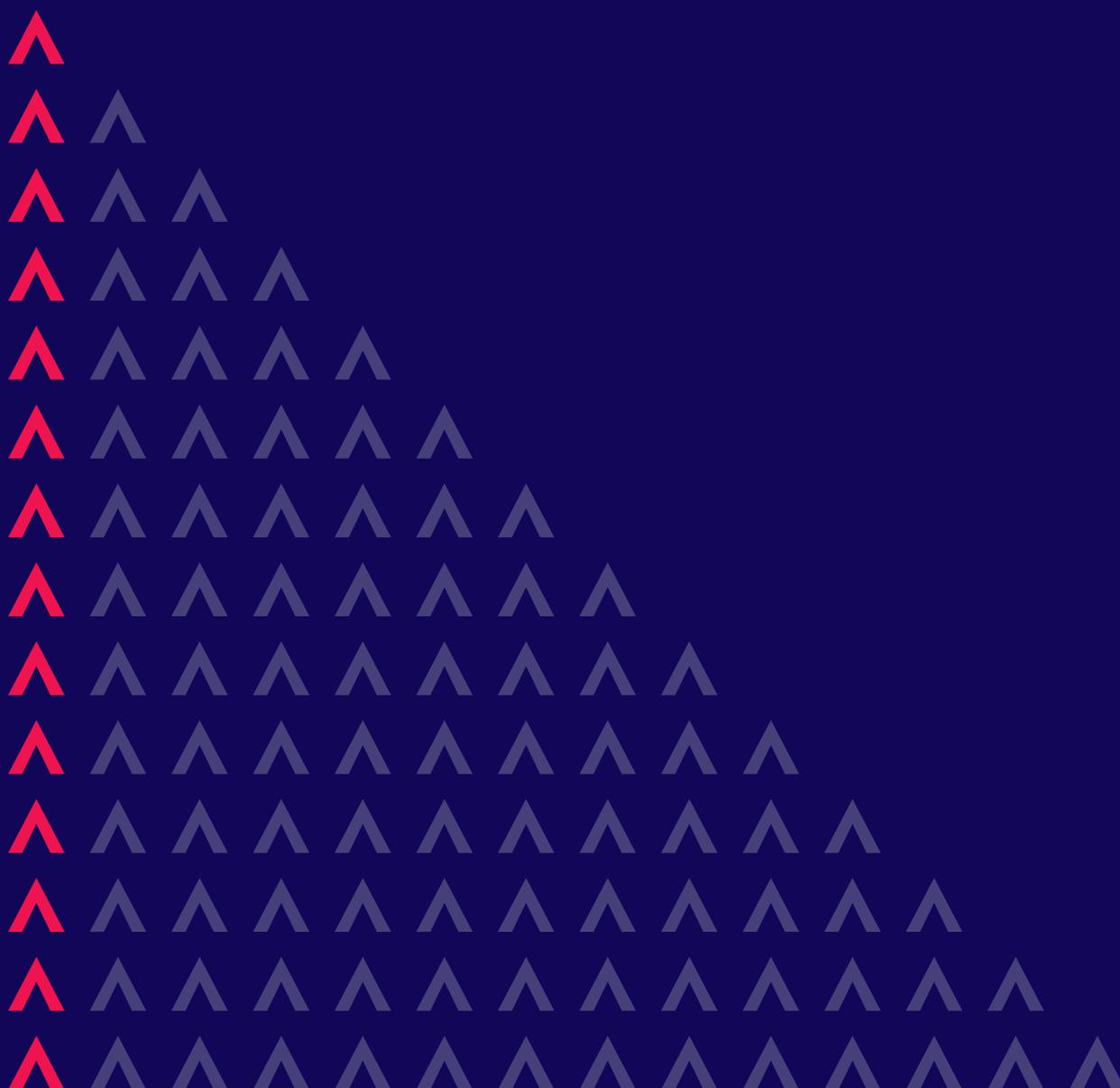


2017-18 TO 2020-21

Corporate Plan



Chief Executive Statement

In 2017, the Australian Government announced its \$75 billion national infrastructure investment agenda as part of a broader economic growth strategy to improve productivity, create jobs and lift economic growth.

The agenda recognises the importance of the Australian Government taking a more active investor approach to infrastructure, diversifying the government's funding options beyond traditional grant funding, and being enabled to make the right project choices and investment decisions to ensure taxpayer's money is used wisely.

The Infrastructure and Project Financing Agency (hereafter 'IPFA') was established in July 2017 as an independent executive agency under the *Public Service Act 1999*. For the purposes of the *Public Governance, Performance and Accountability Act 2013*, IPFA is a non-corporate Commonwealth entity.

Responsibility for realising the Australian Government's infrastructure investment agenda is owned by all agencies who are accountable for supporting the investment in and delivery of infrastructure.

Through its specialist commercial and financial expertise, IPFA provides advice on infrastructure investments to the Cabinet and Portfolio Ministers and all agencies across government and supports delivery with our portfolio and private sector partners.

I am committed to an IPFA that supports the effective delivery of the Australian Government's infrastructure agenda and collaboratively enables commercial excellence in infrastructure investments for the benefit of all Australians.

Our success will depend on maintaining influential, productive and trusted working relationships with our Australian Government stakeholders and agencies, state and territory counterparts, as well as with our industry partners.

As the accountable authority for IPFA, I am pleased to present our inaugural Corporate Plan, which covers the period 2017-18 to 2020-21 as required under paragraph 35(1) (b) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*. This Corporate Plan sets out IPFA's vision, purposes, key goals and services, along with IPFA's strategic agenda, for the next four years.



Leilani Frew | Chief Executive



1. Our Purpose

IPFA is committed to supporting the Australian Government in achieving the maximum benefit for taxpayer funds applied to nationally-significant infrastructure projects.

As the Australian Government's independent infrastructure and project finance executive agency our purpose is to:

Provide independent commercial and financial advice to support the delivery of Australian Government infrastructure projects.

Build the Australian Government's capability to deliver infrastructure priorities.

Strengthen confidence in the Australian Government's investment through better-informed decisions and investment management.

We achieve our purpose through our vision and goals and by working collaboratively with Australian Government stakeholders and agencies, state and territory counterparts, and our industry partners.

Vision

Enabling commercial excellence in Australian Government infrastructure investment for the benefit of all Australians.

Strategic Goals

1. Be sought after for our people and influential advice
2. Commercial Excellence in the Australian Government's investment in and delivery of priority projects

By measuring our success against these goals, we demonstrate the achievement of our purpose and fulfillment of our role.

Priorities

We are an independent expert capability available to support all of the Australian Government and its agencies in their

infrastructure investment analysis, decisions and delivery of nationally significant infrastructure projects.

As a small agency, it is important for us to carefully prioritise our activities. In determining which projects to focus on, we have adopted a criteria-based approach including:

1. the nationally significant nature of the project, including but not limited to whether it is an identified initiative on Infrastructure Australia's Infrastructure Priority List;
2. the project's ability to generate a revenue stream and an economic return;
3. the nature of project risks;
4. our ability to engage and shape financing and funding approaches early, based on factors such as states and territories' willingness to work with us; and
5. alignment with broader Australian Government policies and objectives (and views of relevant portfolio Ministers).



2. Our Environment

Delivering high quality economic infrastructure is a vital part of the Australian Government's plan to improve productivity, create jobs and lift economic growth.

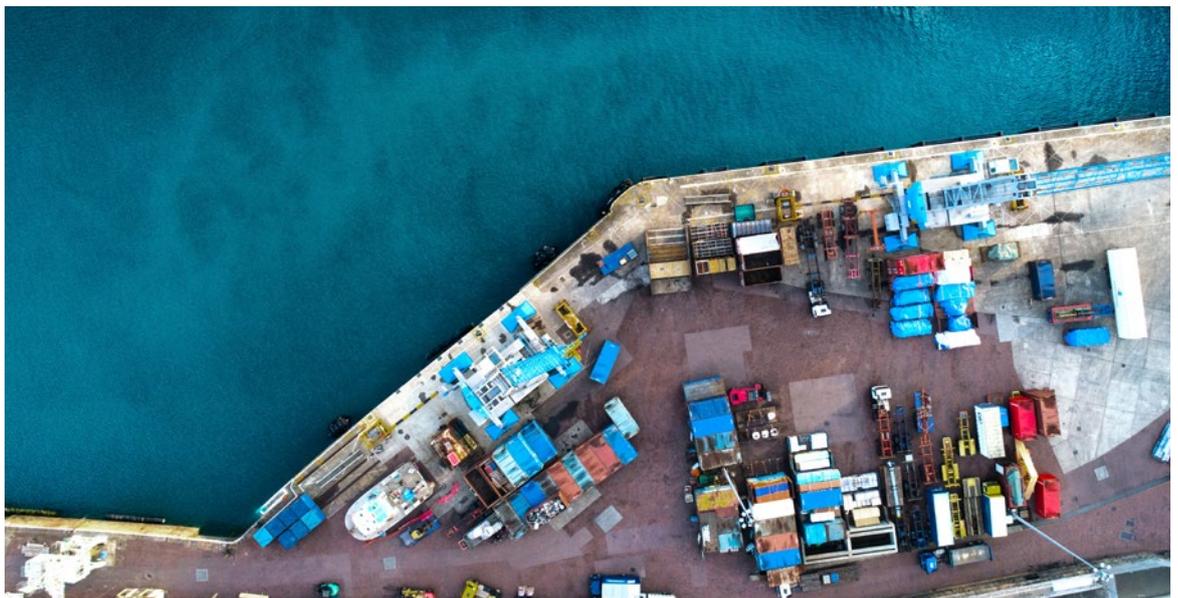
According to the Productivity Commission, even small productivity gains, delivered by infrastructure investment, can achieve huge dividends to economic growth.

By 2030, Australia's population is expected to grow to more than 30 million people creating an urgency for infrastructure delivery that enables communities to come together, our cities to be more liveable and for linking businesses to markets and people to homes and jobs.

In recognition of the opportunities and challenges before us, the Australian Government has a significant leadership role to play and has committed to delivering its \$75 billion national infrastructure investment agenda over the next 10 years.

Since federation, the Australian Government has generally provided infrastructure funding in the form of grants to the states – it has been a passive funder. In order to meet future infrastructure needs while not diverting money from other important priorities this exclusive reliance on the traditional funding model is now under growing pressure.

IPFA recognises that for innovative financing to be successful, the Australian Government must be more actively engaged in the early-stage development of proposals, rather than simply waiting for proposals to be put forward and providing passive grant funding. Innovative financing is not, however, suitable for all infrastructure projects. In many cases, grant funding will remain the most appropriate



vehicle. Innovative financing will be limited to those projects with the ability to generate a revenue stream and/or a financial return.

The Australian Government is committed to being an active investment partner with states, territories and the private sector to ensure that the taxpayer funds are deployed wisely. We will support the government in this role by providing advice and expert capability in relation to funding and financing approaches and commercial arrangements for nationally significant infrastructure projects.

As we do not have our own investment mandate or funding source and do not endorse infrastructure proposals, we will focus on the provision of independent commercial and financial advice, brokering commercial and financial arrangements for the Australia Government and strengthening the commercial expertise of the Australian Government.

We will work collaboratively with all stakeholders across the Australian Government, states and territories as well as the infrastructure sector businesses, investors, financiers and advisers who contribute to delivering the nation's infrastructure projects and outcomes.

IPFA is an executive agency within the Infrastructure, Regional Development and Cities Portfolio. The CEO of IPFA reports to the Deputy Prime Minister and Minister for Infrastructure and Transport, the Hon Barnaby Joyce MP. As an executive agency, we are well positioned to be confident, strong, independent and bold, supporting innovation and cultural change within government. It also allows us to assist the Australian Government to take a more “business-like” and informed approach to infrastructure investment and commercial financing and funding arrangements. This in turn will lead to enhanced outcomes from negotiation, better risk management and confidence in the quality of infrastructure investment by government.



3. Measuring Performance

IPFA has two main goals to help us deliver our purpose:

- Be sought after for our people and influential advice
- Commercial excellence in the Australian Government's investment in and delivery of priority projects

Our deliverables map to these goals. Our success measures and targets outlined below explain how we will measure our performance against our goals and purpose and recognise that this is IPFA's first year of operations.

We have identified where baseline data will be collected in 2017-18 to enable performance reporting in 2018-19 and beyond. We will report the performance criteria in this Corporate Plan through our annual performance statement in our Annual Report and we will track our performance internally.

Our success measures and targets

1. Our partners seek our commercial and financial advice

The value of IPFA and our advice will be evident when we are viewed as the trusted adviser and first point of call, rather than a mandated partner, and we are approached to be involved in decision-making processes for nationally-significant infrastructure projects from day one.

KPIs	2017-18 Target	Forward Years Target
Our advice is proactively sought by government and agencies	25% of our work is sought proactively through unsolicited approaches from agencies and/or government	Target percentage increased year on year ¹

1. Future year targets will be set once baseline information is captured in 2017-18 and 2018-19.



2. Our involvement improves outcomes for and our advice is valued by all stakeholders

A successful engagement on a project will be evident if it can be seen that our advice was adopted and/or it is acknowledged that we played a significant role in supporting decision-making on delivery of the project.

KPIs	2017-18 Target	Forward Years Target
Stakeholders are satisfied with our advice and involvement	75% of stakeholders are satisfied that we are improving outcomes and provide valued advice	Target percentage increased year on year ¹

3. Our contribution increases confidence in the Australian Government's infrastructure investment decisions and processes

A key area of success will be where external stakeholders acknowledge the value of having a more sophisticated Australian Government investor in infrastructure and how we have contributed to a greater level of confidence of stakeholders in the government's decisions and processes.

KPIs	2017-18 Target	Forward Years Target
Delivery of agreed activities and positive stakeholder/market regard for our contribution	<ul style="list-style-type: none"> 100% of committed activities completed within time frames 75% of feedback from external stakeholders regarding our contribution is positive 	Improvements on 2017-18 external feedback benchmark ¹

4. Our work strengthens the commercial and financial capability of the Australian Government

We are partnering with agencies across government to raise the level of in-house commercial and financial expertise and capability of infrastructure arrangements. A more sophisticated and expert public service can better support the Australian Government in its infrastructure investment decisions, reduce dependency on external advisers and improve the retention of critical commercial knowledge.

KPIs	2017-18 Target	Forward Years Target
Facilitation of quality knowledge sharing and development programs, events and forums	<ul style="list-style-type: none"> 10 knowledge sharing activities 75% satisfaction with quality of the activity 	Target percentage and satisfaction level increased year on year ¹

1. Future year targets will be set once baseline information is captured in 2017-18 and 2018-19.



4. Our Capabilities

IPFA places high priority on ensuring we have high calibre, expert capability to provide quality advice and support to the Australian Government and our partner agencies.

The IPFA team comprises individuals that worked in private and/or public sectors of the infrastructure industry. Collectively, the IPFA team has significant expertise and experience in infrastructure policy and reform; advisory

and governance; sponsorship, development, procurement and delivery; investment and financing; corporate and project financing; and commercial and legal arrangements.

We undertake the following core activities for our government and agency stakeholders:

Our Core Services

Advise

Commercial and financial advisory

Broker

Capability and capacity

Assure

Governance and leadership

The team is organised to deliver our core activities through three key business units:



Strategy, Communications and Stakeholders



Project Advisory



Corporate Services



We will focus on strengthening our capability and capacity over the next four years to build our influence in line with our purposes.

We will do this by:

- 1. Continual focus on client outcomes and delivery**

Utilise our resources to ensure the delivery of high quality, independent advice that is effective and timely.

- 2. Embedding a shared vision of IPFA's culture and values**

Promote effective communication and engagement to support IPFA's role in the realisation of the Australian Government's infrastructure agenda.

- 3. Maintaining collaborative and trust-based stakeholder engagement and partnerships**

Work across all levels of government and with project proponents, including state and territory governments and the private sector, to support the delivery of appropriate informed advice.

- 4. Strengthening and complementing the skills of our people and our commercial advisory leaders**

Foster a diverse, inclusive, high performance and flexible working culture, to attract, engage, enable and retain talented staff in order to provide valued advice and capability.

- 5. Finalising establishment activities**

Enable the efficient operation of our governance and corporate structure, including ongoing review and implementation of policies and processes to fulfill our organisational purpose.



5. Risk Oversight and Management

IPFA's Risk Management Policy and Framework acknowledges the importance of effective risk management to ensure we achieve our Vision, Strategic Goals and Priorities and outlines our risk appetite and behaviours.

As a non-corporate Commonwealth entity, we have adopted the Commonwealth Risk Management Policy, as required under section 16 of the PGPA Act.

Our framework includes systems, policies, guidelines and processes to ensure the integration of a risk aware and managed culture in the operations and practices of IPFA and our people. It helps ensure that we are well placed to monitor, review, mitigate and communicate appropriately to stakeholders in a timely and effective manner key risks that may impact on our ability to deliver our purpose, and also to communicate appropriately to stakeholders, in a timely and effective manner.

Our risk management framework includes:

Systems & Structures	<ul style="list-style-type: none"> • Appropriate frameworks are in place to manage, monitor and mitigate risk • A leadership and management environment and structure which is supported by an effective delegations schedule and a culture of ethical conduct driven from IPFA's leadership team • The provision of assurance and advice to the CEO of the effectiveness of IPFA's risk management framework from an independent Audit and Risk Committee
Policies & Procedures	<ul style="list-style-type: none"> • Policies and procedures which support compliance with legislative and administrative requirements • An audit program which aligns with our Risk Management Plan
People	<ul style="list-style-type: none"> • The fostering of a positive risk management culture that is built into our day to day practices • Enabling our people to engage with reasonable levels of risk within appropriate frameworks and behaviours
Practice	<ul style="list-style-type: none"> • Education and awareness raising for all our people in respect of risk management and compliance obligations • An enterprise risk register which will enable active identification, monitoring and management of key risks

The framework will be revised at least annually alongside a review of the application of our risk management practices. We will implement improvements arising out of those reviews to ensure that the risk management framework remains current and relevant and continues to promote a positive risk approach.



IPFA

Infrastructure and Project
Financing Agency

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