



Government of **Western Australia**
Department of **Treasury**

Public Private Partnerships

Project Disclosure Policy

Additional Policy Guidance

May 2016



Contents

- Overview and Purpose..... 1**
- Application 1**
- Updates 1**
- 1. Project Disclosure Policy..... 2**
- 2. Project Summary Report Template..... 3**
- 3. Project Disclosure Timeline..... 6**
- 4. For further information..... 7**

Overview and Purpose

The purpose of this document is to supplement the National Public Private Partnerships (PPP) Guidelines – Volume 6: Jurisdictional Requirements.¹

The aim is to provide policy guidance on project summaries and disclosure. Project disclosure in the form of a project summary is recommended but not mandated by the National PPP Guidelines.

Application

The users of this document are expected to be those preparing project summaries for a specific PPP project, including Government Departments, external commercial and legal advisors and the Department of Treasury (Treasury).

This document does not replace the National PPP Guidelines and should be used in conjunction with the relevant sections of the National PPP Guidelines.

Updates

Treasury has the sole discretion to amend or update this document as and when it considers it necessary.

¹ <https://infrastructure.gov.au/infrastructure/ngpd/files/Volume-6-Jurisdictional-Requirements-Dec-2014-FA.pdf>

1. Project Disclosure Policy

What is a Project Summary?

A project summary is a way of disseminating information about a PPP project in a uniform and transparent manner. It provides a summary of the key elements of a PPP contract and procurement process.

The benefits of releasing a project summary and executed PPP contracts include:

- Greater transparency and accountability; and
- Knowledge sharing – Project disclosure reports enable a quick summary of a lengthy contract to be read by not only the general public but policy makers.

A project summary should not be used in place of the contract by those in a contract management role.

Interaction with current policies

The National PPP Guidelines (as published on the Department of Infrastructure and Regional Policy website) encourage disclosure of the contract and a project summary. Western Australian policies that apply when producing a project disclosure report include State Supply Policies (Probity and Accountability policy and Open and Effective Competition policy) under the *State Supply Commission Act 1991*. The Open and Effective Competition policy states that:

“Where the awarded contract price is \$50,000 or above a public authority must publish the contract details on Tenders WA after the successful bidder has been notified. A public authority is not required to publish contract details for a particular contract where the Accountable Authority considers that the release of those contract details presents a significant operational risk, such as the potential to compromise security.”

What to disclose?

The project summary and the contract documents for all Western Australian PPPs are to be released on the Treasury website within six months of financial close. All information from the contractual documents will be released except for information that if available publicly would:

- compromise the State’s or private party’s ability to efficiently, effectively and/or safely deliver the relevant infrastructure and services;
- compromise the State’s or the private party’s commercial interests; or
- adversely impact the State in future commercial transactions.

Whilst taking into account these matters, the excluded information should be kept to a minimum and will be subject to the Treasurer’s approval.

Section 2 (Project Summary Report Template) provides an outline for a project summary report detailing key items to be included in the project summary.

2. Project Summary Report Template

Front Cover

- Name of Project; and
- Date of contract summary.

Introduction

- Purpose of the project.

Disclaimer

“This summary should not be relied on as a complete description of the rights and obligations of the parties to the project and is not intended for use as a substitute for the contracts”.

Part One: Project Overview

Aims to provide a brief summary of the project including:

1.1 Project outcomes

- Needs to describe services/facilities from the project and the key deliverables.

1.2 A public private partnership

- Rationale; and
- Description of procurement model and key responsibilities.

1.3 Tender Process

- Process for selecting the private provider; and
- Broad evaluation considerations.

1.4 Value for Money

Analysis should include the quantitative and qualitative factors determining value for money.

This section should include a summarised version of the Public Sector Comparator (PSC), detailing at a high level:

Public Sector Comparator Element	(\$m)
Capital Costs	
+ Operating Costs	
- Revenues (if applicable)	
= RAW PSC	
+ Competitive Neutrality	
+ Capital Risks	
+ Operating Risks	
= TOTAL PSC	

The value for money analysis based on the PSC should be presented in a table similar to the one below:

Public Sector Comparator (\$m)	Private sector delivery (at financial close – net present cost of contract payments (\$m))	Savings (\$) (\$m)	Savings (%)
\$	\$	\$	

1.5 Public Interest Assessment

Key points from public interest assessment.

1.6 Contract summary

Outline the milestones in the summary table below:

Contract Component	Due Date
Contractual close	
Financial close	
Technical completion	
Commercial acceptance	
Service delivery commencement date	
Contract expiry date	

1.7 Contract Payments

Outline the projected annual payments by the State to the PPP contractor over the life of the contract in net present cost terms.

Financial Year	\$'000 (NPC)
2017-18	
2018-19	
2019-20	
2020-21	
2021-22	
2022-23	
Etc.	
TOTAL	

Part Two: Key commercial features

Additional elements can be added as needed.

2.1 Parties to the contract

- Who was involved? (Diagram of relationships may help).

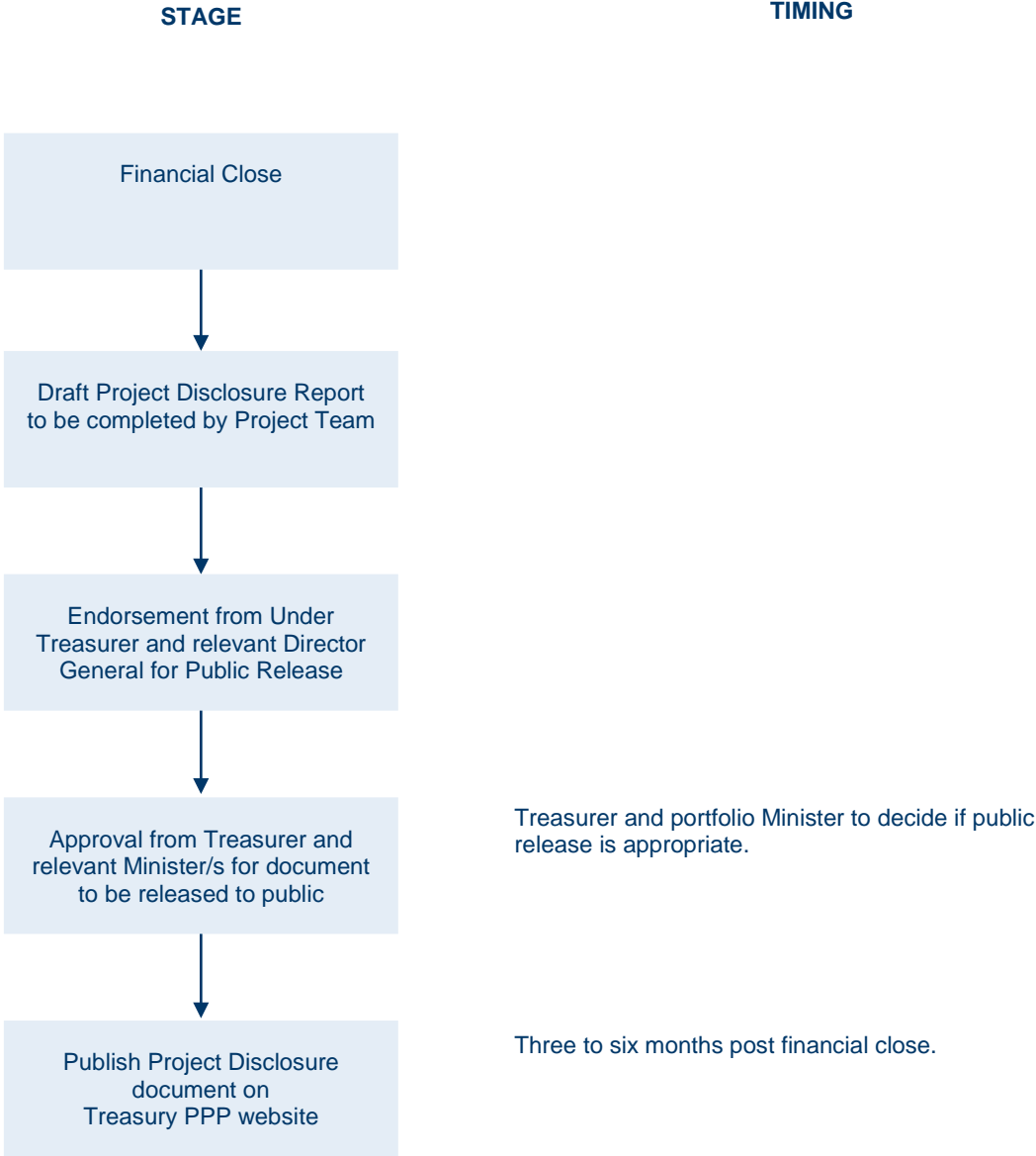
2.2 Summary of Commercial Principles

- Examples include:
 - Risk allocation;
 - Planning risk, site risks, design risks, construction risks, contamination risks, operational risks, change in law or policy risks and force majeure etc.
 - Payment mechanism and abatement;
 - Default, termination and step-in;
 - Finance; and
 - Other key commercial principles relevant to the project.

Appendices

Links to other published material.

3. Project Disclosure Timeline



4. For further information

Department of Treasury
140 William St
08 6551 2777

