the ongoing implementation of the Flood Strategy's program.
- Significantly progressed a review of and report on the March 2021 Flood, the outcomes of which will inform ongoing flood planning and continuous improvement.

Outcome 5 - An aware, prepared, and responsive community

- Continued to deliver the Community Resilience Program, designed to raise flood awareness and preparedness in the Hawkesbury Nepean Valley and to reduce flood risk to the most vulnerable floodplain communities. This program is delivered in partnership with the NSW State Emergency Service (NSW SES), other government agencies, local councils and local community organisations. It was awarded the 2021 Floodplain Management Australia (FMA) NRMA Insurance Flood Risk Management Project of the Year.

Key achievements include:

- ‘Get Ready for Flood: Social Housing’ project in partnership with Infrastructure NSW, Inner Sydney Voice and the University of Sydney, and in collaboration with local social housing providers and tenants. This phase of the project saw Flood Awareness and Preparedness Training facilitated for over 80 staff and volunteers from housing providers, community organisations, and tenant representatives.
- ‘Animal Ready Community in the Hawkesbury-Nepean Valley’ project, including development of 15 new videos to encourage horse and other animal owners to prepare for floods. The videos are available on the NSW SES website.
- ‘Get Ready for Flood: Culturally and Linguistically Diverse Communities’ project, including development of 4 targeted factsheets for CALD communities around flood preparedness, translated into 7 languages - including Arabic, Chinese and Hindi. These resources are also available on the NSW SES website.
- Development of a new project – ‘Get Ready for Flood: Caravan Parks’, including working with a pilot group of 4 caravan parks, NSW SES and local councils to develop an emergency plan template and workbook to help caravan park managers prepare for and respond to future floods.
- In partnership with NSW State Emergency Service (NSW SES), delivered the second and third phases of a flood awareness campaign, ‘Floods. the Risk is Real’. These phases were delivered in August-September 2020 and over summer 2020-21, highlighting the increased risk associated with La Nina conditions.
- Finalised a further round of the longitudinal social research program into levels of community awareness and preparedness for flood (undertaken before the March 2021 flood). A snapshot of key findings from the social research from 2014 through to 2021 includes:
 - the number of respondents who recalled seeing or hearing flood information increased from 26% to 75% (influenced by recent flooding and related media stories and weather reports, in addition to the flood awareness campaigns)
 - a greater awareness of the need to prepare for a flood
 - the proportion of people able to identify at least 3 things to do in an evacuation nearly doubled from 25% to 48%.
- In September 2020, a tailored primary school flood risk educational resource was launched - ‘Water in the Valley’. It supports teaching and learning in the NSW geography syllabus for Years 1 to 6, with a focus on the Hawkesbury-Nepean. It is a companion to Water in the World, a high school geography resource launched in 2019. Both resources are the result

of a partnership between Infrastructure NSW, NSW SES and Western Sydney University and can be found on the NSW SES website.

Outcome 9 - Ongoing monitoring and evaluation, reporting and improvement of the Flood Strategy

- Significantly progressed the major evaluation of the Flood Strategy which is scheduled to be finalised on completion of the Phase 1 projects.

South Creek Sector Review

The South Creek Sector Review transitioned to the Department of Planning, Industry and Environment (DPIE) in September 2020. The transition involved Infrastructure NSW working with DPIE to ensure all the outputs from the Infrastructure NSW-led studies for the delivery of the Western Parkland City were handed over with appropriate consultation. DPIE is developing the policy and regulation to support delivery of the Western Parkland City vision.

Infrastructure NSW continued to lead the South Creek Flood Study component of the South Creek Sector Review. The flood study assesses the implications of future development and associated works on flooding in the South Creek Catchment. The project has been running through 2020 and has involved developing models to assess the current flood regime and test a range of development and floodplain modification scenarios in South Creek.

The project will provide the NSW Government with recommendations on:

- a cut and fill policy which can be consistently applied in the South Creek Catchment
- addressing the hydrologic impact of increased imperviousness from greenfield development within the South Creek Catchment
- addressing the impacts of blue green infrastructure on the flood behaviour.

The project is expected to conclude in late 2021.

Corporate support function

The reporting period has seen the consolidation of core business systems and processes for our organisation, following the structural changes in 2019-20 which saw Barangaroo Delivery Authority and Urban Growth Development Corporation integrated into Infrastructure NSW. From a cultural and business operations perspective, our organisation is now functioning as a unified entity with strong employee engagement.

The corporate support function is provided by the Finance and Operations Division and the Corporate Services Division.

The Finance and Operations Division brings together finance, procurement and business support, ICT and business systems, and the Restart Team.

The Corporate Services Division brings together legal, corporate communications and public affairs, community and stakeholder engagement for projects, people and culture, audit, risk and safety and business planning. The division provides the secretariat support for the Infrastructure NSW Board.

Milestones achieved by the Corporate Support function in 2020-21 include:

- industrial relations harmonisation which involved transitioning non-executive staff onto the Crown Award
- implementation of a new work, health and safety management framework which is aligned to the scope and diversity of our organisation's business operations and risk profile
- embedding an updated Flexible Working Policy to reflect a new hybrid way of working, with time spent working remotely as well as in the office
- supporting the State significant planning approval process for the Powerhouse Parramatta.
- implementation of SAPConnect consolidating multiple HR & finance legacy systems into one single platform, enabling better reporting, digitised workflows, greater self-service and a centralised business process model
- consolidation of records and information from three previous organisations (INSW, BDA & UGDC) into one instance
- fit out and relocation of staff into the Kent Street Office
- implementation of the new Restart NSW Portal providing improved customer experience, additional reporting capability, increased level of data security as well as responding to the changing needs and volume of Restart projects.

Governance

Management and structure

Infrastructure NSW's governance model was established by the *Infrastructure NSW Act 2011* and comprises a Board and Chief Executive Officer.

The Board

The Board provides general policies and strategic direction for Infrastructure NSW as well as advice to the Premier and CEO of Infrastructure NSW on infrastructure matters. It comprises an independent Chairman and 5 private sector members with relevant infrastructure sector experience, all appointed by the Premier, and the heads of the Departments of Premier and Cabinet, Planning, Industry and Environment, the NSW Treasury and Infrastructure NSW.

Graham Bradley, AM

Chairman

Appointed July 2013

Graham Bradley is a professional company director and is currently Chairman of EnergyAustralia Holdings, Volt Corporation, Shine Justice and Stilmark Pt Limited. He is also on the boards of The Hongkong and Shanghai Banking Corporation, Virgin Australia International Holdings and Ensemble Limited.

In October 2020 Graham retired as Chairman and director of HSBC Bank Australia Limited after 16 years. In March 2020 Graham resigned as chairman from GrainCorp Limited and became director and chairman of United Malt Group Limited, following the newly listed company (United Malt Group Limited—UMG). In July 2020 Graham was appointed as director of In Shine Justice Limited. In April 2017 Graham was appointed as director and chairman of Stilmark Pty Ltd. In November 2017 Graham resigned as director of GI Dynamics, as Chairman of Anglo American Australia Limited in June 2016 and as Chairman and Director of Stockland Corporation Limited in October 2016. Graham was managing director of Perpetual Limited from 1995-2003. Prior to joining Perpetual, Graham was national managing partner of leading national law firm, Blake Dawson (now Ashurst). Before this, Graham was a partner of McKinsey & Company, a leading international firm of management consultants.

Graham was President of the Business Council of Australia from 2009-2011 and Vice President from 2011-2012. He was Deputy President of the Takeovers Panel from 2006-2013. He is a member of the Advisory Council of the Australian School of Business at UNSW and a director of the European Australian Business Council.

Graham also devotes time to a range of non-profit organisations, including the State Library of NSW. Graham was made a member of the Order of Australia in 2009 in recognition of his contribution to business, medical research and the arts.

Marika Calfas

Private Sector Member

Appointed November 2018

Marika Calfas is the Chief Executive Officer of NSW Ports, the private sector organisation responsible for managing Port Botany, Port Kembla and the intermodal terminals at Cooks River and Enfield in NSW, Australia.

Marika has 20 years' experience in the port sector including in port planning and development.

With a strong belief that ports are crucial to our lives and lifestyles and essential for the nation's economy, Marika is passionate about driving improvements and efficiencies across port supply chains, informing the wider community and decision makers of the importance and value of ports and identifying new opportunities.

Marika was appointed by the Commonwealth Minister for Infrastructure & Transport to the Expert Panel advising the Australian Government Inquiry into the National Freight and Supply Chain Strategy Priorities in 2017.

Marika is Deputy Chair of Ports Australia, Board member of Australian Logistics Council and Infrastructure Partnerships Australia Fiduciary Board, member of University of Wollongong's SMART Advisory Board, and Australia's representative to PIANC's (International Waterborne Transport Association's) Environmental Commission.

Marika holds an Engineering Degree (Environmental), Masters of Engineering Management and Masters of Environmental Law. Marika is a Chartered Professional Engineer with Engineers Australia.

Roger Fletcher

Private Sector Member

Appointed 15 July 2011

Roger Fletcher is Managing Director of Fletcher International Exports, a company that exports sheep meats, wool and grain to more than 90 countries worldwide and farms sheep, wheat and cotton and operates an intermodal freight facility in regional NSW. Roger is also a board member of the Australian Meat Industry Council.

Rod Pearse OAM

Private Sector Member

Appointed 15 July 2011

Rod is a Board member of O'Connell Street Associates. He served as the Chair of the Infrastructure NSW Project Assurance Committee and a member of the Infrastructure NSW Audit and Risk Committee, resigning in FY 2020-21. Rod was CEO of Boral Limited (2000 to 2009), a Board Member of the Business Council of Australia (2003 to 2009), a member of the WestConnex Delivery Authority and Sydney Motorway Corporation Board (2013 to 2018) and a member of the COAG Reform Council Expert Panel on Cities (2010 to 2012).

Rod was awarded an Order of Australia (OAM) medal for services to Youth in 2009.

Arlene Tansey

Private Sector Member

Appointed June 2014

Arlene is a Non-Executive Director of Aristocrat Leisure Limited, Wisetech Global, TPG Telecom and Lendlease Investment Management. Arlene is also the Chair of Infrastructure NSW's Audit and Risk Committee. Arlene was previously a member of the board of Healius (retired October 2020) and Adelaide Brighton Limited (retired October 2019).

She is a Fellow of the Australian Institute of Company Directors, a member of Chief Executive Women and a member of the International Women's Forum (Australia). Her professional experience is as a senior investment banker, commercial banker and finance and securities lawyer.

Kerrie Mather

Chief Executive Officer, Venues NSW

Appointed 15 August 2019.

Kerrie is responsible for the world-famous Sydney Cricket Ground, Stadium Australia, Bankwest Stadium, McDonald Jones Stadium, WIN Stadium, Newcastle Entertainment Centre, WIN Entertainment Centre as well as the Sydney Football Stadium, which is currently being redeveloped by the NSW Government.

Kerrie is a well respected leader with significant experience in developing and running major infrastructure assets with complex operations and consumer facing businesses, in Australia and internationally.

She was Managing Director and Chief Executive Officer of Sydney Airport from 2011 to 2018.

Prior to joining Sydney Airport, she was CEO of the largest global airport owner and operator and ASX Top 20 company from 2002 until 2011. Previously, she was an Executive Director of the

Macquarie Group in investment banking, working with both Government and private sector clients. She has extensive experience in infrastructure and privatisations having worked in the sectors of regulated assets, transport, utilities, social infrastructure, and on many aviation industry transactions.

Kerrie has been recognised with several honours and awards for her achievements and industry contributions. She is a member of the UNSW Australian School of Business Advisory Board, Chief Executive Women, Australian Institute of Company Directors, and a Fellow of FINSEA.

Simon Draper

Chief Executive Officer and Co-ordinator General, Infrastructure NSW

Appointed 17 March 2018 by virtue of his position within the NSW public service and consistent with the *Infrastructure NSW Act 2011*; re-appointed April 2019.

Simon joined Infrastructure NSW in April 2019. Within government, Simon previously served as Secretary of the Department of Industry, Deputy Secretary, Economic Policy Group at the Department of Premier and Cabinet and as a Tribunal Member at the Independent Pricing and Regulatory Tribunal.

Prior to joining government, Simon had extensive senior executive management experience in infrastructure and utility companies. He is a former CEO of Lumo Energy, Chief Executive Officer of Wellington Airport in New Zealand, General Manager Commercial at Integral Energy and Chief Executive Officer of Northern Territory Airports.

Simon has a Bachelor of Economics (Hons) from Sydney University, a Master of Business (Finance) from UTS and has completed the Company Directors Course of the Australian Institute of Company Directors.

Tim Reardon

Secretary, NSW Department of Premier and Cabinet

Appointed 18 November 2017 by virtue of his position within the NSW public service and consistent with the *Infrastructure NSW Act 2011*.

Since taking up the role of Secretary of the NSW Department of Premier and Cabinet in 2017, Tim Reardon has led delivery of the government's priorities for the people of NSW, including customer service, driving digital technology, infrastructure delivery and transformation of the public service, with a strong focus on implementation and accountability.

Prior to Premier and Cabinet, Tim was the Secretary, Transport where he successfully led the Transport Cluster and its people on behalf of the NSW community. Tim was responsible for the delivery of the largest transport infrastructure and services pipeline in a generation.

Tim has worked in both government and the private sector in NSW and internationally. He is a 'Condo-boy' from Central West NSW and lives in Sydney with his wife and 2 daughters.

Jim Betts

Secretary, Department of Planning, Industry and Environment

Appointed 29 June 2013 by virtue of his position within the NSW public service and consistent with the *Infrastructure NSW Act 2011*; reappointed April 2019

Jim served on the Board of Infrastructure as the CEO of Infrastructure NSW from June 2013 until 2 April 2019.

As Secretary for the New South Wales Department of Planning, Industry and Environment (DPIE), Jim leads a network of 10,000 public servants responsible for urban and regional planning, water, environmental protection, energy, Aboriginal outcomes, housing, property and local government.

Under Jim's leadership the department has undertaken transformational reform across a range of policy areas and service delivery priorities, in areas like planning reform, water security, better urban design, sustainability, climate change, biodiversity conservation and the transformation of the energy sector. Furthermore, the organisation proudly champions the values of kindness, inclusivity, creativity, collaboration and daring.

Jim joined DPIE after 6 years as CEO for Infrastructure NSW and 5 years as Secretary of the Victorian Transport Department.

Michael Pratt, AM

Secretary, NSW Treasury

Appointed 1 August 2017 by virtue of his position within the NSW public service and consistent with the *Infrastructure NSW Act 2011*.

Michael Pratt AM was appointed as the 27th Secretary of NSW Treasury on 1 August 2017. The Treasury Cluster includes NSW Treasury, NSW Small Business Commission, NSW Procurement, NSW Treasury Corporation, iCare (Insurance & Care NSW) and SAS Trustee Corporation. As Secretary, Michael is responsible for strategic management of the entirety of the State's finances, budget, assets, liabilities and financial risk management framework and transformation.

Prior to his role with Treasury, Michael was the NSW Customer Service Commissioner, where he revolutionised the way the Government delivers services – putting the people of NSW at the heart of service delivery in the establishment of Service NSW. He led major service reform across the NSW Government, chairing the NSW Customer Advisory Board – the responsible governance entity for the delivery of State Government services to the citizens of NSW.

Michael Pratt was honoured as a Member of the Order of Australia (AM) in the Queen's Birthday 2016 Honours List. Michael was recognised as a role model for Australian society for providing significant service to public administration through reforms in customer service and communication and to the finance and banking industry. Michael was also awarded an Honorary Doctorate of Letters in April 2018 from Western Sydney University for his services to the University and to the wider community.

Prior to his role as Customer Service Commissioner Michael was CEO of Consumer and SME Banking, North East Asia, with Standard Chartered Bank. He is a former President of the Australian Institute of Banking & Finance and was the inaugural Joint President of Finsia. Michael's

previous roles also include senior executive positions as Group Executive of Westpac Business & Consumer Banking, CEO of National Australia Bank in Australia, CEO of Bank of New Zealand and CEO of Bank of Melbourne. Michael was also Deputy Chancellor of Western Sydney University.

Prior directorships include Non-Executive Director roles at TAL Dai-ichi Life Australia and Credit Union Australia where he chaired their respective risk committees, Deputy Chair of iCare, MasterCard International Inc New York, MasterCard Asia Pacific, BT Financial Services, Chairman of Bennelong Funds Management, Chairman of Shenzhen Credit Corporation and Executive Director of Standard Chartered Bank Hong Kong and China.

Board members that retired during 2020-21

There were no board retirements during 2020-21.

Board meetings

There were 11 board meetings in 2020-21, as shown in the table below.

Table 3, Infrastructure NSW 2020-21 meetings:

Board Member	Meetings Attended
Graham Bradley, AM (Chair)	11
Marika Calfas	11
Roger Fletcher	11
Rod Pearse, OAM	11
Arlene Tansey	10
Simon Draper	11
Tim Reardon*	9
Jim Betts*	9
Michael Pratt, AM*	11
Kerrie Mather	8

*includes delegate attendance

Audit and Risk Committee

There were 5 audit and risk committee meetings in 2020-21, as shown in the table below.

Table 4, Audit and Risk Committee 2020-21 meetings:

Audit and Risk Committee Member	Meetings Attended
Arlene Tansey (Chair)	5
Kerrie Mather	5
Rod Pearse, OAM (retired 25 May 2021)	4
Dianne Leeson (retired 26 April 2021)	4
Akiko Jackson (appointed 19 May 2021)	1
Marika Calfas (appointed 21 June 2021)	0

Audit and Risk Committee members that retired during 2020-21

Dianne Leeson and Rod Pearse retired their position as members of the Audit and Risk Committee during 2020-21.

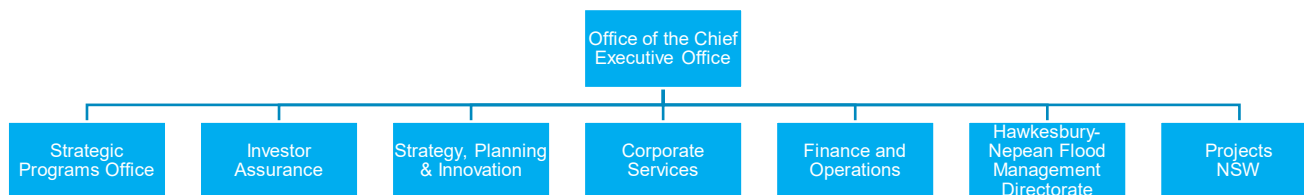
Projects NSW Internal Assurance Sub-Committee

There were 3 Projects NSW Internal Assurance Sub-Committee meetings in 2020-21, as shown in the table below. Following a review of the governance structure and assurance mechanisms that exist within Infrastructure NSW and across Government, it was decided that from 2021-22, the Audit and Risk Committee would incorporate the role of the Projects NSW Internal Assurance Sub-Committee.

Table 5, Projects NSW Internal Assurance Sub-Committee 2020-21 meetings:

Projects NSW Assurance Committee Member	Meetings Attended
Rod Pearse OAM (Chair)	3
Arlene Tansey	2
Dennis Brewer	3
David Riches	3
Marika Calfas	1

Organisational structure



Senior management team

Infrastructure NSW has a small team of talented and experienced staff who are working to deliver the functions of the organisation. The senior management team is detailed below.

Simon Draper

Chief Executive Officer

Experience as outlined in the section: Board.

Marina van der Walt

Head of Investor Assurance

Marina van der Walt is the Head of Assurance at Infrastructure NSW, a Deputy Secretary equivalent position. Marina joined the agency in 2017.

With over \$200 billion in infrastructure to deliver in NSW, Marina is leading the Assurance team to ensure major capital projects are delivered in a timely and cost-efficient way through the implementation of the Infrastructure Investor Assurance Framework (IIAF).

As an executive leader who has worked in finance and public administration for more than 20 years, Marina has expertise in the strategic management of mega infrastructure portfolios, including the planning, commissioning, procurement and execution of tailored commercial arrangements for large infrastructure and service projects across sectors, in Australia and Africa.

Marina has previously held senior roles at NSW Treasury, PricewaterhouseCoopers and HSBC.

Tom Gellibrand

Head of Projects NSW

Tom Gellibrand is the Head of Projects NSW, a Deputy Secretary equivalent position. In this role, Tom is responsible for the delivery of 'High Profile High Risk' State Government infrastructure projects.

Prior to joining Infrastructure NSW, Tom was the Acting CEO of Sydney Metro and oversaw the successful delivery of all aspects of the metro program, including projects under construction and in planning.

During a career spanning 30 years, Tom has held senior executive positions in the areas of strategic urban, transport and infrastructure planning. He has also led infrastructure delivery at both the state and local government level. This work has involved the coordination of the private and public sectors in the planning and development of land, the provision of urban services, and the successful delivery of major utility, transport and social infrastructure.

Clare Gardiner-Barnes

Head of Strategy, Planning and Innovation

Clare Gardiner-Barnes was the Head of Strategy, Planning and Innovation at Infrastructure NSW, a Deputy Secretary equivalent position. In her role Clare was responsible for the 20-year State Infrastructure Strategy, development of 5-year infrastructure plans, and provided independent advice to government on strategic infrastructure issues and opportunities.

As a board member of the NSW Telco Authority and Roads Australia, Clare is committed to working with industry and across government to support the adoption of new infrastructure technology. Before taking on infrastructure leadership roles Clare worked in various executive positions in education and was the Chief Executive of the Department of Children and Families in the Northern Territory. Clare is an advocate for women in leadership and workforce flexibility.

Clare left Infrastructure NSW in June 2021.

Said Hirsh

A/Head of Strategy, Planning and Innovation

Said Hirsh is the Acting Head of Strategy, Planning and Innovation at Infrastructure NSW, a Deputy Secretary equivalent position. In his role Said is responsible for the 20-year State Infrastructure Strategy, development of 5-year infrastructure plans, and provides independent advice to government on strategic infrastructure issues and opportunities.

Said has extensive experience advising on government infrastructure strategy, policy and projects in Australia, the UK and globally. He provided economic, financial and commercial advice on many major infrastructure projects, land use, and smart cities proposals and has also worked extensively on developing broad sector and cross-sector plans. Prior to Infrastructure NSW, Said played key leadership roles for Deloitte and KPMG across engagements with several government departments as it pertains to infrastructure program development and delivery.

Said was appointed Acting Head of Strategy, Planning and Innovation at Infrastructure NSW in June 2021.

Maree Abood

Head of Hawkesbury-Nepean Valley Flood Risk Management Directorate

Maree has extensive experience in public sector water and natural disaster policy, planning and infrastructure delivery of state significant programs and policies in both the Sydney metropolitan and NSW regional areas.

Maree has over 25 years' experience in academic research, education, private and state government sectors. Maree joined Infrastructure NSW in 2014 to head up the Hawkesbury-Nepean Valley Flood Management Taskforce. In 2016, Maree was awarded the Premier's Award for Excellence in Public Service for Building Infrastructure for leading the delivery of the Hawkesbury-Nepean Flood Risk Management Strategy.

Maree is responsible for the oversight and implementation of the whole of government Resilient Valley, Resilient Communities – Hawkesbury- Nepean Valley Flood Risk Management Strategy. Maree represents Infrastructure NSW on a number of water and State Emergency Management Committees.

Matt Conrow

Chief Financial and Operating Officer

Matt Conrow is the Chief Financial and Operating Officer and joined Infrastructure NSW in March 2020. In this role, Matt is responsible for Infrastructure NSW's key internal business activities including financial and commercial performance, business systems and process improvement, procurement, information technology, and administration of the Restart NSW fund.

Matt is passionate about transforming support and governance functions to unlock additional value for the people of NSW. Prior to joining Infrastructure NSW Matt spent over a decade in key financial management roles across the private and public sectors, most recently as Chief Financial Officer at Service NSW and NSW Treasury. In these roles he has been heavily involved in the innovation and reform of State financial management, as well as promoting a customer-centric approach to the provision of corporate and shared services.

Janine Lonergan

Executive Director, Corporate Services

Janine Lonergan leads the Corporate Services Division at Infrastructure NSW. In this role Janine is responsible for the functional areas of safety, communications and public affairs, legal, people and culture, communication and engagement for Projects NSW, business planning and governance including the roles of Chief Audit Executive and Board secretary.

During her career as a government lawyer, Janine held senior executive roles leading legal teams responsible for providing legal advice and legislative reform in areas including water and primary industries. Prior to moving to Infrastructure NSW, Janine led the Office of the Secretary at the Department of Industry where she worked closely with the executive leadership team and oversaw the Cabinet function. Janine is passionate about organisational culture and motivating teams.

Risk management and insurance

Infrastructure NSW has appropriate structures, processes and controls in place to identify, assess and manage material risks that may impact its organisational objectives.

Under the Model Charter adopted by Infrastructure NSW's Audit and Risk Committee, the Committee will ensure Infrastructure NSW operates within a risk management framework to ensure its risk management approach is aligned to international standards and adopted to organisational specific risks and organisational objectives.

The internal audit function of Infrastructure NSW is outsourced to external advisors KPMG.

Infrastructure NSW uses the NSW Treasury Managed Fund for its insurance requirements including workers' compensation, public liability, property and miscellaneous items. During 2020-21 one claim was initiated, being for liability arising from Grocon Group Holdings & ors v Infrastructure NSW (20/37937).

Internal audit and risk management attestation

Internal Audit and Risk Management Attestation Statement for the 2020-2021 Financial Year for Infrastructure NSW

I, Simon Draper, am of the opinion that Infrastructure NSW has internal audit and risk management processes in operation that are, excluding the exemptions or transitional arrangements described below, compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core Requirements

Risk Management Framework		
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
Internal Audit Function		
2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Audit and Risk Committee		
3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2	The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership

The independent chair and members of the Audit and Risk Committee are:

- Independent Chair, Arlene Tansey, appointed to the position on 11 June 2014 for an initial 5 year term, extended to the maximum 8 years.
- Independent Member 1, Kerrie Mather, appointed to the position on 18 December 2019 for an initial 3 year term.
- Independent Member 2, Akiko Jackson, appointed to the position on 19 May 2021 for an initial 3 year term.
- Independent Member 3, Marika Calfas, appointed to the position on 21 June 2021 for an initial 3 year term.
- Independent Member 4, Glenn Turner, appointed to the position on 16 July 2021 for an initial 3 year term.



Simon Draper
Chief Executive
Infrastructure NSW

Signed on 5 Oct 2021, 16:27 AEDT

Digital Information Security Policy Attestation

Attachment A – Recommended Attestation Statement 2020/21

Cyber Security Annual Attestation Statement for the 2020/2021 Financial Year for Infrastructure NSW

I, Simon Draper of Infrastructure New South Wales, am of the opinion that Infrastructure NSW has assessed its cyber security risks and is putting in place systems and processes to further strengthen the cyber security environment in a manner consistent with the mandatory requirements as set out in the NSW Government Cyber Security Policy.

Risks to Infrastructure NSW information and systems have been assessed and are being managed.

Governance is in place to manage the Infrastructure NSW cyber security initiatives.

Cyber security incidents, should they occur, are escalated to DPC Cyber Security and Cyber Security NSW as required.

An independent audit of the Infrastructure NSW ISMS was undertaken by Centium.

An independent assessment of controls against the mandatory requirements of the NSW Cyber Security Policy, including Essential Eight controls, was also undertaken by Centium.



Simon Draper
CEO, Infrastructure NSW

Date: 28 August 2021

Financial statements

Statement by the CEO



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Statement by the Chief Executive Officer

Pursuant to section 7.6(4) of the Government Sector Finance Act 2018 ('the Act'), I state that these financial statements:

- have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the Government Sector Finance Regulation 2018 and the Treasurer's directions, and
- present fairly Infrastructure New South Wales's financial position, financial performance and cash flows.

Simon Draper
Chief executive

Signed on 14 Oct 2021, 13:48 AEDT

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Infrastructure NSW

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Infrastructure NSW, which comprise the Statement by the Chief Executive Officer, the Statements of Comprehensive Income for the year ended 30 June 2021, the Statements of Financial Position as at 30 June 2021, the Statements of Changes in Equity and the Statements of Cash Flows for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information of Infrastructure NSW and the consolidated entity. The consolidated entity comprises Infrastructure NSW and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- presents fairly the financial position, financial performance and cash flows of Infrastructure NSW and the consolidated entity

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of Infrastructure NSW and the consolidated entity in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Chief Executive Officer's Responsibilities for the Financial Statements

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the GSF Act, GSF Regulations and Treasurer's Directions. The Chief Executive Officer's responsibility also includes such internal control as the Chief Executive Officer determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Executive Officer is responsible for assessing the ability of Infrastructure NSW and the consolidated entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar3.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that Infrastructure NSW or the consolidated entity carried out their activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Weini Liao
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

15 October 2021
SYDNEY

Financial statements

Financial Statements

of

Infrastructure New South Wales

for the year ended 30 June 2021

**Infrastructure New South Wales
Consolidated Financial Statements
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Infrastructure New South Wales
Statements of Comprehensive Income for the year ended 30 June 2021

	Notes	Consolidated			INSW		
		Actual 2021 \$000	Budget 2021 \$000	Restated 2020 \$000	Actual 2021 \$000	Budget 2021 \$000	Restated 2020 \$000
Continuing Operations							
Expenses excluding losses							
Employee related expenses	2(a)	27,002	36,088	26,601	-	-	-
Operating expenses	2(b)	40,894	73,294	46,347	40,894	73,294	46,347
Depreciation and amortisation	2(c)	9,934	15,548	12,720	9,934	15,548	12,720
Finance costs	2(d)	12,313	20,745	19,305	12,313	20,745	19,305
Project delivery expenses	2(e)	219,929	349,807	196,283	219,929	349,807	196,283
Grants and subsidies	2(f)	16,446	83,947	352	16,446	83,947	352
Personnel services Expenses	2(a)	-	-	-	26,390	35,996	24,462
Total expenses excluding losses		326,518	579,429	301,608	325,906	579,337	299,469
Sale of goods and services							
Sales of goods and services	3(a)	236,202	354,392	213,401	236,202	354,392	213,401
Other income	3(b)	1,464	3,395	20,392	1,464	3,395	20,392
Grants and Contributions	3(c)	480,316	604,801	228,900	480,316	604,801	228,900
Investment Revenue	3(e)	13,613	22,218	19,796	13,613	22,218	19,796
Acceptance by the Crown Entity of employee benefits and other liabilities	3(f)	612	92	2,139	-	-	-
Total sale of goods and services		732,207	984,898	484,628	731,595	984,806	482,489
Operating result		405,689	405,469	183,020	405,689	405,469	183,020
Gain / (loss) on disposal	4	23,313	-	(46)	23,313	-	(46)
Other gains / (losses)							
Gain/ (loss) on fair value movement	5	1,547	-	-	1,547	-	-
Impairment losses on non financials asset	5	(178)	-	(959)	(178)	-	(959)
Total gains/(losses)		24,682	-	(1,005)	24,682	-	(1,005)
Net result from continuing operations		430,371	405,469	182,015	430,371	405,469	182,015
Net result from discontinued operations		-	-	(9,025)	-	-	(9,025)
NET RESULT		430,371	405,469	172,990	430,371	405,469	172,990
Other comprehensive income							
Items that will not be reclassified to net result into subsequent periods:							
Net changes in revaluation surplus of property, plant and equipment		25	-	25,455	-	-	25,455
Net changes in revaluation surplus arising from changes in restoration liability		688	-	15,561	-	-	15,561
Net changes in superannuation actuarial gain/(loss) on defined benefit plans		-	-	140	-	-	140
Total other comprehensive income		713	-	41,156	-	-	41,156
Total comprehensive income		431,084	405,469	214,146	430,371	405,469	214,146

The "Consolidated" results include the results of the INSW Staff Agency. The accompanying notes form part of these financial statements.

Infrastructure New South Wales
Statements of Financial Position as at 30 June 2021

	Notes	Consolidated			INSW		
		Actual 2021 \$000	Budget 2021 \$000	Restated 2020 \$000	Actual 2021 \$000	Budget 2021 \$000	Restated 2020 \$000
Assets							
Current Assets							
Cash and cash equivalents	7	254,731	164,185	313,667	254,731	164,185	313,667
Receivables and prepayments	8	218,743	234,619	40,674	218,743	234,619	40,674
Contract Assets	20	1,380	-	821	1,380	-	821
Inventory	9	-	-	245	-	-	245
Property, Plant and Equipment held for distribution	10	-	-	34,458	-	-	34,458
Assets held for sale	13	28,484	9,399	164,718	28,484	9,399	164,718
Total Current Assets		503,338	408,203	554,583	503,338	408,203	554,583
Non-Current Assets							
Receivables	8	370,852	450,724	459,143	370,852	450,724	459,143
Inventory	9	547,482	141,812	141,812	547,482	141,812	141,812
Right-of-use Assets	11	3,078	4,965	4,199	3,078	4,965	4,199
Property, Plant and Equipment	10						
- Land and Buildings		208,744	227,837	208,843	208,744	227,837	208,843
- Infrastructure		475,975	811,547	348,257	475,975	811,547	348,257
- Plant and Equipment		3,629	122,130	3,883	3,629	122,130	3,883
- Leasehold Improvements		218	-	137	218	-	137
Total Property, Plant and Equipment		688,566	1,161,514	561,120	688,566	1,161,514	561,120
Intangibles assets	12	-	137	6	-	137	6
Total Non-Current Assets		1,609,978	1,759,152	1,166,280	1,609,978	1,759,152	1,166,280
Total assets		2,113,316	2,167,355	1,720,863	2,113,316	2,167,355	1,720,863
Liabilities							
Current Liabilities							
Payables	16	146,283	137,155	128,115	149,090	137,155	130,993
Borrowings	17	297,222	400,946	403,671	297,222	400,946	403,671
Provisions	18	2,758	8,269	5,975	-	8,269	3,572
Other current liabilities	19	13,723	167,546	154,516	13,723	167,546	154,516
Contract liabilities	20	18,059	-	22,781	18,059	-	22,781
Provisions held for distribution	18	-	-	298	-	-	-
Total Current Liabilities		478,045	713,916	715,356	478,094	713,916	715,533
Non-Current Liabilities							
Payables	16	-	49,756	49,756	-	49,756	49,756
Borrowings	17	400,266	385,669	294,881	400,266	385,669	294,881
Provisions	18	4,011	308	1,178	3,962	308	1,001
Other non-current liabilities	19	361,455	187,100	187,097	361,455	187,100	187,097
Total Non-Current Liabilities		765,732	622,833	532,912	765,683	622,833	532,735
Total Liabilities		1,243,777	1,336,749	1,248,268	1,243,777	1,336,749	1,248,268
Net Assets		869,539	830,606	472,595	869,539	830,606	472,595
Equity							
Accumulated funds		843,919	792,887	431,439	843,919	792,887	431,439
Reserves	23	25,620	37,719	41,156	25,620	37,719	41,156
Total Equity		869,539	830,606	472,595	869,539	830,606	472,595

The "Consolidated" results include the results of the INSW Staff Agency. The accompanying notes form part of these financial statements.

Infrastructure New South Wales
Statements of Changes in Equity for the year ended 30 June 2021

	Notes	Consolidated/INSW		Total \$000
		Accumulated Funds \$000	Asset Revaluation Surplus \$000	
Balance at 1 July 2020		425,829	31,758	457,587
Correction of errors	28	5,610	9,398	15,008
Restated balance at 1 July 2020		431,439	41,156	472,595
Net result for the year		430,371	-	430,371
Other comprehensive income:				
Net changes in revaluation surplus of property, plant and equipment		-	25	25
Net changes in revaluation surplus arising from changes in restoration liability		16,249	(15,561)	688
Total comprehensive income for the year		446,620	(15,536)	431,084
Transactions with owners in their capacity as owners				
Net change in net assets from equity transfer	29	(34,140)	-	(34,140)
Balance at 30 June 2021		843,919	25,620	869,539
Balance at 1 July 2019		13,978	-	13,978
Restated net result for the year		172,990	-	172,990
Other comprehensive income:				
Restated net changes in revaluation surplus of property, plant and equipment		-	25,455	25,455
Net changes in revaluation surplus arising from changes in restoration liability		-	15,561	15,561
Net changes in superannuation actuarial gain/(loss) on defined benefit plans		-	140	140
Total comprehensive income for the year		172,990	41,156	214,146
Transactions with owners in their capacity as owners				
Net change in net assets from administrative restructure		255,551	-	255,551
Adjustment to net assets from administrative restructure		(11,080)	-	(11,080)
Balance at 30 June 2020		431,439	41,156	472,595

The "Consolidated" results include the results of the INSW Staff Agency. The accompanying notes form part of these financial statements.

Infrastructure New South Wales
Statements of Cash Flows for the year ended 30 June 2021

	Notes	Consolidated			INSW		
		Actual 2021 \$000	Budget 2021 \$000	Actual 2020 \$000	Actual 2021 \$000	Budget 2021 \$000	Actual 2020 \$000
Cash flows from operating activities							
Payments							
Employee related		(26,390)	(35,997)	(26,059)	-	-	-
Other operating expenses		(667,836)	(430,988)	(410,308)	(667,810)	(430,988)	(411,905)
Finance costs		(12,313)	(20,745)	(19,305)	(12,313)	(20,745)	(19,305)
Grants and Subsidies		(16,446)	(83,947)	(352)	(16,446)	(83,947)	(352)
Personnel services Expenses		-	-	-	(26,390)	(35,997)	(24,462)
Total payments		(722,985)	(571,677)	(456,024)	(722,959)	(571,677)	(456,024)
Receipts							
Sales of goods and services		287,140	315,287	176,860	287,139	315,287	176,860
Grants and Contributions		480,316	643,906	228,900	480,316	643,906	228,900
Interest received		51	1,123	1,115	51	1,123	1,115
Other income		1,465	13,209	-	1,438	13,209	-
Total receipts		768,972	973,525	406,875	768,944	973,525	406,875
Net cash flows from operating activities	22	45,987	401,848	(49,149)	45,985	401,848	(49,149)
Net cash flow from investing activities							
Purchases of property, plant and equipment		(103,660)	(603,320)	(16,519)	(103,658)	(603,320)	(16,519)
Purchases of investments		-	(31,413)	-	-	(31,413)	-
Net cash flow from investing activities		(103,660)	(634,733)	(16,519)	(103,658)	(634,733)	(16,519)
Cash flows from financing activities							
Repayment of borrowings		478	86,971	133,345	478	86,971	133,345
Payment of lease liabilities		(1,739)	(3,318)	(2,534)	(1,739)	(3,318)	(2,534)
Net cash flows from financing activities		(1,261)	83,653	130,811	(1,261)	83,653	130,811
Net increase / (decrease) in cash and cash equivalents		(58,935)	(149,232)	65,143	(58,935)	(149,232)	65,143
Opening cash and cash equivalents		313,667	313,667	25,153	313,667	313,667	25,153
Cash transferred in/(out) as a result of administrative restructuring		-	(252)	223,371	-	(252)	223,371
Closing cash and cash equivalents	7	254,732	164,183	313,667	254,732	164,183	313,667

The "Consolidated" results include the results of the INSW Staff Agency. The accompanying notes form part of these financial statements.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the period ended 30 June 2021

1 Statement of Significant Accounting Policies

(a) Reporting entity

Infrastructure New South Wales (hereafter referred to as INSW) was established in July 2011 as a statutory authority under the Infrastructure NSW Act 2011. It provides independent advice to help the Government identify, prioritise project delivery, and place management of critical public infrastructure across NSW. INSW is a reporting entity, comprising all the entities under its control, namely INSW Staff Agency (Staff Agency).

The Staff Agency is a public service agency established under the Administrative Arrangements Order 2014 and is pursuant to Part 2 of Schedule 1 of the Government Sector Employment Act 2013 (formerly the Infrastructure Special Officers Group (INSW Division) established under the former Public Sector Employment Management Act. The Staff Agency comprises persons who are employed under the Government Sector Employment Act 2013 to enable INSW to exercise its functions. In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

In June 2019, The NSW Government introduced a Bill to Parliament which dissolved both the Barangaroo Delivery Authority (BDA) and the Urban Growth NSW Development Corporation (UGDC) and transferred the rights, liabilities and functions of both entities to INSW. This bill was passed on the 20th June 2019 and subsequently accented to on 1 July 2019 which operates as the effective date of the legislation.

INSW is a budget dependent Statutory Authority. INSW is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These consolidated financial statements for the year ended 30 June 2021 have been authorised for issue by the Chief Executive Officer on 14 October 2021.

(b) Basis of preparation

The INSW's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Government Sector Finance Regulation 2018* (GSF Act), and
- Treasurer's Directions issued under the Act.

Property, plant and equipment and certain financial assets and liabilities are measured at fair value. Assets held for sale are measured at lower of carrying value and fair value less cost to sell. Other financial statements items are prepared in accordance with the historical cost convention except where specified otherwise. Assets held for distribution are non-current asset (or disposal group) classified as held for distribution to owners and are measured at the lower of its carrying amount and fair value less costs to distribute. Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the Financial Statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is INSW's presentation and functional currency.

The financial statements have been prepared on a going concern basis which assumes that repayment of debt will be met, as and when they fall due, without any intention or necessity to liquidate assets or otherwise wind up operations. Management has determined that the going concern basis is appropriate. This determination has taken into consideration the following factors:

- Infrastructure NSW is NSW Government owned; and
- Infrastructure NSW borrowing is guaranteed by the NSW Government.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the period ended 30 June 2021

1 Statement of Significant Accounting Policies (continued)

(d) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that the:

- amount of GST incurred by the NSW as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(e) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(f) Changes in Accounting Policy, including new or revised Australian Accounting Standards

(i) Effective for the first time in FY20-21

The entity applied AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard are described below.

The adoption of this Standard in the period of initial application has not resulted in any impact on the financial statements.

Several other amendments and interpretations apply for the first time in FY2020-21, but do not have an impact on the financial statements of the entity.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective, in accordance with the NSW Treasury mandate (TC 20-08). Management is currently in the process of assessing but initial estimate on impact is deemed not to be material.

- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not for-Profit Tier 2 Entities
- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date
- AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2

(iii) Impact of COVID-19 on Financial Reporting for 2020-21

NSW experienced no significant impact in the financial year as a result of COVID 19. NSW finances, liquidity position, control environment and general operations carried on without any major impediment. Further, there were no material valuation impacts identified on NSW's non-current assets.

NSW have implemented several initiatives to ensure compliance with Public Health Orders and further promote staff safety and wellbeing. Initiative established include establishing an NSW COVID 19 response team and remote working arrangements.

Based on the above, the impacts of COVID-19 during the financial year has not resulted in any material impacts on disclosure in the end of year financial statements.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

2 Expenses Excluding Losses

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(a) Employee related expenses				
Salaries and wages (including annual leave)	22,613	20,104	-	-
Superannuation - defined contributions plans	1,900	1,707	-	-
Long Service Leave	286	2,028	-	-
Workers' Compensation Insurance	17	145	-	-
Payroll tax and fringe benefits tax	1,316	1,650	-	-
Redundancies	692	750	-	-
On-Costs - annual leave and long service leave	178	217	-	-
Personnel services expenses	-	-	26,390	24,462
	27,002	26,601	26,390	24,462

Employee related costs that have been capitalised to property, plant and equipment and inventories, therefore excluded from the above is \$3.8m (2020: \$2.7m)

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(b) Operating expenses				
Auditors remuneration - audit of the financial statements	342	409	342	409
Internal audit fees	16	42	16	42
Other contractors	8,191	16,543	8,191	16,543
Boards and committees	154	138	154	138
Fees for services rendered	6,206	5,925	6,206	5,925
Insurance - public liability	695	135	695	135
Expense relating to short-term leases	22	292	22	292
Expense relating to leases of low-value assets	-	68	-	68
Other expenses	2,158	1,886	2,158	1,886
Contracted services - Hawkesbury Nepean Valley Flood Risk Management Strategy	14,878	9,392	14,878	9,392
Contracted services - South Creek Corridor Review	296	2,277	296	2,277
Precinct management***	7,722	8,802	7,722	8,802
Maintenance expenses *	-	96	-	96
Administration	214	342	214	342
	40,894	46,347	40,894	46,347

* There are no employee related maintenance expenses included in Note 2 (a).

*** Precinct Management expenses include facilities management, security, utilities and activation costs for public domain infrastructure assets

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(c) Depreciation and amortisation expense				
Depreciation				
Plant and equipment	1,309	1,547	1,309	1,547
Building	1,278	3,193	1,278	3,193
Leasehold improvements	111	108	111	108
Infrastructure systems	7,230	7,865	7,230	7,865
	9,928	12,713	9,928	12,713
Amortisation				
Intangible	6	7	6	7
	6	7	6	7
Total Depreciation and amortisation	9,934	12,720	9,934	12,720

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

2 Expenses Excluding Losses (continued)

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(d) Finance costs				
Interest on borrowing measured at amortised cost	12,313	18,990	12,313	18,990
Unwinding of discount rate	-	315	-	315
	12,313	19,305	12,313	19,305

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(e) Project delivery expenses				
Projects NSW	215,112	190,762	215,112	190,762
Other Project Expenses	4,817	5,521	4,817	5,521
	219,929	196,283	219,929	196,283

Projects NSW detail by project

Walsh Bay Arts Precinct			121,962	98,021
Sydney Modern Art Gallery			74,353	38,922
Stadium Australia			-	22,786
New Grafton Correction Centre			1,015	20,293
Powerhouse Paramatta Museum			17,782	9,764
Anzac Memorial Centenary Project			-	860
Sydney Football Stadium (SFS) Redevelopment			-	116
Total			215,112	190,762

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(f) Grants and subsidies				
Community grants	-	352	-	352
Grant to cluster department (Note 27)	16,446	-	16,446	-
	16,446	352	16,446	352

Recognition and Measurement

(i) Maintenance

Day to day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or a component of an asset, in which case the costs are capitalised and depreciated.

(ii) Insurance

INSW's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claims experience.

(iii) Precinct Management

Precinct Management expenses consist of facilities management, security, utilities and activation costs for public domain infrastructure assets. Precinct Management expenses are recognised as expenses in the period in which they are incurred.

(iv) Contracted Services

Contracted Services expenses consist of all the expenditure related to the projects (Hawkesbury Nepean Valley Flood Risk Management Strategy and South Creek Corridor Review). All expenses are recognised as expenses in the period in which they are incurred.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

2 Expenses Excluding Losses (continued)

Recognition and Measurement (continued)

(v) Lease expenses

The entity recognises the lease payments associated with the following types leases as an expense on a straight-line basis:

- Leases that meet the definition of short-term, i.e. where the lease term at commencement of the lease is 12 months or less. This excludes leases with a purchase option.
- Leases of assets that are valued at \$10,000 or under when new.

Variable lease payments not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate, initially measured using the index or rate as at the commencement date). These payments are recognised in the period in which the event or condition that triggers those payments occurs.

(vi) Finance Cost

Finance Cost consist of interest and other costs incurred in connection with the borrowing of funds. It also includes finance costs related to leases liability. Borrowing costs are recognised as expenses in the period in which they are incurred in accordance with Treasury's Mandate to not-for-profit NSW general government sector entities.

(vii) Grants and subsidies

Grants and subsidies expenses consist of all the expenditure related grants paid to the other government agencies. All expenses are recognised as expenses in the period in which they are incurred.

(vii) Projects

Projects expenses are related to the costs incurred on the projects carried out by INSW on behalf of other agencies. These are recognised as expenses in the period they are incurred.

Projects revenue are the reimbursement received by other agencies to INSW for carrying out projects on their behalf. As these project contracts are enforceable contracts with a customer, and there are sufficiently specific performance obligations, the project revenue arrangements are within the scope of AASB 15. There is a single performance obligation for these projects for INSW to manage and deliver the infrastructure project as specified in the Memorandum of Understanding (MoU). Revenue is recognised when expenditure on the project has incurred, i.e. revenue is recognised over time as the asset is being constructed.

3 Revenue

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(a) Sale of goods and services				
Rendering of Services - Projects NSW	215,112	189,786	215,112	189,786
Rendering of Services - Investor Assurance	9,367	9,097	9,367	9,097
Rendering of Services - Others	11,723	14,518	11,723	14,518
	236,202	213,401	236,202	213,401
Projects NSW detail by project				
Walsh Bay Arts Precinct			121,962	98,021
Sydney Modern Art Gallery			74,353	38,922
Stadium Australia			-	22,786
New Grafton Correction Centre			1,015	20,293
Powerhouse Paramatta Museum			17,782	9,764
			215,112	189,786
(b) Other Income				
Development Contribution Income	1,330	584	1,330	584
Assets transferred from Sydney Cricket Ground Trust at no consideration	-	19,422	-	19,422
Other Income	134	386	134	386
	1,464	20,392	1,464	20,392

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

3 Revenue (continued)

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(c) Grants and contributions				
Cluster Grant	476,526	123,434	476,526	123,434
Grants received from budget dependant agencies	-	95,904	-	95,904
Developer and affordable housing contributions	710	1,504	710	1,504
Grants from the climate change fund	3,080	8,058	3,080	8,058
	480,316	228,900	480,316	228,900

	2021	2020
	\$000	\$000
Grants without sufficiently specific performance obligations	480,316	228,900
	480,316	228,900

The Affordable Housing Corporation Plan 2006 sets out development contributions levied on development within the former Redfern Waterloo Authority's Operational Area. The contributions are to specifically fund the provision of refurbishment of affordable housing in the area.

	2021	2020
	\$000	\$000
(d) Deemed Appropriations		
Own source revenue balance brought forward	271,323	184,326
Add: Own source revenue received during the year	255,910	168,752
Less: Expenditure charged against own source revenue	(327,426)	(81,756)
Own source revenue balance carried forward	199,806	271,323

The table above includes monies received from the INSW's own-source income from other clusters who have different responsible ministers, as comprising part of the authority to spend.

There is some complexity and uncertainty in respect of the legal implication of monies received by the agency from an agency in another cluster who has a different responsible minister. If those monies are paid from the Consolidated Fund and remain within the Consolidated Fund on receipt the appropriations authority limits of the responsible minister(s) of the paying and receiving agencies will not have been automatically adjusted on transfer of the money. This means the appropriations limit of the receiving responsible minister(s) will not have been increased. Therefore, there is a technical risk that the actual expenditure exceeds the aggregate legal limit authorised for the receiving responsible minister(s) for the relevant reporting period; on the other hand, the paying responsible minister(s) may have unutilised legal spending authority. The total appropriations limits in the Appropriations Act are not affected by this matter.

The impact of this legal uncertainty means the balance of own source revenue brought forward and carried forward in the table will not necessarily be reflective of the appropriations authority available to the agency or its responsible minister(s).

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(e) Investment Revenue				
Interest from cash at bank	51	1,115	51	1,115
Interest from finance leases	13,562	18,681	13,562	18,681
	13,613	19,796	13,613	19,796

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
(f) Acceptance by the Crown Entity of employee benefits and other liabilities				
The following liabilities and/or expenses have been assumed by the Crown Entity or other government entities:				
Long service leave	612	2,139	-	-
	612	2,139	-	-

Recognition and measurement

Income is recognised in accordance with the requirements of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities, dependent on whether there is a contract with a customer defined by AASB 15 Revenue from Contracts with Customers. Comments regarding the accounting policies for the recognition of income are discussed below.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

3 Revenue (continued)

Recognition and measurement (continued)

(i) Rendering of services

Rendering of services represent invoiced amounts of the services provided to other NSW government agencies for projects being delivered on their behalf by either the project delivery unit of INSW and/ or the investor assurance unit.

Revenue from rendering of services is recognised when INSW satisfies the performance obligation by transferring the promised services, generally construction management services. INSW typically satisfies its performance obligations when the services are performed. The input method is used to recognise the revenue based on the percentage of costs incurred. The payments are typically due in advance and this is disclosed in Note 20. The revenue is measured at the transaction price agreed under the contract. No element of financing is deemed present as payments are due when service is provided.

(ii) Grants and contributions

Income from grants to acquire/construct a recognisable non-financial asset to be controlled by INSW is recognised when INSW satisfies its obligations under the transfer. INSW satisfies the performance obligations under the transfer to construct assets over time as the non-financial assets are being constructed. Revenue from grants with sufficiently specific performance obligations is recognised as and when INSW satisfies a performance obligation by transferring the promised goods. Revenue from grants is recognised based on the grant amount specified in the funding agreement/funding approval, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. INSW receives its funding as cluster grant funding received from Department of Premier and Cabinet which receives appropriations from the Consolidated Fund.

(iii) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For financial assets that become credit impaired, the effective interest rate is applied to the amortised cost of the financial asset (i.e. after deducting the loss allowance for expected credit losses).

(iv) Lease revenue and finance leases

Finance lease revenue is recognised over the lease period to allocate finance income over the lease term on a systematic and rational basis.

4 Gain / (loss) on disposal

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Net loss from disposal of property, plant and equipment and intangibles	(1,357)	(46)	(1,357)	(46)
Net proceeds from lease of land	50,327	-	50,327	-
Net loss from remeasurement of finance lease model	(59,246)	-	(59,246)	-
Other developer contributions	33,590	-	33,590	-
	23,313	(46)	23,313	(46)

5 Other gains / (losses)

	Consolidated		INSW	
	Restated 2021	Restated 2020	Restated 2021	Restated 2020
	\$000	\$000	\$000	\$000
Gain/(loss) on fair value movement	1,547	-	1,547	-
Impairment losses on right of use assets ¹	(178)	(959)	(178)	(959)
	1,369	(959)	1,369	(959)

¹ The impairment loss on right of use assets was due to an assessment that rental market values had declined. Property NSW, as INSW's property agent, obtained independent advice on the impact to tenancy leases that are held as right of use assets. This decline represents the impact upon leased accommodation in the Sydney CBD and Sydney metropolitan area.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

6 Program statements for the year ended 30 June 2021 (continued)

INSW has four programs groups being :

- Strategy, Planning & Assurance which comprises the following:
 - INSW Core operations, Strategy & Planning , Investor Assurance and management of the Restart NSW Fund
 - Special projects including the implementation of the Hawkesbury Nepean Flood Management Strategy and the South Creek Corridor Review
- Project Delivery which incorporates those infrastructure projects being delivered on request from the Premier under INSW's Act including through a Project Authorisation Order or Delegation
- Barangaroo Precincts
- Growth Centres

Expenses & Income	Project Delivery	Strategy & Planning and Assurance	Barangaroo Precincts	Growth Centres	Total Program Groups
	2021	2021	2021	2021	2021
	\$000	\$000	\$000	\$000	\$000
Expenses excluding losses					
Operating expenses					
Employee related	-	21,868	3,883	1,251	27,002
Other operating expenses	-	28,089	24,790	328	53,207
Grants and subsidies	-	16,446	-	-	16,446
Depreciation and amortisation	-	2,055	7,879	-	9,934
Other expenses - Projects NSW	215,112	3,424	1,393	-	219,929
Total expenses excluding losses	215,112	71,883	37,945	1,579	326,518
Sale of goods and services					
Sale of goods and services	215,112	10,233	10,857	-	236,202
Other income	-	35	13,712	1,330	15,077
Grants & contributions	405,765	2,868	2	72,293	480,928
Total revenue	620,877	13,136	24,571	73,623	732,207
Gain / (loss) on disposal	137	(168)	23,344	-	23,313
Other gains / (losses)	-	-	1,369	-	1,369
Net result from continuing operations	405,902	(58,914)	11,339	72,044	430,371
NET RESULT	405,902	(58,914)	11,339	72,044	430,371
Other comprehensive income					
Increase/(decrease) in asset revaluation surplus	-	-	25	-	25
Increase/(decrease) in revaluation surplus arising from changes in restoration liability	-	-	688	-	688
Increase/(decrease) in superannuation actuarial gain/(loss) on defined benefit plans	-	-	-	-	-
Total other comprehensive income	-	-	713	-	713
Total comprehensive income	405,902	(58,914)	12,052	72,044	431,084

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

6 Program statements for the year ended 30 June 2021 (continued)

Expenses & Income	Project Delivery	Strategy & Planning and Assurance	Barangaroo Precincts (Restated)	Growth Centres	Total Program Groups
	2020	2020	2020	2020	2020
	\$000	\$000	\$000	\$000	\$000
Expenses excluding losses					
Operating expenses					
Employee related	-	15,780	6,577	4,244	26,601
Other operating expenses	-	37,138	26,018	2,496	65,652
Grants and subsidies	-	-	-	352	352
Depreciation and amortisation	-	191	9,830	2,699	12,720
Other expenses - Projects NSW	190,762	-	-	5,521	196,283
Total expenses excluding losses	190,762	53,109	42,425	15,312	301,608
Revenue					
Sale of goods and services	310,111	42,119	9,960	-	362,190
Other revenue	-	-	19,653	1,117	20,770
Grants & contributions	-	-	-	101,667	101,667
Total revenue	310,111	42,119	29,613	102,784	484,627
Gain / (loss) on disposal	-	(46)	-	-	(46)
Other gains / (losses)	-	-	(882)	(76)	(958)
Net result from continuing operations	119,349	(11,036)	(13,694)	87,396	182,015
Net result from discontinued operations	-	-	-	(9,025)	(9,025)
NET RESULT	119,349	(11,036)	(13,694)	78,371	172,990
Other comprehensive income					
Increase/(decrease) in asset revaluation surplus	-	-	16,057	-	16,057
Increase/(decrease) in revaluation surplus arising from changes in restoration liability	-	-	15,561	-	15,561
Increase/(decrease) in superannuation actuarial gain/(loss) on defined benefit plans	-	-	-	140	140
Total other comprehensive income	-	-	31,618	140	31,758
Total comprehensive income	119,349	(11,036)	17,924	78,511	204,748

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

6 Program statements for the year ended 30 June 2021 (continued)

	Project Delivery	Strategy & Planning and Assurance	Barangaroo Precincts	Growth Centres	Total Program Groups
	2021	2021	2021	2021	2021
	\$000	\$000	\$000	\$000	\$000
Assets & Liabilities					
ASSETS					
Current Assets					
Cash and cash equivalents	37,218	152,377	24,340	40,796	254,731
Receivables	507	1,630	216,606	-	218,743
Assets held for Sale	-	0	28,484	-	28,484
Total Current Assets	37,725	154,007	269,430	40,796	501,958
Non-Current Assets					
Receivables	-	-	350,852	20,000	370,852
Inventory	547,482	-	-	-	547,482
Right-of-use Assets	-	3,078	-	-	3,078
Property, Plant and Equipment	-	2,881	615,716	69,969	688,566
Intangibles assets	-	-	-	-	-
Total Non-Current Assets	547,482	5,959	966,568	89,969	1,609,978
Total Assets	585,207	159,966	1,235,998	130,765	2,111,936
LIABILITIES					
Current Liabilities					
Payables	58,854	5,427	23,924	58,078	146,283
Borrowings	-	1,342	295,880	-	297,222
Provisions	18,059	2,627	13,723	131	34,540
Total Current Liabilities	76,913	9,396	333,527	58,209	478,045
Non Current Liabilities					
Payables	-	-	-	-	-
Borrowings	-	3,406	396,860	-	400,266
Provisions	-	447	365,019	-	365,466
Total Non Current Liabilities	-	3,853	761,879	-	765,732
Total Liabilities	76,913	13,249	1,095,406	58,209	1,243,777
Net Assets	508,294	146,717	140,592	72,556	868,159

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

6 Program statements for the year ended 30 June 2021 (continued)

Assets & Liabilities	Project Delivery	Strategy & Planning and Assurance	Barangaroo Precincts (Restated)	Growth Centres	Total Program Groups
	2020	2020	2020	2020	2020
	\$000	\$000	\$000	\$000	\$000
ASSETS					
Current Assets					
Cash and cash equivalents	-	81,980	10,510	221,177	313,667
Receivables	17,684	9,561	9,342	4,909	41,496
Assets held for Sale	-	-	164,718	-	164,718
Property, Plant and Equipment held for distribution	-	-	-	34,458	34,458
Inventory held for distribution	-	-	-	245	245
Total Current Assets	17,684	91,541	184,570	260,789	554,584
Non-Current Assets					
Receivables	-	-	439,143	20,000	459,143
Right-of-use Assets	-	-	3,856	343	4,199
Property, Plant and equipment	-	91	549,166	11,864	561,120
Intangibles	-	6	-	-	6
Inventories	139,890	-	-	1,922	141,812
Total Non-Current Assets	139,890	97	992,165	34,129	1,166,281
Total Assets	157,574	91,638	1,176,735	294,918	1,720,865
LIABILITIES					
Current Liabilities					
Payables	74,707	12,984	565,488	55,902	709,081
Provisions	13	1,187	4,315	462	5,977
Provisions held for distribution	-	-	-	298	298
Total Current Liabilities	74,720	14,171	569,803	56,662	715,356
Non Current Liabilities					
Payables	-	-	481,937	49,799	531,736
Provisions	-	303	379	496	1,178
Total Non Current Liabilities	-	303	482,316	50,295	532,914
Total Liabilities	74,720	14,474	1,052,119	106,957	1,248,270
Net Assets	82,854	77,164	124,616	187,961	472,595

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

7 Current Assets - Cash and Cash Equivalents

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Cash at bank and on hand (Note 14)	254,731	313,667	254,731	313,667
	254,731	313,667	254,731	313,667

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and cash on hand.

Cash and cash equivalents assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Cash and cash equivalents (per statement of financial position)	254,731	313,667	254,731	313,667
	254,731	313,667	254,731	313,667

Refer Note 26 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.

8 Current/Non-Current Assets - Receivables and Prepayments

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Current Receivables				
Contract receivables	217,384	31,583	217,384	31,583
less: Allowance for expected credit loss *	-	(859)	-	(859)
Goods and services tax recoverable from ATO	-	3,316	-	3,316
Other	6	159	6	159
Prepayment	1,351	7,112	1,351	7,112
Finance lease receivable	-	184	-	184
Other receivables	2	-	2	-
	218,743	41,495	218,743	41,495
Non-Current Receivables				
Prepayment	20,000	20,001	20,000	20,001
Finance lease receivable	350,852	439,142	350,852	439,142
	370,852	459,143	370,852	459,143

	2021	2020
	\$000	\$000
* Movement in the allowance for credit loss		
Balance at 1 July		(859)
Increase / (decrease) in allowance recognised in profit or loss		-
Amounts written off during the year	859	-
Balance at 30 June		(859)

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 26.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

8 Current/Non-Current Assets - Receivables and Prepayments (continued)

Recognition and measurement

All 'regular way' purchases or sales of financial asset are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Contract receivables relate to INSW's right to consideration in exchange for goods transferred to customers/works completed, but not collected at the reporting date. Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

INSW holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment under AASB 9

INSW recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit and loss. ECLs are based on the difference between the contractual cash flows and the cash flows that INSW expects to receive, discounted at the original effective interest rate.

For Receivables (including contract receivables), INSW applies a simplified approach in calculating ECLs. INSW recognises a loss allowance based on lifetime ECLs at each reporting date. INSW has determined that as there is minimal historical credit loss experience and the majority of its receivables are inter-government, it has not recognised any ECLs.

9 Current/Non-Current Assets - Inventory

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Current				
Inventory held for distribution	-	245	-	245
	-	245	-	245
Non Current				
Work in Progress*	547,482	141,812	547,482	141,812
	547,482	141,812	547,482	141,812
Total Inventories	547,482	142,057	547,482	142,057

* Balance pertains to Sydney Football Stadium and Blackwattle Bay redevelopment projects.

Recognition and measurement

Inventory comprise undeveloped land, work in progress and developed land. Infrastructure and land that will be transferred to another agency upon completion for management is classified as work in progress while it is under development.

Inventories are stated at cost (cost includes acquisition and development costs), adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost includes acquisition and development costs. Where there is a likelihood that the project will not progress then the net realisable value of the project is considered to be nil and capitalised costs are written off and recognised as an expense in the Statement of Comprehensive Income during the financial year.

INSW reviews its inventory balances periodically and writes off inventory where the net realisable value is less than the carrying amount in the accounts based on the latest forecast. When the circumstances that previously caused inventories to be written down below cost no longer exist due to change in economic circumstances, the amount of the write back is credited in the Statement of Comprehensive Income limited to the amount of the original write-down so that the new carrying amount is the lower of cost and the revised net realisable value.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost INSW would incur to acquire the asset. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

10 Non-Current Assets - Property, Plant and Equipment

	Notes	Work in Progress	Land & Buildings	Infrastructure	Plant & Equipment	Leasehold improvements	Total
		\$000	\$000	\$000	\$000	\$000	\$000
At 1 July 2020 - Restated							
Gross carrying amount		32,636	247,438	353,853	9,693	270	643,890
Accumulated depreciation and impairment		-	(4,137)	(38,232)	(5,810)	(133)	(48,312)
Net carrying amount		32,636	243,301	315,621	3,883	137	595,578
At 30 June 2021 - fair value							
Gross carrying amount		133,490	208,744	387,947	6,744	398	737,323
Accumulated depreciation and impairment		-	-	(45,462)	(3,115)	(180)	(48,757)
Net carrying amount		133,490	208,744	342,485	3,629	218	688,566

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the reporting period is set out below. 30 June 2020 infrastructure balance has been restated to reflect the prior year error identified and disclosed in Note 28.

	Notes	Work in Progress	Land & Buildings	Infrastructure	Plant & Equipment	Leasehold improvements	Total
		\$000	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2021							
Net carrying amount at beginning of year		32,636	243,302	315,621	3,883	137	595,579
Purchases of assets		104,623	-	29,737	2,329	-	136,689
Disposals		-	-	-	(1,357)	-	(1,357)
Transfer in/(out) with other Government Agencies (Note 27)		-	(34,458)	563	-	-	(33,895)
Remeasurement of assets		-	-	25	-	196	221
Transfer between asset classes and others		(3,769)	(100)	3,769	41	(4)	(63)
Depreciation expense		-	(0)	(7,230)	(1,267)	(111)	(8,608)
Net carrying amount at end of year		133,490	208,744	342,485	3,629	218	688,566
Year ended 30 June 2020							
				Restated			
		\$000	\$000	\$000	\$000	\$000	\$000
Net carrying amount at beginning of year		-	-	-	163	93	256
Purchases of assets		16,451	-	-	68	-	16,519
Disposals		-	-	-	(11)	(36)	(47)
Transfer in through administrative restructures		31,431	321,794	298,868	4,591	177	656,861
Net revaluation increments recognised in equity		-	15,471	9,984	-	-	25,455
Transfer between asset classes		(15,247)	-	14,634	552	-	(61)
Total sale of goods and services		-	(93,291)	-	-	-	(93,291)
Depreciation expense		-	(672)	(7,865)	(1,480)	(108)	(10,125)
Remeasurement of assets		-	-	-	-	11	11
Net carrying amount at end of year		32,635	243,302	315,621	3,883	137	595,578

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

10 Non-Current Assets - Property, Plant and Equipment (continued)

Recognition and measurement

(i) Acquisitions of property, plant and equipment

Property, plant and equipment acquired are initially recognised at cost and subsequently measured at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent; i.e. the deferred payment amount is effectively discounted over the period of credit.

(ii) Capitalisation thresholds

Property development costs that give rise to an effective and material increase in the future economic benefit of the property are capitalised. All costs incurred in property development are capitalised when assets are completed and ready for service. The costs are capitalised in the inventory account, either directly or from capital work in progress when relevant. All assets of an individual value or a network of a value more than \$5,000 are capitalised.

(iii) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site to the original condition is included in the cost of an asset, to the extent it is recognised as a liability. The liability is carried at present value of future estimated costs discounted using the government bond rate. The unwinding of the discount is recognised as finance costs in the statement of comprehensive income.

(iv) Depreciation of property, plant and equipment

INSW adopts a straight-line depreciation except for land which is not a depreciable asset. All material separately identifiable components of assets are depreciated separately over their useful lives. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

The following depreciation rates have been adopted:

Category of Assets	Asset Class	2021	2020
Plant and Equipment	Plant and equipment	10% - 50%	10% - 50%
	Furniture and fittings	10% - 25%	10% - 25%
	IT Equipment	33%	33%
Leasehold improvement		20% - 33%	20% - 33%
Buildings		2% - 2.5%	2% - 2.5%
Infrastructure		1% - 20%	1% - 20%

(v) Revaluation of property, plant and equipment

Physical non current assets are valued in accordance with the 'Valuation of Physical Non Current Assets at Fair Value' Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement*, AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 15 for further information regarding fair value.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

10 Non-Current Assets - Property, Plant and Equipment (continued)

Recognition and measurement (continued)

(v) Revaluation of property, plant and equipment(continued)

Revaluations are made with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. INSW conducts a comprehensive revaluation at least every three years for its land and buildings (except infrastructure and land under infrastructure) where the market or income approach is the most appropriate valuation technique and at least every five years for other classes of property, plant and equipment. The last comprehensive revaluation for infrastructure was completed 30 June 2020 and was based on an independent assessment. For land and building (except for Central Barangaroo land), internal management assessment was conducted for the year 2020. Interim revaluations are conducted between comprehensive revaluations where cumulative changes to assets indicators suggest fair value may differ materially from carrying value. An interim revaluation was completed in current period for infrastructure class of assets, INSW used an external professionally qualified valuer to conduct the interim revaluation.

Non-specialised assets with short useful lives are measured at depreciated historical cost, which for these assets approximates fair value. INSW has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For other assets valued using other valuation techniques, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

For those right-of-use assets under leases that have significantly below-market terms and conditions principally to enable INSW to further its objectives, it has elected to measure the asset at cost. These right-of-use assets are not subject to revaluation.

Revaluation increments are recognised in other comprehensive income and credited to revaluation surplus in equity. However, to the extent that an increment reverses a revaluation decrement in respect of the same class of asset previously recognised as a loss in the net result, the increment is recognised immediately as a gain in the net result.

Revaluation decrements are recognised immediately as a loss in the net result, except to the extent that it offsets an existing revaluation surplus on the same class of assets, in which case, the decrement is debited directly to the revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise. When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated. Where the income approach or market approach is used, accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

(vi) Impairment of property, plant and equipment

As a not for profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances such as where the costs of disposal are material. Specifically, impairment is unlikely for not for profit entities given that AASB 136 modifies the recoverable amount test for non cash generating assets of not for profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

INSW assesses, at each reporting date, whether there is an indication that an asset may be impaired. If an indication exists, or when annual impairment testing for an asset is required, INSW estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

As a not-for-profit entity, an impairment loss is recognised in the net result to the extent the impairment loss exceeds the amount in the revaluation surplus for the class of asset.

After an impairment loss has been recognised, it is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in net result and is treated as a revaluation increase. However, to the extent that an impairment loss on the same class of asset was previously recognised in net result, a reversal of that impairment loss is also recognised in net result.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

11 Leases

The following table presents right-of-use assets and lease liabilities as at 30 June 2021:

a. INSW as a lessee

Right-of-use assets under leases

Consolidated/INSW	Notes	Plant & Equipment	Land and Buildings	Total
		\$000	\$000	\$000
Balance at 1 July 2020		100	4,099	4,199
Remeasurement		-	377	377
Impairment loss		-	(178)	(178)
Depreciation expense	2(c)	(42)	(1,278)	(1,320)
Balance at 30 June 2021		58	3,020	3,078

Consolidated/INSW	Notes	Plant & Equipment	Land and Buildings	Total
		\$000	\$000	\$000
Balance at 1 July 2019		-	-	-
Additions resulting from administrative restructures		168	14,035	14,203
Remeasurement		-	(6,457)	(6,457)
Impairment loss		-	(959)	(959)
Depreciation expense	2(c)	(68)	(2,520)	(2,588)
Balance at 30 June 2020		100	4,099	4,199

Lease liabilities

Consolidated/INSW	2021	2020
	\$000	\$000
Balance at 1 July 2020	(5,997)	-
Additions resulting from administrative restructures	-	(14,202)
Remeasurement	(376)	5,535
Interest expenses	(114)	137
Payments	1,739	2,534
Balance at 30 June 2021	(4,748)	(5,996)

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

11 Leases (continued)

Lease liabilities (continued)

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where INSW is the lessee:

Consolidated/INSW	2021	2020
	\$000	\$000
Depreciation expense of right-of-use assets	1,320	2,587
Impairment expense of right-of-use assets	178	959
Interest expense on lease liabilities	114	137
Expense relating to short-term leases	22	292
Expense relating to leases of low-value assets	-	68
Total amount recognised in the statement of comprehensive income	1,634	4,043

INSW had total cash outflows for leases of \$1.7 million in FY2020-21. INSW has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low value assets are assets with a fair value of \$10,000 or less when new and comprise mainly of motor vehicle, IT equipment's etc.

INSW as a lessor

	2021	2020
	\$000	\$000

Lessor for finance leases

Future minimum rentals receivable (undiscounted) under non-cancellable lease are as follows:

Within one year	-	184
One to five years	365,339	437,823
Later than five years	28,200	1,320
Total (excluding GST)	393,539	439,326

Reconciliation of net investment in leases

Future undiscounted rentals receivable	393,539	491,096
Less: unearned finance income	(42,687)	(51,769)
Net investment in finance leases	350,852	439,326

The net investment in finance leases significantly decreased during the current period, mainly due to the resolve of a contingent event within the sight lines dispute with Lendlease (Millers Point) Pty Limited and Crown Sydney Property Pty Limited in March 2021. The commercial terms of this settlement were bound by confidentiality requirements. This has resulted in the modification of the cashflow and discount rates adopted in computation of the Barangaroo finance lease balance.

	2021	2020
	\$000	\$000
Included in Financial Statements (Note 8)		
Current finance lease receivables	-	184
Non-current finance lease receivables	350,852	439,142
	350,852	439,326
Included in Financial Statements (Note 17)		
Current lease liability	1,342	1,639
Non-current lease liability	3,406	4,358
	4,748	5,997

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

11 Leases (continued)

Recognition and measurement

(i) Leased Assets

Right-of-Use Assets acquired by lessees

AASB 16 Leases (AASB 16) requires a lessee to recognise a right-of-use asset for most leases. The entity assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The entity has elected to present right-of-use asset separately in the Statement of Financial Position.

INSW as Lessee

AASB 16 Leases (AASB 16) requires a lessee to recognise a right-of-use asset and a corresponding lease liability for most leases, except for short-term leases and leases of low-value assets.

INSW has elected to use the practical expedient to expense lease payments for lease contracts that, at their commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is valued at \$10,000 or under when new (low-value assets).

The entity recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where INSW obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that INSW will exercise a purchase option, INSW depreciates the right-of-use asset over its useful life.

INSW as Lessor

Lessor accounting under AASB 16 will continue to classify leases as either operating or finance leases. Leases that the entity transfers substantially all the risks and rewards incidental to ownership of an asset are classified as finance leases.

At the lease commencement date, the entity recognises a receivable for assets held under a finance lease in its statement of financial position at an amount equal to the net investment in the lease. The net investment in leases is classified as financial assets amortised cost and equals the lease payments receivable by a lessor and the unguaranteed residual value, plus initial direct costs, discounted using the interest rate implicit in the lease. Initial direct costs. Finance income arising from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature.

South Barangaroo accounted for as a finance lease as development rights and leases of land are entered into progressively throughout the development.

(ii) Lease liabilities

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by the entity; and
- payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the entity's leases, the lessee's incremental borrowing rate is used, being the rate that the entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The entity's lease liabilities are included in borrowings.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

12 Intangible Assets

	Consolidated / INSW 2021 \$000	
Software (including IT Network design)		
At 30 June 2020		
Net carrying amount		14
Amortisation (recognised in 'depreciation and amortisation')		(8)
Net carrying amount		6
At 30 June 2021		
Gross carrying amount		-
Accumulated amortisation and impairment		-
Net carrying amount		-
Year ended 30 June 2021		
Net carrying amount at start of year		6
Amortisation (recognised in 'depreciation and amortisation')		(6)
Net carrying amount at end of year		-

Recognition and measurement

INSW recognises intangible assets only if it is probable that future economic benefits will flow to INSW and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for INSW's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses. All research costs are expensed. Development costs are only capitalised when certain criteria are met.

INSW's intangible assets are amortised using the straight-line method over a period of four years. Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

13 Current Assets Held for Sale

	Consolidated		INSW	
	2021 \$000	2020 \$000	2021 \$000	2020 \$000
Asset Held for sale	28,484	164,718	28,484	164,718
	28,484	164,718	28,484	164,718

The assets held for sale relate to land for South Barangaroo development, which is accounted for as a finance lease of development rights and use of land. Commencement of development is expected within the next reporting period.

Recognition and measurement

Assets held for sale and distribution are measured at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale and distribution. INSW has certain non-current assets classified as held for sale, where their carrying amount will be recovered principally through a sale transaction not through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and the sale of the asset is expected to be completed within one year from the date of classification.

14 Restricted Assets

	Notes	Consolidated		INSW	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
Cash and Cash Equivalents	7	40,796	38,731	40,796	38,731
		40,796	38,731	40,796	38,731

INSW (former UGDC) under the Waterloo Affordable Housing and Developers Contribution Plans receives contribution for all major development within the Redfern Waterloo area. These contributions are held in separate deposits facilities and can be expensed on projects directly related to the specific purposes for which the funds were granted. All interest earned is reinvested in these accounts.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

15 Fair value measurement of non-financial assets

(a) Fair value hierarchy

A number of the INSW's accounting policies and disclosures require the measurement of fair value, for both financial and non financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, INSW categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted (unadjusted) prices in active markets for identical assets / liabilities that the Department can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 - inputs that are not based on observable market data (unobservable inputs).

The INSW recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

PPE valued using level 2 and 3. INSW have some assets that are non-specialised short-live assets and measured at depreciated historical cost as a surrogate for fair value.

	Notes	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total fair Value \$000
2021					
Property, plant and equipment					
Land	10	-	208,744	-	208,744
Infrastructure	10	-	-	342,485	342,485
		-	208,744	342,485	551,229

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total fair Value \$000
2020				
Property, plant and equipment (Restated)				
Land and buildings	-	243,301	-	243,301
Infrastructure	-	-	315,621	315,621
	-	243,301	315,621	558,922

There were no transfers between Level 1 or 2 during the periods.

(b) Valuation techniques, inputs and processes

INSW engages an external, independent and qualified valuer to determine the value of the INSW asset portfolio.

Class	Valuation technique	Key Inputs
Land	Market approach - comparable value of similar land is considered	<ul style="list-style-type: none"> • Comparable property sales values • Adjustments for scale of site and infrastructure costs
Infrastructure	Current replacement cost approach	Due to the unique, specialised nature of these assets, a cost approach using current replacement cost has been applied.
Building	Current replacement cost approach	Due to the unique, specialised nature of these assets, a cost approach using current replacement cost has been applied.

(c) Reconciliation of recurring level 3 fair value measurements

	Infrastructure \$'000	Total \$'000
Fair Value as at 1 July 2020	315,621	315,621
Purchases of assets	29,737	29,737
Revaluation increments/ decrements recognised in other comprehensive income	25	25
Transfer between asset classes	3,769	3,769
Transfer from other Government Agencies	563	563
Depreciation expense	(7,230)	(7,230)
Fair value as at 30 June 2021	342,485	342,485

	Restated Infrastructure \$'000	Total \$'000
Fair Value as at 1 July 2019	-	-
Additions due to administrative restructure	298,868	298,868
Revaluation increments/ decrements recognised in other comprehensive income (Note 28)	9,984	9,984
Transfer between asset classes	14,634	14,634
Depreciation expense	(7,865)	(7,865)
Fair value as at 30 June 2020	315,621	315,621

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

16 Current/ Non Current Liabilities - Payables

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Current				
Creditors	799	3,701	799	3,701
Deferred Liability	50,005	49,880	50,005	49,880
Accrued Expense	81,663	62,468	81,663	62,468
Interest Payable	3,335	6,013	3,335	6,013
Other Payables	26	5,364	26	5,279
Accrued salaries, wages and on costs	346	632	-	-
Goods and services tax payable to ATO	10,077	-	10,077	-
Security deposits and bonds	32	57	32	57
Personal Services	-	-	3,153	3,595
	146,283	128,115	149,090	130,993
Non-Current				
Deferred Liability	-	49,756	-	49,756
	-	49,756	-	49,756

Deferred liability is related to the payables to Sydney Metro for development rights due in the year 2022.

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables, are disclosed at Note 26.

Recognition and measurement

Payables represent liabilities for goods and services provided to the agency and other amounts. Payables are initially recognised at fair value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

17 Current / Non-Current Liabilities - Borrowings

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Current				
Lease liability	1,342	1,639	1,342	1,639
T-Corp borrowings	295,880	402,032	295,880	402,032
	297,222	403,671	297,222	403,671
Non-Current				
Lease liability	3,406	4,358	3,406	4,358
T-Corp borrowings	396,860	290,523	396,860	290,523
	400,266	294,881	400,266	294,881

Changes in liabilities arising from financing activities

	T-Corp borrowings	Lease Liability	Total
	\$'000	\$'000	\$'000
Balance as at 1 July 2020	692,555	5,997	698,552
Acquisition	185	-	185
Remeasurement and payments	-	(1,249)	(1,249)
Balance as at 30 June 2021	692,740	4,748	697,488

The fair value of these unsecured loans as at balance date was \$693 million (2020: \$693 million)

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above borrowing are disclosed in Note 26.

Recognition and measurement

Borrowings represents interest bearing liabilities mainly raised through NSW Treasury Corporation and lease liabilities.

Financial liabilities at amortised cost (including borrowings and trade payables) are initially measured at fair value, net of transaction costs. These are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Borrowings are classified as current liabilities unless the INSW has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date result for the year of de-recognition. Borrowings are classified as current liabilities unless INSW has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

18 Current / Non-Current Liabilities - Provisions

	Consolidated		INSW	
	2021 \$000	2020 \$000	2021 \$000	2020 \$000
Current Provisions				
Employee benefits and related on-costs				
Annual leave including on-costs	2,262	1,949	-	-
Long service leave on-costs	496	362	-	-
Leave service leave held for distribution	-	298	-	-
Payroll tax	-	92	-	-
Current employee benefits and related on-cost provisions	2,758	2,701	-	-
Other Provisions				
Restoration Costs	-	717	-	717
Climate Positive Fund	-	2,384	-	2,384
Make good provision	-	471	-	471
Other Current Provisions	-	3,572	-	3,572
Total Current Provisions	2,758	6,273	-	3,572
Non-Current Provisions				
Employee benefits and related on-costs				
Long service leave on-costs	49	177	-	-
Non-Current employee benefits and related on-cost provisions	49	177	-	-
Other Provisions				
Restoration Costs	731	731	731	731
Climate Positive Fund	2,833	-	2,833	-
Make good provision	398	270	398	270
Non-Current Other Provisions	3,962	1,001	3,962	1,001
Total Non-Current Provisions	4,011	1,178	3,962	1,001
Total Current / Non-Current Liabilities - Provision	6,769	7,451	3,962	4,573

	Notes	Consolidated		INSW	
		2021 \$000	2020 \$000	2021 \$000	2020 \$000
Aggregate employee benefits and related on-costs					
Provisions - current		2,758	2,701	-	-
Provisions - non-current		49	177	-	-
Accrued salaries, wages and on-costs	16	346	632	-	-
		3,153	3,510	-	-

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits are set out below:

	Notes	Restoration Costs	Climate Positive Fund	Make Good Provision	Total
		\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of financial year	####	1,419	2,384	742	4,545
Additional provisions recognised		-	2,003	127	2,130
Amounts used		-	(1,554)	(471)	(2,025)
Amount of provision released during the year		(688)	-	-	(688)
Carrying amount at the end of financial year		731	2,833	398	3,962

The Environment Protection Authority (EPA) has declared the footprint of the former Millers Point Gasworks, which remains under a portion of Hickson Road and Barangaroo, as a remediation site. Restoration works were completed in May 2020. Prior year provision was calculated using the Commonwealth Bond rate of 1.025%.

INSW has committed to Barangaroo operating as a Carbon Neutral precinct that will be delivered through a carbon reconciliation and offsetting process, using a proportion of the funds generated by the Estate Levy to purchase Renewable Energy Certificates (RECs) and offsets where appropriate. INSW allocates an amount no greater than \$4.90 per annum of the Estate Levy per m2 of GFA for each building which has achieved Practical Completion to Climate Positive Fund provision account. INSW intends to utilise the nationally recognised National Carbon Offset Standard (NCOS) certification process to validate carbon neutrality.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

18 Current / Non-Current Liabilities - Provisions (continued)

Recognition and measurement

Employee benefits are provided to INSW by INSW Staff Agency. Former BDA and UGDC Staff Agencies were transferred to INSW Staff agency. INSW recognises personnel service expenses and provisions for these benefits.

(i) Salaries and wages, annual leave and sick leave

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefit to which they relate have been recognised.

Annual leave is recognised and measured at undiscounted amounts if expected to be settled within 12 months after the end of the period in which the employees services were rendered. Annual leave is required to be measured at fair value (although short-cut methods are permitted). Annual leave liability recognised at undiscounted amounts as an assessment has been made that effect of discounting is immaterial. All annual leave is classified as a current liability even where the entity does not expect to settle the liability within 12 months as the entity does not have an unconditional right to defer settlement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

(ii) Long service leave and superannuation

INSW's liabilities for long service leave and defined benefit superannuation are assumed by the Crown in right of the State of New South Wales (Crown). Former BDA and former UGDC employees' long service leave and superannuation were assumed by the Crown in the current financial period. INSW accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to certain factors based on actual review, including expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using Commonwealth government bond rate at the reporting date.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

(iv) Other provisions

Provisions are recognised when INSW has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When INSW expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented net of any reimbursement in the Statement of Comprehensive Income.

(v) Make good costs

The present value of the estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent the make good cost is recognised as a liability.

(vi) Restoration Provision

The restoration provision accounts for all requisite investigation and construction works, documentation, specialist studies, regulatory liaison and restoration works. The provision reflects management's judgement and assumptions regarding method, the extent of contamination, costs for remediation works and other conditions. The provision is released/reversed if it is certain that the provision is not required any more and there is no corresponding obligation to settle.

19 Current / Non-Current Liabilities - Other

	Consolidated		INSW	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Lease receipt in advance	13,568	154,195	13,568	154,195
Other	155	321	155	321
	13,723	154,516	13,723	154,516
Non Current				
Lease receipt in advance	361,455	187,097	361,455	187,097
	361,455	187,097	361,455	187,097

Lease receipts in advance include lease payment received in relation to Central Barangaroo development.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

20 Contract Assets / Liabilities

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Current				
Contract Assets	1,380	821	1,380	821
Contract liabilities	18,059	22,781	18,059	22,781
Contract receivables (Note 8)	217,384	31,583	217,384	31,583

Recognition and measurement

Contract assets relate to INSW's right to consideration in exchange for goods transferred to customers/ works completed, but not billed at the reporting date in respect of

Contract Liabilities represents the balance remaining at the year end for which the performance obligations are not yet satisfied for projects being delivered on behalf of other NSW government agencies by the project delivery unit of INSW. INSW issues quarterly claims in advance based on forecast expenditure to these agencies for which the projects are being delivered. INSW draws down against this claim as expenditure is incurred.

Revenue recognised that was included in the contract liability balance at the beginning of the year	17,648	1,213	17,648	1,213
Revenue recognised from performance obligations satisfied in previous periods	821	-	821	-
Transaction price allocated to the remaining performance obligations from contracts with customers	765,832	979,929	765,832	979,929

The Transaction price allocated to the remaining performance obligation relates to Rendering of Services. 35% is expected to be recognised as revenue in the next financial year ending 30 June 2022 and 65% in subsequent financial years.

21 Contingent Liabilities and Contingent Assets

On the 5 February 2020, Grocon (CB) Developments Pty Limited and two related entities commenced proceedings in the NSW Supreme Court against INSW in relation to events occurring during and subsequent to the tender for the Central Barangaroo development. INSW is defending the claims. Any liability arising from the claim is covered by INSW's insurer iCare.

22 Commitments

	2021	2020
	\$000	\$000
Capital Commitments		
Aggregate capital expenditure at balance sheet date and not provided for:		
Within one year	511,705	427,649
Later than one year and not later than five years	334,575	264,581
Total (including GST)	846,280	692,230

23 Equity

(i) Revaluation surplus

The asset revaluation reserve is used to record increments and decrements on the revaluation of non current assets. This accords with the INSW's policy on the revaluation of property, plant and equipment as discussed in Note 10.

(ii) Accumulated Funds

The category 'Accumulated Funds' includes all current and prior period retained funds.

(iii) Reserves

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation of AAS (e.g. revaluation surplus)

(iv) Equity Transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector agencies and 'equity appropriations' are designated or required by Australian Accounting Standards to be treated as contributions by owners and recognised as an adjustment to 'Accumulated Funds'. This treatment is consistent with AASB 1004 Contributions and Australian Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure involving not for profit entities and for profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, the INSW recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the INSW does not recognise that asset. Refer to Notes 6, 10 and 26 for details on equity transfers

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

24 Reconciliation of Cash Flows from Operating Activities to Net Result

Reconciliation of cash flows from operating activities to the net result as reported in the Statement of Comprehensive Income as follows

	Consolidated		INSW	
	2021	2020	2021	2020
	\$000	\$000	\$000	\$000
Net cash used on operating activities	45,986	(49,149)	45,986	(49,149)
Depreciation and amortisation	(9,934)	(13,679)	(9,934)	(13,679)
Fair valuation adjustments	25	4,375	25	4,375
Remeasurement in superannuation defined liabilities	-	(140)	-	(140)
Changes in restoration provisions	(688)	(15,561)	(688)	(15,561)
Finance Lease Interest Income	13,562	7,602	13,562	7,602
Contribution Revenue	-	19,422	-	19,422
Other non cash items	(4,534)	1,854	(4,534)	1,854
Decrease / (increase) in provisions	682	95,902	682	95,902
Increase / (decrease) in receivables	89,778	36,794	89,778	36,794
Decrease / (increase) in payables	31,588	(19,034)	31,588	(19,034)
Decrease / (increase) in other liabilities	(28,843)	-	(28,843)	-
Increase / (decrease) in inventory	405,670	99,040	405,670	99,040
Increase / (decrease) in Assets Held for sale	(136,234)	-	(136,234)	-
Net gain / (loss) on sale of property, plant and equipment and intangible assets	23,313	(46)	23,313	(46)
Net result	430,370	167,380	430,370	167,380

25 Budget Review

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budget amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained below.

Net Result

The net result was a \$430,371k surplus compared to a budgeted surplus of \$405,469k. This is a favourable variance of \$24,902k, arising primarily from budgeted grant expenses for developer contributions being carried forward into the following fiscal year.

Expenses

Total expenses excluding losses were \$326,518k compared to a budget of \$579,429k. This was a \$252,911k favourable variance compared to budget. The main drivers of this decrease in expenditure are summarised below:

- Employee related expenses are below budget by \$9,086k due to a reprofiling of the budget that occurred during the year.
- Other operating expenses were below budget by \$32,400k due to delayed activities as a result of Covid-19 and revised project planning. Requests to carry forward project expenditure has been made.
- Depreciation and amortisation expenses are below budget by \$5,614k mainly due to the transfer of depreciable assets to other government agencies after the budget was published.
- Finance costs are below budget by \$8,432k due to the actual interest rate paid on debt held being below the budget estimate.
- Project delivery expenses are below budget by \$129,878k due to delays in major projects delivered on behalf of other agencies. Delays have been incurred as a result of time delays for asbestos removal, increased need for remediation works, increased public and stakeholder consultation and delays in planning approvals.
- Grants and subsidies are below budget by \$67,501k due to timing of payments made under the affordable housing and developer contribution scheme.

Revenue

Total revenue was \$732,207k compared to a budget of \$984,898k. This was \$252,691k less revenue compared to budget. The major reasons for this were:

- Delayed major projects delivered on behalf of other agencies reduced revenue by \$134,383k which was offset by lower expenses incurred.
- Delays in planning approvals for major capital projects delayed the receipt of \$67,350k in capital grants.

Other Gains

Other gains / (losses) was a gain of \$24,682k compared to a budget of nil. The gain is a result of works in kind received from the developer for work completed around the Barangaroo foreshore valued at \$34m offset by accounting adjustments of \$11m to revalue the finance lease receivable for Barangaroo.

Assets and Liabilities

Net assets were \$868,976k compared to a budget of \$830,606k. The major variances arising in the Statement of Financial Position are noted below:

Assets

Total assets were \$2,112,753k compared to a budget of \$2,167,355k. This is \$54,602k under budget which is due to:

- Cash and cash equivalents is \$90,546k over budget, which is due to lower operating expenditure, timing of Barangaroo project expenditure and timing of affordable housing and development contribution grant payments.
- Assets held for sale is \$19,085 over budget as a result of the timing of development substantial commencement.
- Property, plant and equipment including work in progress inventory is \$67,841k under budget due to timing of expenditure on capital projects
- Receivables and prepayments is \$94,368k under budget as a result of movements in the finance lease receivable associated with Barangaroo

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

25 Budget Review (continued)

Assets and Liabilities (continued)

Liabilities

Total liabilities were \$1,243,777k compared to a budget of \$1,336,749k. This is \$92,972k under budget which is primarily due to borrowings being under budget by \$89,127k due to timing of Barangaroo project expenditure.

Cash Flows

The closing cash position was \$254,731k compared to a budget of \$164,185k. This is higher than budget by \$90,546k which is due to lower operating expenditure, timing of Barangaroo project expenditure and timing of affordable housing and development contribution grant payments.

26 Financial Instruments

INSW's principal financial instruments are outlined below. These financial instruments arise directly from INSW's operations or are required to finance INSW's operations. INSW does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

INSW's main risks arising from financial instruments are outlined below, together with the INSW's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Chief Executive Officer has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing risk. Risk management policies are established to identify and analyse the risks faced by the INSW, to set risk limits and controls and to monitor risks and compliance with policies is reviewed by management on a periodic basis.

(a) Financial instrument categories

Class	Note	Category	Consolidated Carrying Amount	
			2021	2020
			\$000	\$000
Financial Assets				
Cash and cash equivalents	7	Not Applicable	254,731	313,667
Receivables ¹	8	Amortised cost	568,238	473,525

			2021	2020
			\$000	\$000
Financial Liabilities				
Payables ²	16	Financial liabilities measured at amortised cost	96,278	78,235
Borrowings	17	Financial liabilities measured at amortised cost	697,488	698,552

Class	Note	Category	INSW Carrying Amount	
			2021	2020
			\$000	\$000
Financial Assets				
Cash and cash equivalents	7	Not Applicable	254,731	313,667
Receivables ¹	8	Amortised cost	568,238	473,525

			2021	2020
			\$000	\$000
Financial Liabilities				
Payables ²	16	Financial liabilities measured at amortised cost	99,085	81,113
Borrowings	17	Financial liabilities measured at amortised cost	697,488	698,552

¹ Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

² Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7)

The entity determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(b) De-recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if INSW transfers its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:

- where substantially all the risks and rewards have been transferred or
- where the INSW has not transferred substantially all the risks and rewards, if INSW has not retained control.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

26 Financial Instruments (continued)

(b) De-recognition of financial assets and financial liabilities (continued)

When INSW has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. Where INSW has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the INSW's continuing involvement in the asset. In that case, the agency also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the agency has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that INSW could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial Risks

(i) Credit risk

Credit risk arises from the financial assets of INSW, including cash and receivables. No collateral is held by INSW. INSW has not granted any financial guarantees.

Credit risk associated with INSW's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Credit risk arises when there is the possibility of INSW's debtors defaulting on their contractual obligations, resulting in a financial loss to INSW. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

INSW considers a financial asset in default when contractual payments for other than inter-government agreements are 90 days past due. However, in certain cases, INSW may also consider a financial asset to be in default when internal or external information indicates that the entity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the entity.

Cash and cash equivalents

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average TCorp 11am unofficial cash rate, adjusted for a management fee to NSW Treasury. The TCorpIM Funds cash facility is discussed in market risk below.

Receivables

The loss allowance for trade receivables as at 30 June 2021 and 30 June 2020 was determined as follows:

	30 June 2021					
	\$000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	0.0%	0
Estimated total gross carrying amount at default	214,848	391	103	679	1,365	217,386
Expected credit loss	0	0	0	0	0	0

	30 June 2020					
	\$000					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	12%	7%
Estimated total gross carrying amount at default	1,421	605	3,455	49	6,974	12,504
Expected credit loss	0	0	0	0	859	859

Notes: The analysis excludes statutory receivables, prepayments, as these are not within the scope of AASB 7. Therefore, the 'total' would not reconcile to the sum of the receivables total in Note 8.

INSW is not materially exposed to concentrations of credit risk to a single debtor or group of debtors as at 30 June 2021, other than one contracted receivables amounting to \$214.5m. This receivable was subsequently collected in July 2021.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

26 Financial Instruments (continued)

(ii) Liquidity risk

Liquidity risk is the risk that INSW will be unable to meet its payment obligations when they fall due. INSW continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. During the current and prior year, there were no defaults of borrowings. No assets have been pledged as collateral. INSW's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically, unless an existing contract specifies otherwise. For payments to other suppliers, the CEO (or a person appointed by the CEO) may automatically pay the supplier simple interest. No interest was paid during the year (2020 : Nil).

The table below summarises the maturity profile of INSW's financial liabilities, together with the interest rate exposure.

Maturity Analysis and interest rate exposure of financial liabilities

		\$'000								
		Weighted Average Effective Int. Rate	Nominal Amount	Fixed Interest Rate	Variable Interest Rate	Non- interest bearing	< 1 yr	1-5 years	> 5 yrs	
Consolidated										
2021										
Payables ¹										
Accrued salaries, wages and on-costs		Nil	346	-	-	346	346	-	-	
Creditors		Nil	799	-	-	799	799	-	-	
T-Corp Borrowings		1.04%	692,740	692,740	-	-	295,880	370,070	26,790	
Total			693,885	692,740	-	1,145	297,025	370,070	26,790	
2020										
Payables ¹										
Accrued salaries, wages and on-costs		Nil	632	-	-	632	632	-	-	
Creditors		Nil	3,701	-	-	3,701	3,701	-	-	
T-Corp Borrowings		1.94%	692,555	692,555	-	-	402,032	290,523	-	
Total			696,888	692,555	-	4,333	406,365	290,523	-	
		\$'000								
		Weighted Average Effective Int. Rate	Nominal Amount	Fixed Interest Rate	Variable Interest Rate	Non- interest bearing	< 1 yr	1-5 years	> 5 yrs	
INSW										
2021										
Payables ¹										
Accrued salaries, wages and on-costs		-	-	-	-	-	-	-	-	
Creditors			799	-	-	799	799	-	-	
T-Corp Borrowings		1.04%	692,740	692,740	-	-	295,880	370,070	26,790	
Total			693,539	692,740	-	799	296,679	370,070	26,790	

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

26 Financial Instruments (continued)

2020

Payables ¹							
Accrued salaries, wages and on-costs		-	-	-	-	-	-
Creditors		3,701	-	-	3,701	3,701	-
T-Corp Borrowings	1.94%	692,555	692,555	-	-	402,032	290,523
Total		696,256	692,555	-	3,701	405,733	290,523

¹ The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the entity can be required to pay. The tables include both interest, principal cash flows and excludes statutory payables and unearned revenue (not within the scope of AASB 7), therefore will not reconcile to the statement of financial position.

(iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. INSW's exposure to market risk is primarily through interest rates on cash and cash equivalents. INSW has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is structural change in the level of interest rate volatility. INSW's exposure to interest rate risk is set out below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk arises primarily through INSW's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp. INSW does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. INSW's exposure to interest rate risk is set out below.

INSW's exposure to interest rate risk is set out below.

Consolidated/INSW	Carrying Amount	-1%		1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
2021					
<i>Financial assets</i>					
Cash and cash equivalents	254,731	(2,547)	(2,547)	2,547	2,547
Receivables	218,743	-	-	-	-
<i>Financial liabilities</i>					
Payables	146,283	-	-	-	-
Borrowings	692,740	-	-	-	-
2020					
<i>Financial assets</i>					
Cash and cash equivalents	313,667	(3,137)	(3,137)	3,137	3,137
Receivables	41,495	-	-	-	-
<i>Financial liabilities</i>					
Payables	128,115	-	-	-	-
Borrowings	692,555	-	-	-	-

(e) Fair value measurement

(i) Fair value compared to carrying amount

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

27 Related Party Disclosures

Related party disclosures – key management personnel

In accordance with AASB 124 Related Party Disclosures, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity.

(a) Compensation of key management personnel

INSW's key management personnel compensation details for the year ended June 2021 are as follows:

	2021 \$'000	2020 \$'000
Short-term employee benefits:		
Salaries	3,099	3,341
Post-employment benefits	89	166
Total remuneration	3,188	3,507

During the year, following machinery of government changes and to have better representation of INSW's operational responsibilities, two existing departmental roles were added as key management personnel. Without this change, there would have been a year on year decrease in compensation amounts.

(b) Transactions with related parties

There were no material transactions or outstanding balances with key management personnel INSW during the financial year

(c) Transactions and outstanding balances with other related parties during the financial year

There were no material transactions or outstanding balances with key management personnel INSW during the financial year

(d) Transactions with government related entities during the financial year

During the 2021 financial year, INSW entered into the following transactions with other entities consolidated as part of the NSW Total State Sector (the ultimate parent) within the normal course of business:

Transferred via equity, the following assets: North Parramatta to Property NSW; Redfern Eveleigh to Transport for NSW; White Bay Power Station to Place Management NSW (Note 29)

Infrastructure NSW acquired land by compulsory process under the Provision of the Land Acquisition Act 1991 for the purpose of the Barangaroo Act 2009 from Transport for NSW valued at \$0.6 million (Note 10).

Received \$37.6 million of recurrent grants and contributions from the Department of Premier and Cabinet to fund INSW's operations

Paid \$16.45 million in Grants to the Department of Premier Cabinet resulting from the dissolution of the Australian Technology Park Sydney Limited (inherited from the former Urban Growth Development Corporation)

Received \$478.1 million in capital grants and contributions including \$405.7 million from Department of Premier and Cabinet for development of the Sydney Football Stadium and \$72.3 million the Blackwattle Bay precinct redevelopment (incorporating the new Sydney Fish Markets)

Received the following funding for projects under development disclosed as Sales of Goods and Services:

- \$122 million for the Walsh Bay Arts Precinct Project via the Department of Premier and Cabinet
- \$74.4 million for the Sydney Modern Art Gallery Project from the Art Gallery of NSW via the Department of Premier and Cabinet
- \$1.1 million for the New Grafton Correctional Centre Project via the Department of Justice
- \$17.8 million for the Powerhouse Museum at Parramatta via the Department of Premier and Cabinet
- Transferred \$50 million grant to Sydney Metro Authority for Waterloo Metro Quarter developments in accordance with the Transition and Funding Agreement dated 18 December 2019.

There were also other transactions with various entities which were not individually significant and include the following:

- Sales of Goods and Services income to fund key strategic initiatives and coordination across NSW Government as well as administering the Investor Assurance role
- Expenditure incurred where INSW is acting in a strategic advisory and coordinating capacity
- Borrowings with TCorp to facilitate the Barangaroo Development
- Assumption by the Crown Finance Entity of Long Service Leave entitlements

Infrastructure New South Wales

Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

28 Prior Period Errors

During the current year, management identified an error impacting prior year 30 June 2020 financial statements. The identified error pertains to land under roads valuation that was omitted from the comprehensive Barangaroo valuation of infrastructure assets performed in 2020. This has impacted the statement of financial position, statement of comprehensive income and statement of changes in equity. These errors have been retrospectively corrected in 2020 comparatives.

The following summarises the impact on the individual line items in the financial statements for both the Consolidated and Parent entity:

	Actual 2020 \$'000	Adjustments \$'000	Restated 2020 \$'000
Statement of Comprehensive Income			
Gain/(loss) on fair value movement	(5,610)	5,610	-
Total gain/ (losses)	(6,615)	5,610	(1,005)
Net results from continuing operations	176,405	5,610	182,015
Net results	167,380	5,610	172,990
Net changes in revaluation surplus of property, plant and equipment	16,057	9,398	25,455
Total other comprehensive income	31,758	9,398	41,156
Total comprehensive income	199,138	15,008	214,146
Statement of Financial Position			
Non-Current Asset			
Total property, plant and equipment	546,112	15,008	561,120
Net assets	1,705,855	15,008	1,720,863
Equity			
Reserves	31,758	9,398	41,156
Accumulated Funds	425,829	5,610	431,439
Total equity	457,587	15,008	472,595

29 Discontinued Operations and Equity transfers

There are no discontinued operations for the year ended 30 June 2021.

A. Asset of disposal group held for distribution

	2021 \$'000	2020 \$'000
Assets held for distribution		
Property, Plant and Equipment held for distribution	-	34,458
Inventories held for distribution	-	245
Liabilities held for distribution		
Employee benefits liabilities	-	298
Total Assets and Liabilities for distribution	-	34,405

B. Equity transfer

During the financial year, following the NSW Government acting in its capacity as owners, INSW transferred out property, plant and equipment and inventories related to Parramatta North and Redfern Eveleigh projects and transferred in infrastructure assets related to Barangaroo project. This was transferred in accordance with TPP09-03 and recorded at book value as an equity transfer.

	2021 \$'000	2020 \$'000
Property, plant and equipment	34,458	-
Inventories	245	95,228
Infrastructure	(563)	-
Total Assets	34,140	95,228

30 Future Development

The COVID 19 Delta variant outbreak in NSW commenced subsequent to the financial year end and resulted in restrictions placed on the construction industry as outlined in the Public Health Orders. INSW is currently working with our key contractors to manage the impact of these restrictions. The effect of the restrictions on the timing and finances of project delivery is currently being reviewed.

End of audited financial statements

Statutory reporting

Human resources

Despite the continued impact of COVID-19, we have seen our organisational culture strengthen and our people have shown remarkable resilience and determination over the year. Our dedicated and highly skilled workforce provides critical infrastructure for NSW for now and into the future. The workforce comprises a multi-disciplinary team of professionals with a diverse mix of skills and experience that comes from a range of career backgrounds spanning from across the public and private sector.

In the 2020-21 financial year, the Strategic Programs Office (SPO) was established to help drive capital project delivery as part of the government's COVID economic recovery plan. The SPO collaborates with delivery agencies on identified capital stimulus projects and programs, reporting on status and progress to Cabinet, as well as offering practical assistance to project teams to accelerate pre-procurement approvals, planning approvals, procurement and delivery mobilisation.

Infrastructure NSW has also established a Safety Improvement team that is part of the Corporate Services Division. The team will further develop and implement a contemporary Work, Health and Safety management system, covering the scope and diversity of Infrastructure NSW's operational context.

As at 30 June 2021, there were 158 employees working for Infrastructure NSW, including a total of 49 senior executives.

The table below provides additional information on staff headcount.

Table 6, number of employees by category – classification level over 3 years:

Employees by Category	30 June 2019		30 June 2020		30 June 2021	
	Male	Female	Male	Female	Male	Female
Grade 1-2 or equivalent	0	1	0	0	0	0
Grade 3-4 or equivalent	0	1	2	5	1	
Grade 5-6 or equivalent	2	1	3	10	4	11
Grade 7-8 or equivalent	1	1	3	11	4	17
Grade 9-10 or equivalent	2	1	8	13	3	27
Grade 11-12 or equivalent	3	11	12	19	23	19
Above Grade 12 or equivalent	10	13				
Total number of employees	18	29	28	58	35	74

Executive levels and remuneration

Table 7 details the number of executives employed by Infrastructure NSW by band and gender, and table 8 for the average remuneration. The tables capture all senior executives who were employed as at 30 June 2021.

In 2020-21, a total of 53% of Infrastructure NSW's employee related expenditure was related to senior executive employees. This decrease is as a result of Infrastructure NSW stabilising its structure to deliver on the government agenda.

Table 7, the number of senior executives employed at the end of the reporting year, by band and gender within each band

Band	2018-19		2019-20		2020-21	
	Male	Female	Male	Female	Male	Female
Band 3	3	3	2	3	2	2
Band 2	4	2	11	3	13	3
Band 1	3	8	10	16	14	15
Totals	10	13	23	22	29	20
		23		45		49

Table 8, the average remuneration level of senior executives in each band at the end of the

Band	Range (\$)	Average Remuneration		
		2018-19 (\$)	2019-20 (\$)	2020-21 (\$)
Band 3	\$345,551 - \$487,050	\$489,343	\$502,775*	\$514,684*
Band 2	\$274,701 - \$345,550	\$318,775	\$322,072	\$321,928
Band 1	\$192,600 - \$274,700	\$221,542	\$236,417	\$235,048

reporting year

*Includes 1 position determined by SOORT.

Personnel policies and practices

Training was held with staff to ensure and reinforce understanding of key policies. These included:

- Fraud and Corruption
- Code of Ethics and Conduct
- Private Interests and Secondary Employment
- Gifts and Benefits
- Privacy Management.

As part of the onboarding experience for new employees, People & Culture established a first day induction and a corporate induction (to be held in the first 2 months) to ensure staff understand key policies applicable to their employment at Infrastructure NSW. Positive feedback has been received on inductions by new starters and they will be continued on an ongoing basis.

Performance development plans and enhancements

In 2020-21 Infrastructure NSW launched its first performance development cycle, with a clear link to our culture of achievement and continuous improvement. Employees set performance objectives and development goals connecting to our strategy. The plans enable role clarity, strengthen engagement and capability development.

We plan to refresh our performance development plans for 2021-22 to incorporate common Infrastructure NSW objectives linked to our values. We have developed objectives for our people managers setting consistent expectations and responsibilities.

People Matter Employee Survey and action planning

To help support our people in targeted ways during uncertainty, we increased communication and tracked engagement and wellbeing through staff surveys. This included the 2020 People Matter Employee Survey (PMES) where our employee engagement score was 70%. Our people's sense of belonging remains an area of strength, with an 82% favourable score for an inclusive workplace where all employees can participate and feel valued, accepted, and supported to thrive and contribute.

Autonomy and employee voice rated highly at 81% ensuring employees are empowered to make decisions and feel like they can speak up and be heard. This is further demonstrated in the consultative approach adopted to better understand our survey results and develop an action plan with employees and leaders alike.

The action plan covers a 6-month period from June 2021 to December 2021 with a clear focus on 6 priority areas in which we continue to perform well against:

- diversity and inclusion
- secondments and cross government opportunities
- celebrating milestones
- succession planning
- mentoring shadowing and coaching
- 2-way engagement with our executive leadership team.

Diversity

Inclusion and diversity are central to our culture and how we live our organisational values. Infrastructure NSW aligns its policies and practices with the NSW Government's commitment to a diverse and inclusive Public Sector workforce.

The recruitment approach of Infrastructure NSW is based on the principles of equal employment opportunity and a workforce that is reflective of the residents of NSW.

Table 9, trends in the representation of Workforce Diversity Groups:

Workforce Diversity Group	Benchmark	2018	2019	2020	2021
Women	50%	65.9%	63.8%	61.1%	58.3%
Aboriginal and/ or Torres Strait Islander People	3%	0.0%	0.0%	4.9%	2%
People whose First Language Spoken as a Child was not English	23.2%	20.5%	19.1%	17.4%	15%
People with Disability	5.6%	0.0%	0.0%	2.2%	1.3%
People with Disability Requiring Work-Related Adjustment	N/A	0.0%	0.0%	1.1%	1%

Note 1: The benchmark of 50% for representation of women across the sector is intended to reflect the gender composition of the NSW community.

Note 2: The NSW Public Sector Employment Strategy 2019-2025 has an ambitious target of 3% aboriginal employment at each grade of the public sector by 2025.

Note 3: A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language but does provide information about country of birth. The benchmark of 23.2% is the percentage of the NSW general population born in a country where English is not the predominant language.

Note 4: In December 2017, the NSW Government announced the target of doubling the representation of people with disability in the NSW public sector from an estimated 2.7% to 5.6% by 2027. More information can be found at: Jobs for People with Disability: A plan for the NSW public sector. The benchmark for 'People with Disability Requiring Work-Related Adjustment' was not updated.

Increasing women in senior leadership

Infrastructure NSW is committed to our diversity in leadership goals and continues to focus our programs on increasing women in senior leadership positions. During 2021 we focused on targeted professional development opportunities for women in executive roles and emerging talent in the pipeline, including leadership programs and mentoring.

Celebrating women's achievements is important to Infrastructure NSW and we celebrated International Women's Day with a live event and several staff attended an external celebration. Looking ahead, we plan to implement LinkedIn Recruiter to encourage and target women to apply for our positions when they are not actively seeking employment, especially in traditionally male-dominated professions. Infrastructure NSW commenced raising awareness with our hiring managers on ensuring at least 1 woman is shortlisted on every recruitment panel.

Flexible working

The past year prompted us to think about how and where we work best to balance the needs of the organisation with the needs of our people. We quickly adapted to working from home throughout the pandemic to prioritise the safety and wellbeing of our people. When developing our Flexible Work Policy, we listened to our people to understand their needs and we adopted a hybrid working model to enable collaboration, connection and wellbeing. To embed our policy and flexible culture, we provided resources, tools and guides to support employees and managers in flexible work

conversations. We plan to include flexible work conversations as part of our performance development conversations from July 2021.

Workplace culture that is inclusive and disability confident

Infrastructure NSW is committed to an inclusive culture. During the financial year we promoted the Public Service Commission's EmployABILITY initiative which aimed to build disability awareness and support an inclusive workplace. Through our recruitment activity, Infrastructure NSW advertises all roles with our commitment to diversity and inclusion. During 2020-21 Infrastructure NSW developed and delivered a calendar of diverse programs, awareness, events and initiatives all aimed at building our inclusive workplace culture. We plan to implement diversity and inclusion objectives in people leaders' performance development plans in the 2021-22 financial year.

Aboriginal employees and cultural awareness

Infrastructure NSW continued its relationship with the Career Trackers internship program, hosting an Indigenous university student for the summer intern period. During 2021-22 we will increase our involvement by hosting 2 students.

The development of our Indigenous employees is a priority and we have targeted professional development opportunities including leadership academy and mentoring. Infrastructure NSW continued to provide cultural competency training for all new employees as part of their onboarding. The program is designed to introduce employees to Indigenous peoples, culture and history, while providing practical knowledge and skills to work effectively with Indigenous peoples. We have supported days of Aboriginal significance and reconciliation, including National Sorry Day and NAIDOC week. Our Inclusive Workplace Policy and Plan will be published in 2021-22 to strengthen our commitment to cultural awareness.

Employee wellbeing

Employee wellbeing and engagement is an important part of the employee experience, and during the 2020-21 year with the COVID 19 pandemic this became even more important. Infrastructure NSW developed several programs, events and awareness campaigns to promote the good health and wellness of our employees. Some of the key highlights included the STEPtember challenge, raising awareness of cerebral palsy whilst motivating our staff to take 10,000 steps a day. We heard from a guest speaker from The Resilience Project, addressing wellbeing through and we launched a digital wellbeing series. We held a flu vaccination program, raised awareness of health checks and provided staff access to resources during World Health Day. We recognised the importance of cancer prevention through the Biggest Morning Tea, and we trained several staff as accredited mental health first aid officers.

Industrial relations

Infrastructure NSW continued with the implementation of an industrial relations harmonisation program to ensure that all non-executive staff are employed under a single industrial agreement. By having 1 set of conditions for all non-executive employees, Infrastructure NSW has ensured equity, avoided wage disparity and provided transparent, fair working conditions. It also ensures consistency with the broader public sector allowing for great mobility.

In April 2021 all employees were migrated onto a single payroll platform to ensure that our systems support our need for harmonisation of conditions and benefits.

All staff are to be employed under the Crown Award and this will result in an increase to entitlements enjoyed by staff such as the addition of flex time and study leave and a higher sick leave entitlement. Industrial relations harmonisation will be finalised early in FY 2021-22.

There were no industrial disputes lodged and no working time was lost to industrial disputes during the year. Infrastructure NSW is developing a consultative partnership with the Public Service Association regarding change programs, employee entitlements and individual staffing matters.

Annual report production

The production and printing cost for the 2020–21 Annual Report was nil. A PDF version of the report can be downloaded at www.infrastructure.nsw.gov.au

Privacy

Infrastructure NSW's privacy policy, and information about collection and use of personal information, is published on the organisation's [website](#).

Infrastructure NSW's privacy contact officer can be contacted at:

The Privacy Officer
Infrastructure NSW
PO Box R220
Royal Exchange NSW 1225

No internal reviews were conducted by or on behalf of Infrastructure NSW under the *Privacy and Personal Information Protection Act 1998* or the *Health Records and Information Privacy Act 2002* during the 2019-20 reporting period.

Workplace health and safety

Infrastructure NSW is committed to the health, safety and wellbeing of its staff, contractors and the community members we work with.

Infrastructure NSW has a number of corporate health, safety and wellbeing initiatives including:

- an internal Work, Health and Safety (WHS) Committee that reviews and consults on all work, health and safety issues
- employee assistance program
- a corporate fitness program
- influenza vaccinations.

Work health and safety prosecutions

Infrastructure NSW was not a defendant to any prosecutions, either commencing or continuing, under the *Work Health and Safety Act 2011* during 2020–21, either on construction projects or otherwise.

Promotion

There were no promotions undertaken by Infrastructure NSW staff for the year in review 2020-21.

Responding to consumers

Infrastructure NSW provides independent advice to the NSW Government and in that capacity, does not deliver direct services to the public. Infrastructure NSW manages the Barangaroo precinct including the public domain, and in that capacity, delivers visitor services directly to the public.

Payments of accounts

The table below summarises the account payment performance during 2020-21. There were no instances where penalty interest was paid and there were no significant events that affected payment performance. Infrastructure NSW will continue to drive improvements in this area and monitor its payment processes in the coming financial year to ensure that payment targets are met.

Accounts due or paid within each quarter				
Measure	Sep	Dec	Mar	Jun
All suppliers				
Number of accounts due for payment	1,054	1,056	922	787
Number of accounts paid on time	1,028	1,013	898	786
Actual percentage of accounts paid on time (based on number of accounts)	97.5%	95.9%	97.4%	99.9%
Dollar amount of accounts due for payment	183,257,652	212,071,528	146,257,888	172,524,797
Dollar amount of accounts paid on time	183,046,049	211,856,395	145,646,970	172,440,092
Actual percentage of accounts paid on time (based on \$)	99.9%	99.9%	99.6%	100.0%
Small Business suppliers				
Number of accounts due for payment	88	64	55	46
Number of accounts paid on time	88	64	55	46
Actual percentage of accounts paid on time (based on number of accounts)	100%	100%	100%	100%
Dollar amount of accounts due for payment	378,132	182,560	162,110	438,059
Dollar amount of accounts paid on time	378,132	182,560	162,110	438,059
Actual percentage of accounts paid on time (based on \$)	100%	100%	100%	100%
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	-	-	-	-

Consultants

Infrastructure NSW was created as a specialist small agency drawing on the best of public and private sector expertise to provide independent advice to Government, as outlined in the Infrastructure NSW Act. As such, Infrastructure NSW engages external support during peaks in workloads as necessary.

This enables specialist subject matter experts to be used economically and efficiently as required. In 2020-21, a number of consultants were engaged to assist on key work streams valued at more than \$50,000, and these are presented in the table below.

Table 11, list of consultants engaged over \$50k per division during 2020-21:

Strategy, Planning and Assurance		
Infrastructure NSW Operations (including Investor Assurance)		
Name	Amount (\$)	Description
ARUP PTY LTD	121,233	Develop advice on short-term actions and priorities in relation to building resilience into infrastructure in Australia.
NOUS GROUP PTY LTD	149,500	Development of the outcomes framework for the Construction Leadership Group's 10 Point Commitment Plan.
THE TRUSTEE FOR THE LYNWOOD TRUST	104,819	Technical Advice for Digital Built NSW.
CLAYTON UTZ	107,314	Legal Services GIPA74 and SO52
KPMG AUSTRALIA PTY LTD	116,262	Accounting advice FLR
TOTAL	599,128	
Hawkesbury Nepean Valley Flood Risk Management Strategy		
Name	Amount (\$)	Description
DELOITTE TOUCHE TOHMATSU	253,969	Preparation of a Business Case
RHELM	202,239	Assist with the development of the HNV flood model
BUREAU OF METEOROLOGY	190,650	Development and operation of a pilot forecast service for extended lead time for the HNV
WMA WATER P/L	145,854	Interim HNV flood study, to provide technical support to Infrastructure NSW, set up a data hub for flood data, cost across all contracts.
NEWGATE AUSTRALIA	109,076	Provision of social and stakeholder research
TOTAL	901,788	
South Creek Sector Review		
Name	Amount (\$)	Description
ADVISIAN PTY LTD	70,011	Development of flood modelling for the South Creek catchment
RICHARD MCMANUS PTY LTD	95,300	Urban design advisory + water sensitivity

TYRRELLSTUDIO PTY. LTD.	114,650	Development of a blue green infrastructure framework for the Western Parklands City
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TOTAL	279,961	
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Project Delivery

Clarence Correctional Centre

Name	Amount (\$)	Description
KPMG AUSTRALIA PTY LTD	99,659	Commercial & Financial Advisor
MINTER ELLISON	56,968	Legal Advisory Services
NBRS & PARTNERS PTY LTD	78,868	Technical Advisory Services

TOTAL	235,495	
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Powerhouse Museum Parramatta

Name	Amount (\$)	Description
ARUP AUSTRALIA PTY LTD	3,596,707	Engineering Advisory Services
MOREAU KUSUNOKI SARL	3,400,061	Architectural Services
GENTON PTY. LIMITED	1,886,666	Architectural Services
KING WOOD & MALLESONS	576,109	Legal Advisory
N D Y MANAGEMENT PTY LTD	178,302	Project Brief Writer & Verifier
THE TRUSTEE FOR MAJ CONSULTING TRUS	96,950	Dilapidation Report
CLAYTON UTZ LAWYERS	91,953	Legal & Procurement
AVER PTY LTD	88,071	Construction Plan Management
J MILSTON TRANSPORT CONSULTING PTY	97,425	Traffic & Transport Assessment
ADVISIAN PTY LTD	66,233	Heritage & Archaeological Services
JK GEOTECHNICS PTY LIMITED	63,340	Design & Planning Phases
LIVISTUDIO PTY LIMITED	69,000	Retail Architect
GREEN BUILDING COUNCIL OF AUSTRALIA	55,750	Green Star Certification Fee
O'CONNOR MARSDEN & ASSOCIATES P/L	55,690	Probity Advisor

TOTAL	10,332,257	
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Sydney Football Stadium Redevelopment

Name	Amount (\$)	Description
AURECON AUSTRALASIA PTY LTD	354,900	Electrical Engineering Services
PRICEWATERHOUSECOOPERS SECURITIES	221,083	Project Brief Validation Services
CULTURAL CAPITAL STUDIO PTY LTD	189,980	Public Art Advisor
ARUP	140,854	Structural Engineering
SULLIVAN STRUMPF FINE ART PTY LTD	80,000	Public Art
TRACEY BRUNSTROM & HAMMOND P/L	77,940	Construction Program Services
SAVILLS PROJECT MANAGEMENT PTY LTD	71,400	Planning Advisory SCSGT Stream 2

TOTAL	1,136,156	
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Sydney Modern Art Gallery		
Name	Amount (\$)	Description
ARUP	334,787	Engineering Advisory Services
TOTAL	334,787	
Barangaroo Precinct Development		
Name	Amount (\$)	Description
ARUP PTY LTD	249,587	Traffic & transport engineering services and infrastructure technical advisory services
FLUX CONSULTANTS PTY LTD	128,225	Environmental sustainability advisory services
OCULUS LANDSCAPE ARCHITECTURE PTY LTD	93,230	Lead architectural services for Shelley Sy Upgrade
AURECON AUSTRALASIA PTY LTD	82,865	Technical Advisory Services for Central Barangaroo Foreshore Design
HASSELL LTD	73,495	Urban design and landscaping consultancy services
SJB PLANNING (NSW) PTY LTD	65,540	Planning advisory services
CULTURAL CAPITAL STUDIO PTY LTD	63,416	Development of public art implementation plan
TOTAL	756,358	
Blackwattle Bay (New Sydney Fish Markets)		
Name	Amount (\$)	Description
KING & WOOD MALLESONS	572,524	Legal advisory services
FRANCIS-JONES MOREHEN THORP	548,628	Urban design services
3XN AUSTRALIA PTY LTD	507,592	Architectural design advisory services
AECOM AUSTRALIA PTY LTD	396,052	Building & engineering advisory services
MOTT MACDONALD AUSTRALIA	252,540	Engineering advisory services
ECO LOGICAL AUSTRALIA PTY LTD	200,792	Urban and marine ecological advisory services
MG PLANNING PTY LTD	149,625	Statutory planning services - Rezoning
CARDNO (NSW/ACT) PTY LTD	129,840	Flooding and water quality advisory services
SLR CONSULTING AUSTRALIA P/L	130,889	Noise, vibration and air quality assessment services
ELTON CONSULTING	113,980	Social sustainability assessment services
HILL PDA	93,606	Economics, retail & services, housing diversity and affordability studies
CLOUSTON ASSOCIATES	70,000	Visual impact assessment services
TOTAL	3,166,066	

Public interest disclosures

During the year, Infrastructure NSW received no public interest disclosures.

Government Information (Public Access) (GIPA) – formal access applications

The intention of the Government Information (Public Access) Act 2009 is to make government information more open and readily available to members of the public. Infrastructure NSW complies with this Act.

In 2020-21, Infrastructure NSW received 10 GIPA Act access applications.

Infrastructure NSW provides the following statistical information about the access applications received which is required by Schedule 2 of the Government Information (Public Access) Regulation 2018.

Table 12, number of applications by type of application and outcome:

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	1	0	0	0	0	1	0	0
Members of Parliament	1	1	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	1
Not for profit organisations or community groups	0	2	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	2	0	0	0	1	0	0

Table 13, number of applications by type of application and outcome:

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications	0	2	0	0	0	0	0	0
Access applications (other than personal information applications)	2	3	0	0	0	2	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	1

Table 14, invalid applications:

Reason for invalidity:	Number of applications
Application does not comply with formal requirements (section 41 of the GIPA Act)	1
Application is for excluded information of the agency (section 43 of the GIPA Act)	0
Application contravenes restraint order (section 110 of the GIPA Act)	0
Total number of invalid applications received	1
Invalid applications that subsequently became valid applications	1

Table 15, conclusive presumption of overriding public interest against disclosure: Matters listed Schedule 1 of the GIPA Act:

	Number of times consideration used
Overriding secrecy laws	0
Cabinet information	5
Executive Council information	0
Contempt	3
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i> (NSW)	0
Information about authorised transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i> (NSW)	0

Table 16, other public interest considerations against disclosure: matters listed in table to section 14 of the GIPA Act:

	Number of occasions when application not successful
Responsible and effective government	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	4
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table 17, timelines:

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	8
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	0
Total	9

Table 18, number of applications reviewed under Part 5 of the GIPA Act (by type of review and outcome):

	Decision varied	Decision upheld	Total
Internal review	0	0	
Review by Information Commissioner	0	1	1
Internal review following recommendation under section 93 of GIPA Act	0	0	
Review by NSW Civil and Administrative Tribunal	0	0	
Total	0	1	1

Table 19, application for review under Part 5 of the GIPA Act (by type of applicant):

	Number of applications for review
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see section 54 of the GIPA Act)	0

Table 20, applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer):

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

Authorised proactive release of information under S.7 (3) of GIPA Act 2009

Under section 7 of the GIPA Act, agencies must identify the kind of government information that can be made publicly available at least every 12 months.

Infrastructure NSW's program for the proactive release of information involves regularly updating the Infrastructure NSW website and individual project websites to provide information regarding policies, projects and initiatives. We also consider publishing information about the community consultations we undertake and other commonly requested categories of information and the impact, if any, of proactively releasing this information.

During the year, Infrastructure NSW:

- considered the formal access application received
- considered the informal applications received
- determined that there were no particular additional categories of information that were being regularly or repeatedly requested in the formal applications
- undertook further consultation through team meetings, GIPA briefings and updates.

Below are the details of a review carried out during the reporting year and the details of any information made publicly available by Infrastructure NSW as a result.

Review Carried out	Information made publicly available by the agency
Yes	Having conducted this review, it was determined: <ul style="list-style-type: none">• the existing type of information subject to proactive disclosure remain appropriate• there are no other types of information that should be proactively released• the methods currently used for proactive release disclosure remain the most efficient and effective methods available.

Where we can, we share our knowledge freely within government, throughout the development industry and among interested members of the public. We have adopted this practice as an effective way to build and maintain credibility. Our decision to share our intellectual property is also an effective way for us to demonstrate and influence change.

We will review this requirement for proactive release of information within the next 12 months.

Legal change

Throughout the year, Orders (including amended Orders) were made under the *Public Health Act 2010* in relation to the COVID19 pandemic. The Orders made directions to deal with the public health risk of COVID-19 and its possible consequences. Of particular relevance to our employees, directions were made relating to working from home, density limits and the wearing of masks. Infrastructure NSW's COVID19 Response Team continued to oversee work from home arrangements, office space and monitored the evolving situation and communicated regularly to staff to ensure compliance.

Judicial decisions

Grocon Group Holdings Pty Limited v Infrastructure NSW (2020) NSWSC 1194

This was a decision of 4 September 2020 in the NSW Supreme Court on a security for costs application by Infrastructure NSW (as part of wider proceedings relating to the Central Barangaroo development). Infrastructure NSW's application was successful.

North Parramatta Residents' Action Group v Infrastructure NSW (2021) NSWLEC60

This was a decision of 16 June 2021 in the NSW Land and Environment Court on an application for judicial review of the planning consent for the Powerhouse Parramatta project. The court dismissed the application (subsequently upheld on appeal to the NSW Supreme Court: ***North Parramatta Residents' Action Group v Infrastructure NSW (No 2) [2021] NSWCA 16***).

Contact us

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