

Western Distributor – Public Interest Test (Business Case Stage)

The *Partnerships Victoria* Guidelines require that the public interest be considered at key stages of a Public Private Partnership (PPP) procurement process.

A PPP is the recommended procurement approach for the Western Distributor works package of the Project, which includes the following:

- widening of the West Gate Freeway by two lanes in each direction to provide a total of 6 lanes each way between the M80 and Williamstown Road, separating movements into collector distributors (3 lanes each); and
- a new toll road connecting the West Gate Freeway to CityLink with additional access to inner urban areas and a CBD bypass provided via Footscray Road, Wurundjeri Way and Dynon Road), via a tunnel under Yarraville and viaduct over the Maribyrnong River and Footscray Road, also providing connections to the Port of Melbourne.

A public interest test has been completed as part of the business case development to ensure that the Project will comply with public interest requirements set out under the *Partnerships Victoria* Guidelines.

The review of the Project was conducted against the following eight elements of public interest test:

- effectiveness;
- accountability and transparency;
- affected individual and communities;
- equity;
- public access;
- consumer rights;
- security; and
- privacy.

The findings of this Public Interest Test are presented in the table below.

Protecting the Public Interest – Business Case Stage		
Public interest element	Standard	Assessment
<p>Effectiveness</p> <p>Is the project effective in meeting government objectives?</p>	<p>The following objectives have been developed for the Project:</p> <ul style="list-style-type: none"> • Improve transport performance in the M1 Corridor: <ul style="list-style-type: none"> - to meet increased travel demand due to future population and economic growth trends - to enhance connectivity between economic clusters - to enhance safety along the corridor - to enhance access to jobs and services • Reduce reliance on the West Gate Bridge: <ul style="list-style-type: none"> - to improve network resilience and redundancy - to mitigate strategic risks to the State and national economies - to improve travel reliability. • Improve freight access to the Port of Melbourne and greater Melbourne: <ul style="list-style-type: none"> - to improve reliability of access to the Port of Melbourne and on the freight network - to meet travel demand arising from the future freight task - to enhance state and national competitiveness through freight productivity improvements • Improve community amenity on local streets in the inner west <ul style="list-style-type: none"> - to reduce freight on local streets - to improve safety on local streets. 	<ul style="list-style-type: none"> • The Project goals and objectives have been used to identify and assess various options for the Project to determine a preferred design that optimises the benefits against these goals and objectives • Performance against these objectives will be evaluated against KPIs to be agreed in the next stage of Project development. A Benefits Management Plan will be developed post business case to define how the identified benefits will be measured. • The preferred project scope for the Western Distributor is expected to generate the following benefits: <ul style="list-style-type: none"> - Productivity and growth for Melbourne - by providing transport capacity to meet future population and economic growth needs along the M1 corridor, improving transport connectivity between economic clusters, and enhancing transport performance to offer travellers lower travel times, shorter trips, and less time in congested travel conditions. - A more competitive port and freight sector -by improving freight productivity and lowering supply chain costs, as well as improving freight access to the Port of Melbourne and broader Melbourne. - Reduced reliance on the West Gate Bridge - by increasing network capacity and providing an alternative link to the Bridge and the central city improves network redundancy and resilience. - A more liveable Melbourne - by reducing trucks on roads in the west improves amenity through reduced noise and emissions, as well as reducing the potential for crashes involving large vehicles. - Economic development in the west - from improving accessibility so residents are closer to jobs and services, and business activation is encouraged in a more connected west.

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<p>Accountability and transparency</p> <p>Do the partnership arrangements ensure that:</p> <ul style="list-style-type: none"> the community can be well-informed about the obligations of government and the private sector partner; and these can be over sighted by the Auditor-General. 	<p>The Project is to comply with Victorian Government accountability and transparency policies and obligations. Standards include:</p> <ul style="list-style-type: none"> meeting <i>Partnerships Victoria</i> disclosure requirements; meeting requirements under the <i>Freedom of Information Act 1982</i>; the entitlements of the Auditor-General under the <i>Audit Act 1994</i>; and observance of appropriate probity principles. 	<ul style="list-style-type: none"> Key information in relation to the Transurban Proposal to deliver the Project has been publicly released consistent with requirements under the Market-led Proposal Interim Guideline. The title of the proposal and the name of the proponent is required at conclusion of Stage Two and a short proposal description is required at Stage Three under the guideline. This information is available on the DTF website under the Market-led Proposals section. It is proposed that once approved, the Business Case will be released to the public, acknowledging some redactions will be required (for instance, in relation to any commercially sensitive information). Relevant government departments and agencies including the Department of Economic Development, Jobs, Transport and Resources and the Department of Treasury and Finance are bound to comply with the <i>Freedom of Information Act 1982</i>. A Governance model options paper and a Communications and Stakeholder Engagement plan have been developed and included as attachments to the Business Case: <ul style="list-style-type: none"> the Governance model options paper outlines a range of options for how the Project will be managed by the State, noting the parallel process in relation to the Transurban proposal and the State-led delivery option; and the Communication and Stakeholder Engagement plan outlines the State’s approach to communication with key stakeholders including community engagement. The Auditor-General retains the right to view Project material, subject only to any limitations in the <i>Audit Act 1994</i>. A probity advisor has been appointed by the project team to oversee the Project development process.

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<p>Affected individuals and communities</p> <p>Have those affected been able to contribute effectively at the planning stages, and are their rights protected through fair appeals processes and other conflict resolution mechanisms?</p>	<p>Standards include:</p> <ul style="list-style-type: none"> following a public consultation process in relation to the Project prescribed by the appropriate planning approvals process; and meeting requirements under the Victorian Industry Participation Policy. 	<ul style="list-style-type: none"> The Business Case recommends the Project planning approvals be obtained under the Environment Effects Act (EES) 1978. This process will be conducted in parallel with the procurement process. Recent precedents exist for the successful conduct of parallel planning and procurement processes. The proposed timelines for the approvals and procurement of the project allow for considerable levels of community consultation. It is acknowledged that the Project will be identified as a 'Strategic Project' under the Victorian Industry Participation Policy (VIPP). Preliminary consultation has been undertaken in the development of the Business Case, although no formal targets have been set at this stage. As part of the next steps in Project development post Business Case approval, consultation with relevant VIPP representatives will be necessary to determine appropriate local content targets for this Project that will become a key requirement for tenderers to address during the procurement phase.
<p>Equity</p> <p>Are there adequate arrangements to ensure that disadvantaged groups can effectively use the infrastructure or access the related services?</p>	<p>Relevant standards include:</p> <ul style="list-style-type: none"> complying with relevant legislation and standards including the <i>Disability Discrimination Act 1992 (Cth)</i>; and ensuring there are no barriers to disadvantaged persons using the infrastructure. 	<ul style="list-style-type: none"> The Project will be required to comply with all applicable legislation, codes and standards. The Project will include a specific requirement that intersections and interchanges, including connections to freeways, must allow for the safe passage of cyclists and pedestrians including people with disabilities. The Project has important social and economic consequences including through its role in taking traffic off the surface road network. It will also address diminished urban amenity in the inner west both during and post construction. The Project will seek to improve walking and cycling facilities in the surrounding area. Key new walking and cycling connections are included in the State's preferred design. Further consideration will be given to these users during the procurement phase.
<p>Public access</p> <p>Are there safeguards that ensure ongoing public access to essential infrastructure?</p>	<p>The key standard relates to ensuring appropriate arrangements are in place to ensure ongoing access to the Project and its related infrastructure.</p>	<ul style="list-style-type: none"> The private sector party responsible for the Western Distributor will be heavily incentivised to ensure the road remains open and accessible to all road users. During the construction phase, the State will impose controls to ensure impacts on the surrounding transport network (including the public transport network) are minimised.

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<p>Consumer rights</p> <p>Does the project provide sufficient safeguards for service recipients, particularly those for whom government has a high level of duty of care, and/or the most vulnerable?</p>	<ul style="list-style-type: none"> The key standards are those imposed by relevant laws. Service recipients to whom government owes a high level of duty of care include children, seniors, low income earners, physically/mentally disabled, non-English speaking, overseas tourists, those not familiar with the transport system, etc. 	<ul style="list-style-type: none"> The private sector party responsible for the Western Distributor will be required to comply with all applicable legislation, codes and standards. The Project will provide sufficient safeguards for service recipients through: <ul style="list-style-type: none"> requirements imposed on the private sector party responsible for the Western Distributor in relation to dealings with the community; and ongoing monitoring by Government of the conduct of the private sector party responsible for the Western Distributor.
<p>Security</p> <p>Does the project provide assurance that community health and safety will be secured?</p>	<p>Relevant standards include:</p> <ul style="list-style-type: none"> compliance with relevant laws, codes and standards, including in relation to environmental and health matters; and safety standards imposed on road design. 	<ul style="list-style-type: none"> Safety is a critical consideration throughout all aspects of the Project. The design of the Project is required to be compliant with all applicable legislation, Codes and standards. This includes: <ul style="list-style-type: none"> occupational health and safety laws; environmental laws; and road safety and tunnel safety standards. The performance requirements will be developed for the Project including stringent standards around environmental matters. Risks to safety during the construction phase are to be managed through construction standards according to industry best practice.
<p>Privacy</p> <p>Does the project provide adequate protection of users' rights to privacy?</p>	<p>Relevant privacy standards are set out in:</p> <ul style="list-style-type: none"> <i>Privacy Act 1988</i> (Cth); <i>Information Privacy Act 2000</i>; <i>Surveillance Devices Act 1999</i>; and <i>Health Records Act 2001</i>. 	<ul style="list-style-type: none"> The Project will provide for protection of users' rights to privacy including through: <ul style="list-style-type: none"> appointment of a Probity auditor, who has had oversight of the Project development to date and will continue through the procurement phase. contractual obligations on all parties responsible for the delivery of the Project to comply with relevant privacy laws and requirements; and government agencies involved with the Project similarly observing privacy laws and requirements, including through the implementation of existing privacy policies.

