

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Effective Decision Making for the Successful Delivery of Significant Infrastructure Projects

Melbourne — 20 March 2012

Members

Mr N. Angus

Mr P. Davis

Ms J. Hennessy

Mr D. Morris

Mr D. O'Brien

Mr M. Pakula

Mr R. Scott

Chair: Mr P. Davis

Deputy Chair: Mr M. Pakula

Staff

Executive Officer: Ms V. Cheong

Witnesses

Mr G. Wilson, Secretary,

Mr P. Sammut, General Manager, Capital Projects,

Mr A. Fennessy, Director, and

Mr M. Clancy, Acting Chief Finance Officer, Department of Sustainability and Environment.

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — I declare open the Public Accounts and Estimates Committee hearing on the inquiry into effective decision making for the successful delivery of significant infrastructure projects. On behalf of the committee I welcome the Secretary of the Department of Sustainability and Environment, Mr Greg Wilson; Mr Peter Sammut, general manager, capital projects; Mr Andrew Fennessy, director; and Mr Matthew Clancy, acting chief finance officer. Members of Parliament, departmental officers, members of the public and the media are also welcome.

In accordance with the guidelines for public hearings, I remind members of the public gallery that they cannot participate in any way in the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers, as requested by the secretary, may approach the table during the hearing to provide information to the secretary by leave of myself as Chair. Written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the media are also requested to observe the guidelines for filming or recording proceedings in the Legislative Council Committee Room, and no more than two TV cameras are allowed at any one time in the allocated spaces. I remind TV camera operators to remain focused only on the person speaking and that panning of the public gallery, committee members and witnesses is strictly prohibited. As previously advised to witnesses here today, I am pleased to announce that these hearings are being webcast live on the Parliament's website.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act 2003, attracts parliamentary privilege and is protected from judicial review; however, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. This committee has determined that there is no need for evidence to be sworn; however, witnesses are reminded that all questions must be answered in full and with accuracy and truthfulness. Any persons found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty. All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript to be verified and returned within two working days of this hearing. Verified transcripts and PowerPoint presentations will be placed on the committee's website within two weeks of this hearing.

Following a presentation by the secretary, committee members will ask questions relating to the inquiry. Generally the procedure followed will be that relating to questions in the Legislative Assembly. I remind everyone to turn off their mobile phones. I now call on the secretary to give a brief presentation of no more than 4 minutes if desired.

Mr WILSON — I do not have a presentation as such, but I have a one-page handout that I thought might be useful to inform the committee of the different categories of asset investment that are undertaken with respect to the DSE portfolio. The first category is basically investment the DSE undertakes as a department on its assets in its own right. We have \$7.4 billion worth of assets, and if you take out the land value of that, which is \$5.7 billion, that leaves \$1.7 billion, and just over \$1 billion of that is roads. For us, in terms of when we get to questions about skills and competencies and project management, most of the things we do directly tend to be a long list of local projects — thousands of kilometres of tracks and bridges and those sorts of things.

The second category of investments is where we have a role in facilitating delivery on behalf of the state, and the two big ones there are the Northern Victoria Irrigation Renewal Project, which is just over \$2 billion, and the desalination plant, which has a present value of \$5.7 billion if the maximum output is ordered and delivered over the life of that project. With respect to those two projects, the delivery is basically third parties in the sense that the government decided to establish a state body under the State Owned Enterprises Act 1992 for NVIRP to do the work up in Shepparton, and of course we established a DSE desalproject team led by Peter Sammut here, which we complement with external resources and skills in the commercial legal field and so on. Of course the delivery of that is a consortium led by AquaSure.

The third category, which is by far the biggest, is that undertaken by our portfolio agencies, in particular water corporations — assets worth over \$23 billion and in recent years capital spends per annum averaging in excess of \$1 billion collectively. Because they have separate boards and legal responsibilities, they basically have accountability for meeting their obligations and undertaking the associated investment. They are required to put proposals through the Essential Services Commission to get prices ticked off. Because those prices fund those projects, they need to justify them on the basis of need, whether it is for customer performance, EPA compliance, asset renewal, growth-related expenditure or water quality improvements and so on. There is a whole process there that in a sense governs them — in an ex ante sense in developing 5-year proposals — and

then there are the normal governance arrangements that apply, like gateway reviews and what have you, in terms of the more significant projects, like any other public sector project.

From our point of view, just to wrap up in terms of the skills, the category of work we do ourselves is really delivered by regional managers locally, so it is prioritisation in managing our own AWU workforce — contractors, earthmovers and that sort of thing. The second set of skills, as I mentioned, are things we may get into later around public-private partnerships, commercial skills, legal skills, doing EESs, tender processes and so on. The third category of skills for us as a department is really that oversight of water corporations and others who do have boards and their own accountabilities and making sure that we do that effectively, in a sense as an extension of the minister — overseeing boards, doing board appointments, performance reporting and so on. The rest of it for us is making sure those entities do what they need to do in terms of attraction, retention of skills and professional development and so on.

That is all I really wanted to say, Chair, by way of introduction, and I am happy to take questions.

The CHAIR — By way of some introductory comment, I should note that your questionnaire responses have reflected on probably what is for you a joy in terms of a project management brief, being the desalination plant. My intention is not to labour that today, as in relation to one of the terms of reference it is a project which we will subsequently examine specifically as part of a case study set, though some members of the committee may wish to raise issues about it today just on the way through.

In relation to the issue which I think is at the core of today's inquiry — the skill set within the department and its agencies in relation to the issues of key competencies — while you have fleshed out some of those competencies, I think we would like to understand in more depth what is mandated by the department and any agencies in terms of any particular competencies, certification, professional affiliations, the various standards relating to delivering complex projects and whether there is a competency certification in regard to any of the agencies for which the department is responsible. In other words, do they have their own organisational competency certification?

Mr WILSON — If I could separate the skills within the department to do what the department needs to do from the skills in those agencies that we referred to. In terms of skills, the department itself will have a lot of mandated skill requirements, more so in relation to the fire management and emergency management roles — accredited incident controllers and so on — at various levels. In relation to project management itself, our processes really start with the engagement and positioning of people in those roles and formal requirements basically to make sure in the first instance that you have the appropriate skills. If it is a clear-cut project management role, you would obviously be expected to have experience in that area and in the various things you would need to know about in terms of contract management, supervision, project management tools, software, procurement and so on.

In a more general sense over and above that we mandate a process whereby each year staff members have to go through a performance planning and development planning process, which starts with the requirements of the department, then the requirements of the department on individual divisions or regions, down to the requirements of individuals who will have to meet the outcomes that are required of the department. We go through that process, which then identifies skill gaps, development needs and so on. That is more of a mandated process than a mandated certification or particular qualification, other than if you are a plant operator or those kinds of things. Then obviously you have to have the right tickets, licences and so on.

In terms of the external agencies, particularly the water corporations, there is a hell of a lot of engineers in those roles with professional qualifications, given the assets that they are working on — water, sewerage and so on. I do know they are doing a lot of work through their own industry associations, like the Water Services Association of Australia, VicWater, Australian Water Association and Institute of Water Administration. They are quite keen on professional development, and my understanding is — correct me if I am wrong — the Water Services Association of Australia is moving more to accredited skills, like water treatment plant operators and so on, which traditionally would have been done by an engineer or someone who has had that experience over decades, where you just keep doing what you are doing because of your knowledge and experience. As well as developing professional skills, as I understand it they are moving more towards those certification and accreditation-type programs.

Mr PAKULA — Secretary, I am just looking at question 8, where you have given some brief information about initiatives that the DSE is undertaking with respect to its policy and guidance material. You go through some examples, such as Melbourne Water having a capital investment policy and management reporting system; in regard to desal, quality certification by Lloyd's of London of the project team's detailed project management processes; and a skill-mapping project in regard to NVIRP. Could you just expand on that a bit for the committee and take us through how some of those certifications have worked?

Mr WILSON — I might ask my colleagues on the specifics but by way of background, in relation to the particular issue of the desalination project, it is one that we own. But the water authority ones, the water corporation initiatives, are essentially ones that they have undertaken. We are pleased to see that they are doing that. They have formal duties and obligations to manage projects and deliver infrastructure. So, as I mentioned, for us it is not so much us mandating that every corporation must have this type of program at accreditation. But having said that, we are pleased to see these sorts of things emerging through different water corporations. They are all a little bit different. They cut the cloth to suit a bit, but the types of things mentioned here are the sorts of things that we are pleased with. I do not know, Andrew, if you have got some background on some of those ones, or Peter on the Lloyd's one might first want to elaborate on the reasoning behind that and how it has worked.

Mr SAMMUT — Thanks, Greg. Because of the unique nature of the project and its scale and significance, we elected to, if you like, fully quality certify all of the processes that we have for our professional project management services. This is not always done, but we elected to do it, and we now have a full complement of procedures and processes in place that have been certified for some time by Lloyd's Register of London. I think that helps us ensure that we are carrying out our activities in the best interests of the state, particularly for water users.

Mr PAKULA — I am just interested in how the actual process works. What do you do? Do you get Lloyd's in or would you send stuff to England? How does that certification process actually work?

Mr SAMMUT — You develop your own procedures to address all of the various activities that you are undertaking from the point of view of all of the elements of project management — the land acquisition, compensation and so on. So you write procedures that you think discharge your responsibilities properly and effectively. You then bring in an external professional to review those and ensure that they are meeting the relevant quality standards. They then review those documents. They might advise you as to where to make adjustments or improvements, and eventually they will certify that they meet all of the relevant standards and you then receive your accreditation.

Mr MORRIS — Mr Wilson, if I can now go to question 7 in terms of the response, the department indicates in there that the guidance material available from government greatly assists consistency of project delivery across agencies. But you then go on to say that given the unique nature of most projects it should remain the responsibility of each project team to determine the particular expertise required for the project. Do you accept that there is a benefit, or there may be a benefit, in the government establishing minimum standards, competencies or skills for major projects across the board and then going further into the specific skills you are talking about? Essentially I am asking about the establishment of minimum skills.

Mr WILSON — I certainly think it has some merit. I will make a couple of points. The first is that I think the guidance material and the policies and so on produced by Treasury have certainly evolved over the years and are improving all the time. We think it is highly valuable and put a lot of people through it and so on. The question about whether that should in one form or another translate into mandatory standards or some sort of prescription about — —

Mr MORRIS — Not necessarily by Treasury, I hasten to add.

Mr WILSON — Noted. As I say, it is worthy of some thought. I guess when I look at the Treasury material we always get back to the variety of different projects, and to be frank sometimes I wonder whether we invest so much in micromanaging some small things and then for some of the bigger things you think, 'Well, there could be some improvements along the way that in our case have been identified and documented by various audits and what have you.'. So we are always looking for improvement. But I guess the challenge will be in terms of centralised versus devolved accountability. With devolved accountability how much guidance and

prescription do you include, how do you cut the cloth to make sure that you are not creating too much unnecessary — red tape is not the right word but — —

Mr MORRIS — Overhead anyway.

Mr WILSON — Over-engineering the smaller ones to the extent they get caught up in that and delay delivery on the ground but doing the right things to make sure — I note the high-value, high-risk strategy is a good example of how you actually at least draw out at some threshold projects that should actually get more attention from Treasury and central agencies or from a whole-of-government point of view, which I think at least captures the high-value, high-risk ones. How you extend that down into the myriad of different projects day to day, I am not sure. But it is worthy of thought, I think.

Ms HENNESSY — Mr Wilson, some members of the committee went across to Western Australia to have a look at their desal and to meet with officers from the Water Corporation of Western Australia. One of their observations was in regard to the benefit of the structure that they used, and that was a competitive alliance whereby they chose a partner and then

worked with both of them on the costing and the engineering to get the total cost. I would be interested in your comments on that as a structure. What the Western Australian Water Corporation identified as one of the benefits of that was that there was a genuine 50-50 share of the risk and the benefit. They also noted that they had never had a significant overrun using that model as well. I would be interested in your comments or observations on that.

Mr WILSON — I am certainly not an expert in that field — —

Ms HENNESSY — Join the club.

Mr WILSON — It is probably more a Treasury thing.

Ms HENNESSY — You are in good company on this committee.

Mr WILSON — I might get Peter to comment on it. Without getting into the specifics of any particular project, I know we have had various experiences of alliances in the water sector, and I think it is fair to say some have worked well and some have not. I know from memory that Treasury are doing a lot more work on how to get the best value out of alliances as distinct from whether alliances are the best way or alternative methods are better or not. But I am not sure of the actual latest development through Partnerships Victoria and DTF on when to choose alliances and when they add more value, or are more likely to add more value, and how you mitigate some of the risks and so on. I know there has been some mixed experience in the water sector. Peter, do you have anything to add on that delivery model?

Mr SAMMUT — Alliancing is one of a range of tools to deliver a project. Generally they are either delivered as alliances, either competitive or non-competitive, as a design and construct contract or as a public-private partnership. Fitting the delivery model to the project is really dependent upon the nature of the project. If the service can be very clearly articulated, you generally look for a model that pays for service so that your payments are linked to when you are receiving the service. If the scope of the project is difficult to identify at the beginning, or could move during the course of the delivery of the project, or you cannot quite specify the service, or the risks are unquantifiable, often you go for a different model, an alliance model typically.

Treasury have done a lot of work on value for money out of historical projects. They are the best people to refer to in terms of that analysis. There is no one-size-fits-all. You have to match the delivery model to the specific project. That is the process that each project normally goes through in its early development phase in terms of choosing the right model for the project.

Mr ANGUS — Mr Wilson, my question relates to question 12 of your response in relation to inter-agency forums and the interaction that occurs in that situation. I particularly wanted to question you about your second paragraph, where it says:

It is important that central government guidance balances governance and constraint to enable the best possible outcomes to be delivered for the people of Victoria.

Could you just expand on that paragraph a little bit for me, please?

Mr WILSON — That goes back to the answer to the earlier question about that balance between wanting to prescribe proper things in terms of project management and the rules and procedures and what have you to get the best outcome but not doing that to the extent that you may misspecify things in terms of the complexity of projects and scale of projects that may prove to be too over-engineered such that it actually constrains the ability to deliver things quickly and efficiently. I guess my point was that it is something that needs to be worked through as we go forward, but I think getting that balance right is going to be quite critical.

Mr ANGUS — In terms of some of the skill sets that would naturally rest with you — and not particularly things about financial ones and other ones — would you have some expectations in relation to some more specific guidance from Treasury and other central agencies in relation to some of the requirements?

Mr WILSON — I think again just building on the things like the gateway reviews, the various Partnerships Victoria policies, the guidance material and life cycle costing — all of those sorts of things that I think are really good and have evolved over a number of years — it is a question then of whether and how you improve the application of those things. It is more of a question about if they apply at too low a level they can be unnecessarily burdensome, if you like, with no real gain, hence I mentioned the high-value, high-risk approach of dragging at those projects as a minimum to supplement all the others that have to go through gateway and what have you, which I think is a really worthwhile development. It is a bit like us with water corporations, catchment management authorities, Parks Victoria and all the entities that we oversee: if we are too prescriptive and over-engineer our processes, all they tend to be doing is reporting back to us on value for money and how they went and ticking boxes and filling out proformas. We need to make sure that we do not overdo that as a department with respect to our agencies as well. We are always keen to look at ways to make sure that whatever we design or whatever the design that relates to us gets that balance right to make sure we are doing all the right things, but not over-engineering those things to the point where it is slowing up delivery of projects and it is incurring costs along the way to comply with those various constraints.

Mr SCOTT — In your answer to question 11 there is discussion of key knowledge learnt and information being prepared and disseminated both within the department and related organisations and in industry bodies et cetera. There is also discussion of a post-project review process. Are any of those documents available publicly? Are they made available to the public?

Mr WILSON — Yes. Certainly some of them would be, particularly things around project evaluation, status reports, learnings. There would be quite a variety of those sorts of documents within water corporations and here. I would have to go back and see what is available. I am happy to provide the committee with those sorts of things.

Mr SCOTT — Chair, is it possible to get that information on notice?

The CHAIR — Yes. That is fine. I think the secretary is indicating it will be provided.

Mr O'BRIEN — In terms of publicly available documents, I have got one in front of me — *Irrigation Efficiency Programs* Auditor-General's report of June 2010. I note there is a DSE response in the back at page 34, and I also understand the position of DSE in providing full, frank and fearless advice and the various roles of political and ministerial responsibility as well as third-party entities. In relation to the findings of the Auditor-General, particularly those findings that concern the decision to proceed on page 16 in relation to the food bowl modernisation project and the Sugarloaf pipeline, it says here:

The development of the business cases for the FMP and the Sugarloaf pipeline commenced only after the government had committed to the projects and approved the funding. This process is contrary to the explicit and mandatory business case guidance for projects such as these.

I note you have said here:

The Department of Sustainability and Environment ... accepts the audit recommendations and has already implemented a number of changes, including public reporting on the achievement of water savings.

We are now through a period of heavy drought when this decision was made and a subsequent wet period. Having regard to the sort of work that is being suggested in the high-value, high-risk-type approach with the up-front requirement for business cases except in exceptional circumstances, would you say that — —

I am sorry; there is one other aspect of it, just before I add that in. You have also talked about the water savings being based on a top-down assessment as opposed to the subsequent business case, which worked from the bottom-up approach. I was perhaps picking up Mr Downie's comments on the Ombudsman's report, where he says at page 56:

... if we'd done a business case, the government probably would've been forced into some other project ...

It is not necessarily the delivery of that project but the decision to proceed with that project which is essentially a governmental decision. If that had been through the high-value, high-risk process, would your frank and fearless advice have been different, or if you were not given that opportunity would it have been to perhaps consider other options? Are you able to give any answers in relation to that?

Mr WILSON — I am. I guess those things have been well documented by the Auditor-General and subsequently the Ombudsman. I have not got the document in front of me, but I am pretty sure I accepted all of the recommendations of both reports. Subsequently in terms of the Auditor-General's report there was a range of improvements that we made sure we did in terms of project management, transparency and audit protocols and various other things. We certainly made sure in the lead-up to the stage 2 funding with the commonwealth all of those things that the auditor felt ought to have been done and perhaps were not to the fullest extent were subsequently done for stage 2. Again we have got further suggestions and recommendations for improved project management by the Ombudsman, which again I have accepted.

Going back and speculating on would it have got through a particular process now, I am not sure it is appropriate for me to speculate on that, but I have noted and acknowledged the Ombudsman's and Auditor-General's findings, and I think the former Premier and others have acknowledged that the project was committed to pre-business case and the technology was new — it had been trialled, but largely not to that sort of scale. There were various references to the circumstances at the time — as you say in your question, prolonged drought and what have you. My view of those reports is that there was a lot that we needed to get onto and improve as a department, and we have done that. I will leave it at that, if I may.

Mr O'BRIEN — I thank you for your frank answer. I have a supplementary question, if there is enough time, chair?

The CHAIR — Yes, if it is quick.

Mr O'BRIEN — We are doing a more detailed comparative with the desalination project, but we have had the benefit of a visit there. One of the things that emerged perhaps is that the Western Australian rural water commission had been engaging in long-term planning prior to its commitment on that desalination project, and I note that perhaps one of the issues it is heading to now is in relation to a range of sustainability measures. Perhaps looking forward into the future, what do you see are the benefits of long-term infrastructure decision making across a range of portfolios and, specifically in relation to water, a range of water recycle and reuse reduction measures?

Mr WILSON — When you look at the scale of water infrastructure investment that I have outlined in that one-pager, longer term planning is imperative, as are processes where you can exhaust a range of different smaller projects like recycled water or stormwater capture and so on, along with water conservation measures and what have you, to make sure that those investments are not incurred and brought forward sooner than is absolutely necessary.

From a sustainability point of view, the government has made those commitments in its election commitments and subsequent policies, and building on that is a good thing, and capturing those initiatives in long-term planning, large and small, local and what have you, and working those things through to make sure of the least-cost solutions for urban growth and so on, is imperative.

Mr O'BRIEN — Lastly, as a parochial matter, there is a small town in western Victoria called Penshurst which has got one of the best water assets that has been underutilised and under sustained for many years. We look forward to some long-term planning in relation to its particular water resource.

The CHAIR — I will take that as a point of order and declare the question or comment ruled out. Sorry, I should not have entered into that!

Mr O'BRIEN — If there are any comments that Mr Wilson is aware of; it is an issue with groundwater and the sustainability of groundwater. I note the groundwater atlas is a good initiative, and that may help us map future assets such as that town. Is that correct?

Mr WILSON — Yes, groundwater, surface water — all of those water sources — stormwater and recycled water all ought to be considered in that strategy for the pursuit of providing the least-cost solutions to your community down there in the west.

The CHAIR — In relation to question 3 and the comments around Melbourne Water engaging Helmsman International to review elements of Melbourne Water project management and governance arrangements, and to benchmark Melbourne Water against other comparable industries, I am interested in the notion of benchmarking generally, but can you indicate the extent to which this initiative encompasses leading edge competencies and skills, when will the results of this exercise be available and, importantly for me, is there a view in the department that these benchmarking exercises should be applied generally to the agencies which you operate?

Mr WILSON — I think they should apply generally as long as they are effective and they are useful in getting better performance, which is making sure that they compare like with like, making sure you break down the particular processes that might lend themselves to benchmarking. There are all sorts of reasons, like different operating environments and so on, that entities that participate in those things might claim to be reasons why they might be down the bottom of the ladder, so to speak.

I know the Essential Services Commission produces performance reports and so on, on things like response times for fixing burst water mains and a range of others like sewer blockages; and customer service-type measures which are high volume, easy to measure and do lend themselves to benchmarking. I think the challenges for Melbourne Water will be that as the nature of their business is quite unique relative to, say, three retail water companies and a range of other regional urbans where you have got lots of activities, as I said, like fixing burst mains, unblocking sewers, reading meters or responding to customer queries, whereas Melbourne Water is quite a unique, upstream entity managing dams, big transfer mains and the bigger sewage treatment plants. But, nevertheless, I think it is good that they are doing this work, and we would be happy to follow up with them to make that available to the committee.

The CHAIR — Thank you. The follow-up question is, given your enthusiasm for this process, is the department working with or intending to work with agencies within its purview to ensure similar benchmarking exercises are conducted?

Mr WILSON — I am not sure of the specific requirements. I do not think we have formally requested that that occur, but we do know that they all participate in the performance reviews of the Essential Services Commission, we know that VicWater is an industry association that undertakes various benchmarking exercises, so it is another one of those where we have not mandated it, but we do observe that it is happening, we do encourage it and, as I said, I am happy to follow up what has been done and provide it to the committee.

Mr PAKULA — I am interested in the question of expectations. The Auditor-General, in his submission, quoted Professor Flyvbjerg talking about overruns being endemic across the world and talked about whether or not expectations are being appropriately managed. I ask it in this context: Ms Hennessy asked you before about the Western Australian Water Corporation, and how it has chosen an alliance model where the government will effectively — or the corporation and the private partner — share 50-50 the risk of any overrun. You deliberately chose the PPP model for the desalination plant. As I understand it, that imposed the burden of overrun on the contractor rather than on government. Nevertheless, a perception has emerged that the cost to the state has blown out — to use the media phraseology. Given that you have chosen a PPP model which effectively inhibits that from occurring, but the perception is quite different, what lessons do you take from that, and would that dissuade you from using a PPP model in the future, or is it immaterial to you?

Mr SAMMUT — At the end of the day you do your assessment based on what you think is going to deliver best value for money for the state. That is part of the normal business case process; it is part of the normal process for deciding on the delivery model. I am not going to go over why we chose the public-private partnership versus alliances. I think, as I said before, you need to look at a range of things. You need to look at service delivery and if the scope of the project is likely to change or not during the course of delivery, because if you change scope part way during delivery, then that is not conducive to certain models of delivery, like a public-private partnership. But in terms of where we are today — and I think you summarised where we are today — you can only do what you think is in the best interests of the state and make those recommendations accordingly.

At the end of the day one of the core tests through the process, particularly for public-private partnerships, which have a very rigorous process before you actually get to deciding — because there are particular tests on public interest and value for money — is you have to do the tests, and the results will be what the results will be based on each case being assessed on its merits. You make your recommendations based on what you think is going to deliver the best value for money, after having passed all the various public interests tests and other tests you need to pass.

The CHAIR — There is a temptation to persist with the line of questions about PPPs and major projects, but we are, in effect, out of time, so I am going to pull it up there and say thank you very much to the department, the secretary in particular and all officers. There have been some issues that have been taken on notice. I am sure you will come back to us promptly. In relation to any subsequent questions that we have as a result of those hearings we will write to you formally, and could you respond to those matters within 21 days. Please note that although this hearing has concluded, you will be in touch in relation to additional hearings later in the year specifically in relation to term of reference (d) which is:

whether particular significant infrastructure projects have been developed and implemented in a manner which aligns with the public interest and maximises transparency and accountability for the life cycle of the project ...

I have flagged that we have specifically cited the desalination project as one of those. The committee would also urge the department to provide a supplementary submission on any matters you have heard or relevant additional matters that will come out of the public hearings over the next three days. I would like to thank you very much your contribution. This closes the hearing.

Witnesses withdrew.