

# Media Statement

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## Auditor-General's Report: Audits of 2 Major Partnerships Victoria Projects

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A report by **Auditor-General, Des Pearson**, titled *Audits of 2 Major Partnerships Victoria Projects*, was tabled in the Victorian Parliament today.

The audits reviewed the \$367 million Melbourne Convention Centre Development and the \$309 million Southern Cross Station redevelopment.

Both projects were implemented under the *Partnerships Victoria* framework which was released in 2000. The framework addresses the provision of public infrastructure and related ancillary services, with the private sector, using public-private partnerships (PPPs).

Mr Pearson found that the Melbourne Convention Centre Development project has been effectively planned and procured, and is being managed in a controlled manner, to the agreed construction schedule.

For the Southern Cross Station redevelopment, Mr Pearson found that the allocation of risks during the construction phase, and resolution of a dispute between the State, the developer and the concessionaire, was reasonable, given the circumstances. He also found that ongoing contract management is being effectively performed, within a difficult to measure key performance indicator regime.

Mr Pearson said that "complex capital projects have a much better prospect of achieving expected benefits when managed within a robust framework of policy and guidance. Both of these audits demonstrate effective implementation of the *Partnerships Victoria* framework".

The report makes 2 recommendations relating to the need for Major Projects Victoria to document a project management methodology, and for the Southern Cross Station Authority to show demonstrable progress in improving performance monitoring and enforcement.

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Direct link to report: [http://www.audit.vic.gov.au/reports\\_par/agp131cv.html](http://www.audit.vic.gov.au/reports_par/agp131cv.html)

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