



**Government
of South Australia**

TRS19D1823

Hon Stephen Mullighan MP
Member for Lee
Unit 1, 62 Semaphore Road
SEMAPHORE SA 5019

lee@parliament.sa.gov.au

Treasurer
Level 8
State Administration Centre
200 Victoria Square
Adelaide SA 5000
GPO Box 2264
Adelaide SA 5001
DX 56203 Victoria Square
Tel 08 8226 1866
treasurer.dtf@sa.gov.au

A handwritten signature in cursive script, appearing to read 'Stephen'.

Dear Mr Mullighan

APPLICATION UNDER THE *FREEDOM OF INFORMATION ACT 1991*

I refer to your application made under the *Freedom of Information Act 1991* (the Act), dated 19 July 2019.

Your application seeks access to:

"All minutes, briefings, notes, emails and correspondence held by the Treasurer or his office regarding Motor Vehicle Registry, until 19 July 2019."

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. However, I have determined to process the request as if the statutory timeframe had been met.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 16 documents were identified as answering the terms of your application.

I grant you access in full to 2 documents; copies of which are enclosed
I grant you access in part to 12 documents, copies of which are enclosed.
I refuse you access in full to 2 documents.

Released in Full

Documents 5 and 14.

Released in Part

Documents 2, 4, 6, 7 – 9, 10 – 13, 15 - 16

Refused in Full

Documents 1, 3

Documents Released in Part

Documents 2, 4, 6, 8, 10, 11, 12 & 13 are all briefings prepared by DTF.

I have determined Document's 2, 4, 6 and 8 (Steering Committee Meeting Updates of which was the Motor Vehicle Registry (MVR) Commercialisation Project) to be released in part for the reasons that follow.

Document's 2, 4, 6 and 8 contain information relating to intergovernmental communication exempt under clause 3(a)(b). They also contain legal advice, exempt under clause 10, as well as containing matter the disclosure which would disclose information concerning the deliberation from Cabinet, exempt under clause 1(1)(e) and (f).

Where information has been redacted relating to the market process and intellectual property of the state, including that of the Transport Executive Licensing Information System (TRELIS) Agreement, I have redacted such information under clauses 7(1)(b)(c) so as to protect the state's intellectual property.

Further, information contained in Document 4 relating to research with regards to the TRUMPS system has been redacted pursuant to clause 8(1)(a)(b).

Document 7 is a briefing prepared by DTF. Out of scope information has been redacted.

Document 9 is a briefing prepared by DTF for my consideration. The document includes references to law enforcement systems relying on TRUMPS. Disclosure of this information would identify the confidential source of information concerning the enforcement of the law and prejudice any system or procedure for the protection of public safety. I therefore determine this exempt pursuant to clause 4(2)(a)(ii)(iv)(vi).

Relevant passages have also been redacted as the information contained in the briefing may negatively impact the state in any type of future negotiation. This would not be in the public's interest because it would likely have a substantial negative effect (to the state) on the financial terms of any future agreement relating to the Motor Vehicle Registry. This information is therefore exempt pursuant to clauses 15(a) and 16(2).

It is not in the public's interest to disclose specific details on the states process of the MVR Project as if released this would likely result in a less competitive tension (and therefore higher cost to the public) in a potential future Legal Advisor procurement for subsequent MVR Project phases. I determine this exempt pursuant to clause 7(1)(b).

Information prepared to inform Cabinet of the MVR functions and services have also been redacted under clause 1 as well as legal advice, pursuant to clause 10.

Document's 10, 11 and 12 are also briefings with attached Steering Committee meeting minutes. They are released in part as they contain information which was received in confidence. I therefore determine this exempt pursuant to clause 7. Legal advice has also been exempted pursuant to clause 10.

Document 13 is also a briefing with attached Steering Committee minutes and is released in part. Information pertaining to legal advice as well as of the deliberation of Cabinet have been redacted under clauses 10 and 1, respectively.

Information relating to the function of SAPOL and the management of highly sensitive data has been redacted pursuant to clause 4.

This document also contains information of a personal nature that, if released, would be an unreasonable disclosure of personal affairs. I have determined to exempt this information pursuant to clause 6(1).

Document 15 is a briefing prepared by DTF providing a status update on the MVR Commercialisation Project. The briefing contains commercial information which concerns the business and professional affairs of the agency. I determine this exempt pursuant to clause 7(1)(b)(c) to the FOI Act.

Information pertaining to matter concerning the deliberation of Cabinet has also been redacted under clause 1(1)(e).

Document 16 is a briefing which makes reference to a Parliamentary Briefing Note (PBN) as an attachment. I determine the briefing can be released in part as full disclosure would infringe the privilege of Parliament pursuant to clause 17(c).

Documents Refused in Full

Document 1 is a Parliamentary Briefing Note which was prepared specifically for use in Parliament, the disclosure of which would infringe the privilege of Parliament. I have therefore determined exempt this document in full pursuant to clause 17(c).

Document 3 is a Cabinet Note which was prepared for Cabinet. I therefore determine this exempt pursuant to clause 1(1)(a).

Exemptions

Clause 1 – Cabinet Documents

- (1) *A document is an exempt document—*
- (a) *if it is a document that has been specifically prepared for submission to Cabinet (whether or not it has been so submitted); or*
 - (b) *if it is a preliminary draft of a document referred to in paragraph (a); or*
 - (c) *if it is a document that is a copy of or part of, or contains an extract from, a document referred to in paragraph (a) or (b).*
 - (e) *if it contains matter the disclosure of which would disclose information concerning any deliberation or decision of Cabinet; or*
 - (f) *if it is a briefing paper specifically prepared for the use of a Minister in relation to a matter submitted, or proposed to be submitted to Cabinet.*

Clause 3 – Intergovernmental Communications

A document is an exempt document if —

- (a)&(b) It contains information from an intergovernmental communication to the Government of South Australia or a council.*

Clause 4 – Law enforcement and public safety

(2) A document is an exempt document if it contains matter the disclosure of which—

- (a) could reasonably be expected—*
 - (ii) to enable the existence or identity of any confidential source of information, in relation to the enforcement or administration of the law, to be ascertained; or*
 - (iv) to prejudice the maintenance or enforcement of any lawful method or procedure for protecting public safety; or*
 - (vi) to prejudice any system or procedure for the protection of persons or property; and*
- (b) would, on balance, be contrary to the public interest.*

Clause 5 – Documents affecting inter-governmental or local governmental relations

(1) A document is an exempt document if it contains matter—

- (a) the disclosure of which—*
 - (i) could reasonably be expected to cause damage to intergovernmental relations; or*
 - (ii) would divulge information from a confidential intergovernmental communication; and*
- (b) the disclosure of which would, on balance, be contrary to the public interest.*

Clause 6 – Documents affecting personal affairs

- (1) A document is an exempt document if it contains matter the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person.*

Clause 7 – Documents affecting business affairs concerning

(1) A document is an exempt document—

- (b) if it contains matter—*
 - (i) consisting of information (other than trade secrets) that has a commercial value to any agency or any other person; and*
 - (ii) the disclosure of which—*
 - (A) could reasonably be expected to have an adverse effect on those affairs or to prejudice the future supply of such information to the Government or to an agency; and*
 - (B) would, on balance, be contrary to the public interest; or*

- (c) *if it contains matter—*
 - (i) *consisting of information (other than trade secrets or information referred to in paragraph (b)) concerning the business, professional, commercial or financial affairs of any agency or any other person; and*
 - (ii) *the disclosure of which—*
 - (A) *could reasonably be expected to have an adverse effect on those affairs or to prejudice the future supply of such information to the Government or to an agency; and*
 - (B) *would, on balance, be contrary to the public interest.*

Clause 8 – Conduct of research

- (1) *a document is an exempt document if it contains matter—*
 - (a) *that relates to the purpose or results of research (other than public opinion polling that does not relate directly to a contract or other commercial transaction that is still being negotiated), including research that is yet to be commenced or yet to be completed; and*
 - (b) *the disclosure of which—*
 - (i) *could reasonably be expected to have an adverse effect on the agency or other person by or on whose behalf the research is being, or is intended to be, carried out; and*
 - (ii) *would, on balance, be contrary to the public interest.*

Clause 9 — Internal Working Documents

- (1) *a document is an exempt document if it contains matter—*
 - (a) *that relates to—*
 - (i) *any opinion, advice or recommendation that has been obtained, prepared or recorded; or*
 - (ii) *any consultation or deliberation that has taken place, in the course of, or for the purpose of, the decision-making functions of the Government, a Minister or an agency; and*
 - (b) *the disclosure of which would, on balance, be contrary to the public interest.*

Clause 10 – Documents subject to legal professional privilege

- (1) *A document is an exempt document if it contain matter that would be privileged from production in legal proceedings on the ground of legal professional privilege.*

Clause 15 – Financial and property interests

A document is an exempt document if it contains matter the disclosure of which—

- (a) *could reasonably be expected to have a substantial adverse effect on the financial or property interests of the State or an agency.*
- (b) *would, on balance, be contrary to the public interest.*

Clause 16 – Agency operations

- (1) *A document is an exempt document if it contains matter the disclosure of which—*
- (a) could reasonably be expected—*
 - (i) to prejudice the effectiveness of any method or procedure for the conduct of tests, examinations or audits by an agency*
- (2) *A document is an exempt document if—*
- (a) it relates to an agency engaged in commercial activities; and*
 - (b) it contains matter the disclosure of which could prejudice the competitiveness of the agency in carrying on those commercial activities.*

Clause 17 – Documents subject to contempt etc

A document is an exempt document if it contains matter the public disclosure of which would, but for any immunity of the Crown—

- (c) infringe the privilege of Parliament*

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the Act.


In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on (08) 8226 9769.

Yours sincerely



Hon Rob Lucas MLC
Principal Officer

26 October 2020

Schedule of Documents

TRS19D1823

Doc. No.	Date	Description of Document	# of pages	Determination Recommendation	Exemption Clause	Reason
1	12/07/2019	PBN	3	Refused in full	17(c) - Disclosure would infringe the privilege of Parliament	
2	11/07/2019	Briefing from DTF - MVR Commercialisation Project - Steering Committee Meeting Update 4 July 2019	8	Released in part	1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee 3(a) & (b) - Contains protected inter-governmental communication	
					7(1)(b)(i)(ii)(A)(B) - Contains information of commercial value which disclosure would diminish or destroy & contrary to public interest	
					10(1) - Subject to legal professional privilege	
3	3/07/2019	Cabinet Note		Refused in full	1(1)(a) - Prepared for Cabinet or Cabinet committee	
4	13/06/2019	Briefing from DTF - MVR Commercialisation Project - Steering Committee Meeting Update 6 June 2019	11	Released in part	1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee 3(a) & (b) - Contains protected inter-governmental communication	

Schedule of Documents

Doc. No.	Date	Description of Document	# of pages	Determination Recommendation	Exemption Clause	Reason
					8(1)(a)&(b)(i) - Relates to the purpose or results of research, including research that is yet to be commenced or yet to be completed	
					10(1) - Subject to legal professional privilege	
					16(2)(a)&(b) - Relates to an agency engaged in commercial activities and would prejudice competitiveness	
5	18/06/2019	Email	1	Released in full	1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee	
6	16/05/2019	Briefing from DTF - MVR Commercialisation Project - Steering Committee Meeting Update 9 May 2019	12	Released in part	3(a) & (b) - Contains protected inter-governmental communication	
					10(1) - Subject to legal professional privilege	
7	10/05/2019	Briefing from DTF - Land Services SA Meeting	7	Released in part		out scope information redacted
8	3/05/2019	Briefing from DTF - MVR Commercialisation Project - Steering Committee Meeting Update 24 April 2019	15	Released in part	1(1)(f) - Briefing prepared for use of Minister regarding matter submitted to Cabinet	
					10(1) - Subject to legal professional privilege	

Schedule of Documents

Doc. No.	Date	Description of Document	# of pages	Determination Recommendation	Exemption Clause	Reason
9	18/04/2019	Briefing from DTF - MVR Commercialisation Project - Next Steps		Released in part	1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee 10(1) - Subject to legal professional privilege 15(a)(b) - Substantial adverse effect on State financial or property interests & contrary to public interest 16(2)(a)&(b) - Relates to an agency engaged in commercial activities and would prejudice competitiveness	
		Attachment A		Released in part	4(2)(a)(ii) - Identity of any confidential source of information, in relation to enforcement or administration of the law 4(2)(a)(iv) - Prejudice the maintenance or enforcement of any lawful method or procedure for protecting public safety 4(2)(a)(vi) - Prejudice any system or procedure for the protection of persons or property 10(1) - Subject to legal professional privilege	

Schedule of Documents

Doc. No.	Date	Description of Document	# of pages	Determination Recommendation	Exemption Clause	Reason
					15(a)(b) - Substantial adverse effect on State financial or property interests & contrary to public interest	
					16(1)(a)(i) - Would prejudice the effectiveness of the agency in conducting tests, examinations or audits & contrary to public interest	
					16(2)(a)&(b) - Relates to an agency engaged in commercial activities and would prejudice competitiveness	
		Attachment B		Refused in full	10(1) - Subject to legal professional privilege	
		Attachment C		Refused in full	1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee	
					7(1)(b)(i)(ii)(A)(B) - Contains information of commercial value which disclosure would diminish or destroy & contrary to public interest	
		Attachment D		Refused in full	7(1)(b)(i)(ii)(A)(B) - Contains information of commercial value which disclosure would diminish or destroy & contrary to public interest	

Schedule of Documents

Doc. No.	Date	Description of Document	# of pages	Determination Recommendation	Exemption Clause	Reason
		Attachment E		Released in part	16(2)(a)&(b) - Relates to an agency engaged in commercial activities and would prejudice competitiveness 1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee	
10	12/04/2019	Briefing from DTF - MVR Commercialisation Project - Steering Committee Meeting Update 3 April 20109	12	Released in part	7(1)(a) - Contains trade secrets of any agency or any other person 7(1)(b)(i)(ii)(A)(B) - Contains information of commercial value which disclosure would diminish or destroy & contrary to public interest	
					10(1) - Subject to legal professional privilege 1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee	
11	15/03/2019	Briefing from DTF - MVR Commercialisation Project - Steering Committee Meeting Update 14 March 2019	12	Released in part	7(1)(b)(i)(ii)(A)(B) - Contains information of commercial value which disclosure would diminish or destroy & contrary to public interest 10(1) - Subject to legal professional privilege	

Schedule of Documents

Doc. No.	Date	Description of Document	# of pages	Determination Recommendation	Exemption Clause	Reason
12	22/02/2019	Briefing from DTF - MVR Commercialisation Project - Steering Committee Meeting Update 14 February 2019	9	Released in part	1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee	
					10(1) - Subject to legal professional privilege	
13	12/02/2019	Briefing from DTF - MVR Commercialisation Project - Steering Committee Meeting Update 4 February 2019	10	Released in part	1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee	
					1(1)(f) - Briefing prepared for use of Minister regarding matter submitted to Cabinet	
					4(2)(a)(v) - Danger to security of building, structure or vehicle & contrary to public interest	
					6(1) - Unreasonable disclosure of personal affairs	
14	9/01/2019	Correspondence relating to Tony McDonald, Federal Chamber of Automotive Industries	3	Released in full		
15	8/01/2019	Briefing from DTF - MVR Commercialisation Project - Status Update and Preliminary Transaction Considerations	6	Released in part	1(1)(e) - Contains information concerning deliberation or decision of Cabinet or Cabinet committee	

Schedule of Documents

Doc. No.	Date	Description of Document	# of pages	Determination Recommendation	Exemption Clause	Reason
16	15/11/2018	PBN	5	Released in part	7(1)(b)(i)(ii)(A)(B) - Contains information of commercial value which disclosure would diminish or destroy & contrary to public interest 17(c) - Disclosure would infringe the privilege of Parliament	

RELEASE

Borlase, Trish (DTF)

From: Borlase, Trish (DTF)
Sent: Tuesday, 18 June 2019 1:41 PM
To: Crotti, Simon (DTF)
Subject: RE: phone call

Thanks – I have provided to the Cabinet Officer, Belinda Signorelli, for her information.

TB

From: Crotti, Simon (DTF)
Sent: Tuesday, 18 June 2019 1:40 PM
To: Borlase, Trish (DTF) <Trish.Borlase@sa.gov.au>
Subject: RE: phone call

Thanks Trish, no worries - I thought today might be difficult to catch you.

I just wanted to let you know that we have drafted a Cabinet note on the motor vehicle registry (MVR) commercialisation project. It went to Stuart today so should come to the Treasurer’s office in the next day or two. I have registered it on the Cabinet forward agenda and included a copy of that in the paperwork.

Please let me know if anything else is needed.

Simon

From: Borlase, Trish (DTF)
Sent: Tuesday, 18 June 2019 12:53 PM
To: Crotti, Simon (DTF) <Simon.Crotti@sa.gov.au>
Subject: phone call

Hi

You tried to call me, sorry was at lunch.

If you still need to speak to me, please call me on my landline.

Cheers

Trish Borlase

Ministerial Liaison Officer (Treasury & Public Sector) – Treasurer’s Office

State Administration Centre, Level 8, 200 Victoria Square ADELAIDE SA 5000
t 8204 1493 | e trish.borlase@sa.gov.au | w treasury.sa.gov.au

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21 January 2019

Tony McDonald
Director Industry Operations
Federal Chamber of Automotive Industries

Dear Mr McDonald

Thank you for your email on 7 January 2019 regarding the potential commercialisation of South Australia's Motor Vehicle Registry.

A scoping study into commercialisation of the registry is currently being developed by Investec to fulfil the State's contractual obligations under the Land Services Agreement.

I understand that the Federal Chamber of Automotive Industries represents a significant number of manufacturers and importers of vehicles in Australia, and appreciate your members' interest in the outcome of this process.

The Department of Treasury and Finance's Commercial and Economics Branch will contact you as part of its stakeholder engagement should the project progress beyond this initial stage.

Yours sincerely

David Reynolds
CHIEF EXECUTIVE

DTF:Treasurer

From: DTF:Treasurer
Sent: Wednesday, 9 January 2019 4:13 PM
To: Tony McDonald
Subject: RE: Potential Motor Vehicle Registry Sale

Dear Mr McDonald

On behalf of the Treasurer, the Hon Rob Lucas MLC, I acknowledge receipt of your email dated 7 January 2019, about the potential commercialisation of the motor vehicle registry.

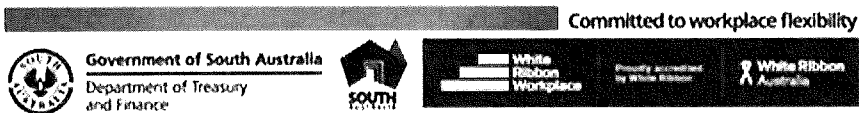
Your correspondence has been noted and will be referred to Commercial and Economics, Department of Treasury and Finance for consideration and direct response.

If you have any queries please contact the Commercial and Economics Department via DTFCommercialEconomics@sa.gov.au.

Kind regards

The Correspondence Team to the
Hon Rob Lucas MLC
Treasurer

Phone: 8226 1866
Department of Treasury & Finance
PO Box 2264 | ADELAIDE SA 5001



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From: Tony McDonald [mailto:tonymcdonald@fcai.com.au]
Sent: 7 January, 2019 4:08 PM
To: DTF:Treasurer <treasurer.dtf@sa.gov.au>
Subject: Potential Motor Vehicle Registry Sale

God afternoon,

I am following up on the media release by the Treasurer (16 Sept 2018) re potential sale of the South Australian Motor Vehicle Registry.

Our organisation represents the new motor vehicle distributors in Australia and nearly all new motor vehicles sold are imported by an FCAI member. This leads to a significant database of new motor vehicle attributes that is of value to the FCAI members. From time to time other organisations seek access to our data and we do commercialise that data.

My initial interest in the process underway in SA is with respect to the data that our members, through the new motor vehicle dealership network, provide to the SA Motor Vehicle Registry for the purposes of registration of a new motor vehicle. This data is provided for that purpose only and FCAI is keen to see that if other organisations

wish to use that data then that is first discussed with the FCAI. To this end any consideration of the privatisation of the motor vehicle registry may consider that the data held within the registry (with respect to the vehicle attributes) is available for commercialisation by other parties. That is not our view albeit we recognise there are other fields within the motor vehicle registry database that have nothing to do with the FCAI members or their dealers.

So in essence we were interested in discussing this with the right people in South Australia. There may be no consideration of data use in the Investec/PWC analysis in which case we have no need to further discuss this matter.

Regards

Tony McDonald

Tony McDonald
Director Industry Operations
Federal Chamber of Automotive Industries
T: +61 2 6229 8217
M: 0410 451 342
F: 02 6248 7673
E: tony.mcdonald@fcai.com.au

RELEASE IN PART

MINUTE

12/1/19
 T19/017
 TRS19D1772



MINUTES forming ENCLOSURE

File T&F18/0597

Doc No A1200482

To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT – STEERING COMMITTEE MEETING UPDATE: 4 JULY 2019

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee (SC) – Agenda (Attachment A) for the meeting held on 4 July 2019.
- Note the draft MVR Project SC – Minutes (Attachment B) of the meeting held on 4 July 2019.
- Note that the draft SC Minutes (Attachment B) are expected to be endorsed by the SC in session on 18 July 2019. These are submitted to you for information purposes and do not constitute a final record until endorsed by the SC.

Noted

Rob Lucas

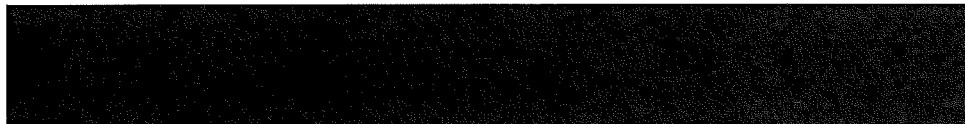
Hon Rob Lucas MLC
Treasurer

18/7/19

Key Points:

- The SC met on 4 July 2019 and matters discussed included:
 - o An update on the procurement of the Market Engagement Advisor.

clause 3(a)&(b)



- o The increase in Motor Vehicle Registry Administration fees and preliminary MVR Project Service Fee Model considerations.



- The next meeting of the SC is scheduled on 18 July 2019 and the SC is expected to commence Preliminary Indication of Valuation phase activities.



BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS BRANCH


11 / 07 / 2019

Contact Officer:	David Penov, Project Manager
Telephone:	0429 3595
Email address:	David.Penov@sa.gov.au

List of Attachments

Attachment A: MVR Project –Steering Committee Agenda – 4 July 2019

Attachment B: MVR Project – Final Draft Steering Committee Minutes – 4 July 2019

Supported / Not Supported

David Reynolds
CHIEF EXECUTIVE
Department of Treasury and Finance
Date: 12/07/19



AGENDA

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project -
Steering Committee

Time and date: 4 July 2019 - 1:00PM to 2:30PM

Location: Conference Room - Level 8 - State Admin Centre
200 Victoria Square, Adelaide SA 5000
☎ Dial in details: Telephone 1800 062 923 - Passcode 7850 3749 2014 then #

Attending:	Stuart Hocking	Deputy Chief Executive - DTF	Chair
	Andrew Cadd (CEB-AC)	Project Director	Member
	Ben Wilson (DPC-BW) (<i>Arriving at 1:10pm</i>)	Director, Economic Advice	Member
	Brad Gay (CEB-BG)	Executive Director	Member
	Emma Kokar (DPTI-EK)	A/Executive Director	Member
	Simon Crotti	Manager	Secretariat
	Ken Patterson	Probity Advisor	Probity
	David Penov (CEB-DP)	Project Manager	Attendee
	Kate Guy (AGD-KG)	Senior Solicitor	Attendee
	Terry McKenna (CEB-TM)	Project Director - ICT	Attendee



Apologies:


Item	Items for discussion	By who
1.	Welcome and preliminary business 1.1. Declaration of Conflict of Interest 1.2. Minutes from Meeting 6 June 2019 ☐ 1.3. Action Items ☐	Chair Chair Chair
2.	Key Issues at Hand For Discussion 2.1. Update - Market Engagement Advisor Procurement 2.2. CSO Advice - [REDACTED] 2.3. MVR Project - Indicative Impacts of the Proposed Increase to Motor Vehicle Registration Administration Fees ☐	CEB-DP AGD-KG Secretariat
3.	Items for Noting 3.1. Project Update - MVR Project Timeline Review - as at 28 June 2019 ☐ 3.2. Project Update - Risk Report ☐ 3.3. Update - Cabinet Note Progression ☐ 3.4. Minute to MVR Steering Committee - Update Preliminary Indication of Value (PIV) ☐	Chair Chair Chair Chair

clause 10(1)



AGENDA

4.	Communications 4.1. Communications Register (Nil report) 4.2. Media Monitoring  4.3. Correspondence/FOI 	Chair Chair Chair
5.	Other Business	Chair
6.	Next Meeting - Thursday, 18 July 2019 - 1:00pm to 2:30pm	All

 denotes a document will be provided to assist with consideration



Minutes

Meeting:	Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee		
Time and date:	4 July 2019 - 1:00pm to 2:05pm		
Location:	Conference Room, Level 8, State Administration Centre, 200 State Administration Centre, Adelaide		
Attending:	Stuart Hocking	Deputy Chief Executive	Chair
	Andrew Cadd (CEB-AC)	Project Director	Member
	Ben Wilson (DPC-BW) (<i>Arrived at 1:12pm</i>)	Director – Economic Advice	Member
	Brad Gay (CEB-BG)	Executive Director	Member
	Emma Kokar (DPTI-EK)	A/Executive Director	Member
	Simon Crotti (CEB-SC)	Manager	Secretariat
	Ken Patterson	BDO - Probity Advisor	Probity
	David Penov (CEB-DP)	Project Manager	Attendee
	Kate Guy (AGD-KG)	Senior Solicitor	Attendee
	Terry McKenna (CEB-TM)	Project Director – ICT	Attendee
Apologies:	N/A		

Item	Items for discussion	Outcome	Responsibility
1	Welcome and preliminary business		
1.1	<ul style="list-style-type: none"> No conflicts of interest were declared. 	Noted	SC
1.2	<ul style="list-style-type: none"> The minutes of the MVR Project Steering Committee (SC) meeting on 26 June 2019 were endorsed. 	Endorsed	SC
1.3	<ul style="list-style-type: none"> The SC noted the action items, including the following updates: <ul style="list-style-type: none"> Action 292: Complete. CEB-TM confirmed that the Transport Regulation User Management Processing System (TRUMPS) Stakeholder Map had been revised, and would be forwarded to the Stakeholder Engagement Working Group to assist in the preliminary identification of stakeholders for engagement in the MVR Project - Preliminary Indication of Value phase. 	Noted	SC
2	Key issues at hand		
2.1	<ul style="list-style-type: none"> CEB-DP provided an update on the procurement of the Market Engagement Advisor (MEA) Advisor. CEB-DP advised that a selective Request for Quotation (RFQ) had been issued on 24 May 2019, with the State receiving two responses by 10 June 2019. CEB-DP advised that following the Evaluation Team's mandatory 	Noted	SC
		Noted	SC
		Noted	SC



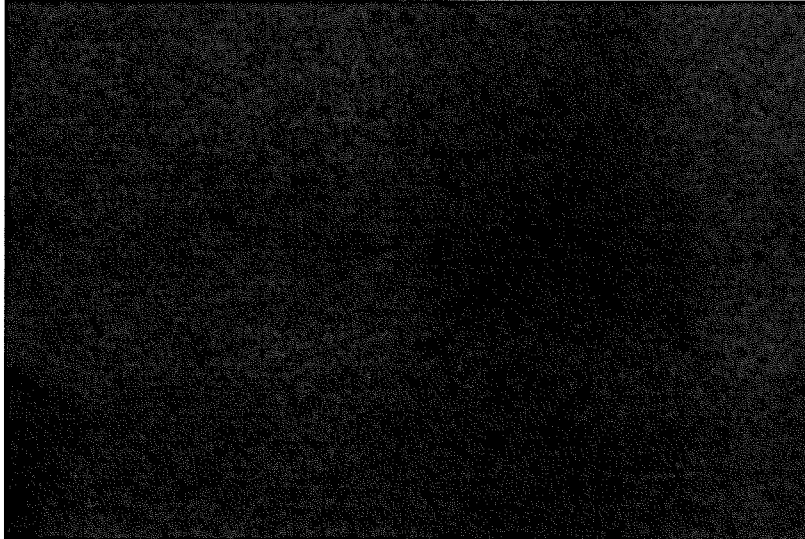
Minutes

	criteria assessment; weighted evaluation criteria assessment; risk assessment; pricing assessment; reference checks; negotiation; and best and final offer request, KPMG & Investec Australia (Consortium) have been identified as the provisional preferred respondent.		
	<ul style="list-style-type: none"> CEB-DP advised that the Evaluation Team is in the process of finalising the MEA Evaluation Report to the Accredited Purchasing Unit, recommending that a contract for the MVR Project – Market Engagement Advisor be awarded to the Consortium. The Consortium's selection is dependent on the approval from the Accredited Purchasing Unit. 	Noted	SC
2.2	<ul style="list-style-type: none"> AGD-KG provided advice 	Noted	SC
	<ul style="list-style-type: none"> 	Noted	SC
			clause 10(1)
	<ul style="list-style-type: none"> 	Noted	SC
	<ul style="list-style-type: none"> 		
	<ul style="list-style-type: none"> 	Endorsed	SC



Minutes

2.3



Noted

SC

2.2 -
clause 3(a)
& (b)

Noted

SC

Noted

SC

Noted

SC

2.3 - clause
1(1)(e)

- The Chair stated that the quantum of administration fees to be included in the proposed MVR Project Service Fee Model remains an open question.

Noted

SC

- CEB-SC advised that development of the LIP for Land Services SA Pty Ltd (LSSA) to issue the State with a non-binding Preliminary Indication of Value (PIV) is dependent on the resolution of the quantum of administration fees to be included in the proposed transaction.

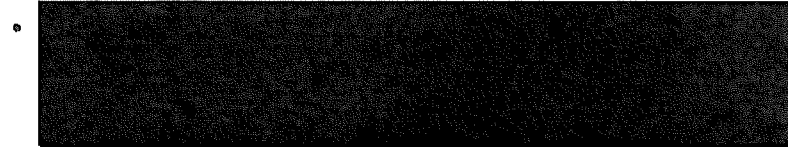
Noted

SC

- The SC noted that the MEA will be providing advice on this issue (once appointed), with their advice to include potential impacts on the upfront payment consideration under alternative approaches.

Noted

SC



Noted

SC

clause 1(1)(e)



Noted

SC

clause 10(1)

3 Items for noting

3.1

- The SC noted the revised MVR Project Timeline.
- DTF-DP advised that correspondence to LSSA inviting them to participate in the PIV process will be circulated out of session for the SC's endorsement.

Noted

SC

Noted

SC

clause 7(1)(b)



Noted

SC

Noted

SC



Minutes

			clause 7(1)(c)	
			Noted	SC
			clause 1(1)(e)	
			Noted	SC
3.2	<ul style="list-style-type: none"> The Chair advised that he has also discussed the issue with the Treasurer. The SC noted the risk report. CEB-DP advised that the report has been updated with risks identified in a risk workshop between DTF, CSO, DPC and DPTI. 		Noted	SC
			Noted	SC
clause 7(1)(b) (i)(ii)(A)(B)			Noted	SC
3.3	<ul style="list-style-type: none"> The SC noted the MVR Project – Finalisation of Scoping Study and Next Steps Cabinet Note. 		Noted	SC
clause 1(1) (e)			Noted	SC
3.4	<ul style="list-style-type: none"> The SC noted the PIV update minute. 		Noted	SC
4	Communications			
4.1	<ul style="list-style-type: none"> Nil record. 			
4.2	<ul style="list-style-type: none"> The SC noted the Media Monitoring. 		Noted	SC
4.3	<ul style="list-style-type: none"> The SC noted the Correspondence / FOI Register. 		Noted	SC
5	Other business			
clause 10(1)			Noted	SC
			Noted	SC
6	Next meeting			
	<ul style="list-style-type: none"> Thursday, 18 July 2019 – 1:00pm to 2:30pm 			

MINUTE

MINUTE OFFICE

13/6/19

7.21/017

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MINUTES forming ENCLOSURE

File T&F18/0597

Doc No A1171024

To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT – STEERING COMMITTEE MEETING UPDATE: 6 JUNE 2019

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee (SC) – Agenda (Attachment A) for the meeting held on 6 June 2019.
- Note the draft MVR Project SC – Minutes (Attachment B) of the meeting held on 6 June 2019.
- Note that the draft SC Minutes (Attachment B) are expected to be endorsed by the SC in session on 20 June 2019. These are submitted to you for information purposes and do not constitute a final record until endorsed by the SC.

Noted

Rob Lucas

Hon Rob Lucas MLC
Treasurer

22/6/19

Key Points:

- The SC met on 6 June 2019 and matters discussed included:

clause 3(a)&(b)



clause 8(1)(a)&(b)(i)



clause 16(2)(a)&(b)

o [Redacted]

clause 1(1)(e)

o The next meeting of the SC is scheduled on 20 June 2019 and the [Redacted]



ANDREW CADD
DIRECTOR
COMMERCIAL AND ECONOMICS BRANCH

13 / 06 / 2019


Contact Officer:	David Penov, Project Manager
Telephone:	0429 3605
Email address:	David.Penov@sa.gov.au

List of Attachments

Attachment A: MVR Project –Steering Committee Agenda – 6 June 2019

Attachment B: MVR Project – Final Draft Steering Committee Minutes – 6 June 2019

Supported / Not Supported



Stuart Hocking
DEPUTY CHIEF EXECUTIVE
Department of Treasury and Finance
Date...13/6/19



AGENDA

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project - Steering Committee

Time and date: 6 June 2019 - 12:30PM to 2:00PM

Location: Conference Room - Level 9 - State Admin Centre
200 Victoria Square, Adelaide SA 5000
☎ Dial in details: Telephone 1800 062 923 - Passcode 7850 3749 2014 then #

Attending:

Stuart Hocking	Deputy Chief Executive - DTF	Chair
Andrew Cadd (CEB-AC)	Project Director	Member
Ben Wilson (DPC-BW) (<i>Proxy</i>)	Director, Economic Advice	Member
Brad Gay (CEB-BG)	Executive Director	Member
Emma Kokar (DPTI-EK) (<i>Proxy</i>)	A/Executive Director	Member
David Penov	Project Manager	Secretariat
Ken Patterson	Probity Advisor	Probity
Kate Guy (AGD-KG)	Senior Solicitor	Attendee
Simon Crotti (CEB-SC)	Manager	Attendee
Terry McKenna (CEB-TM)	Project Director - ICT	Attendee

Apologies:



Jim McDowell	Chief Executive - DPC
Tony Braxton-Smith	Chief Executive - DPTI


2.3 - clause 8(1)
(a)&(b)(i)

Item	Items for discussion	By who
1.	Welcome and preliminary business 1.1. Declaration of Conflict of Interest 1.2. Action Items ☐	Chair Chair
2.	Key Issues at Hand For Endorsement 2.1. Revised MVR Steering Committee Terms of Reference - Effective 23 May 2019 ☐ For Discussion 2.2. [REDACTED] 2.3. [REDACTED] 2.4. MVR Project Stakeholder Engagement - [REDACTED] ☐ 2.5. TRUMPS Stakeholder Map ☐	Chair DPC-BW clause 3(a)&(b) AGD-KG AGD-KG 2.4 - clause 16(2)(a)&(b) CEB-TM
3.	Items for Noting 3.1. Project Update - MVR Project Timeline Review - as at 31 May 2019 ☐ 3.2. Project Update - Risk Report ☐ 3.3. Revised MVR Project Governance Structure - Effective 23 May 2019 ☐	Chair Chair Chair



AGENDA

4.	Communications 4.1. Communications Register  4.2. Media Monitoring  4.3. Correspondence/FOI (Nil report)	Chair Chair Chair
5.	Other Business	Chair
6.	Next Meeting - Thursday, 20 June 2019 - 1:00pm to 2:30pm	All

 denotes a document will be provided to assist with consideration



Minutes

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee

Time and date: 6 June 2019 - 12:30pm to 1:40pm

Location: Conference Room, Level 8, State Administration Centre,
200 State Administration Centre, Adelaide

Attending:	Stuart Hocking	Deputy Chief Executive	Chair
	Andrew Cadd (CEB-AC)	Project Director	Member
	Ben Wilson (DPC-BW)	Director – Economic Advice	Member
	Brad Gay (CEB-BG)	Executive Director	Member
	Emma Kokar (DPTI-EK) (<i>Proxy</i>)	A/Executive Director	Member
	David Penov	Project Manager	Secretariat
	Ken Patterson	BDO - Probity Advisor	Probity
	Kate Guy (AGD-KG)	Senior Solicitor	Attendee
	Simon Crotti (CEB-SC)	Manager	Attendee
	Terry McKenna (CEB-TM)	Project Director – ICT	Attendee
Apologies:	Jim McDowell	Chief Executive - DPC	
	Tony Braxton-Smith	Chief Executive - DPTI	

Item	Items for discussion	Outcome	Responsibility
1.	Welcome and preliminary business		
1.1	<ul style="list-style-type: none"> No conflicts of Interest were declared. 	Noted	SC
1.2	<ul style="list-style-type: none"> The MVR Project Steering Committee (SC) noted the action Items and provided the following updates: <ul style="list-style-type: none"> Action 145: Closed: Merged with Action 164 Action 164: Revised: DPTI to provide advice to the MVR Steering Committee on the optimised Regulation Directorate Structure. 	Noted	SC
2.	Key Issues at Hand		
2.1	<ul style="list-style-type: none"> The Secretariat advised that the MVR SC Terms of Reference and membership has been updated to reflect progression to the Preliminary Indication of Value (PIV) phase of the project. The SC endorsed the 'Revised MVR Steering Committee Terms of Reference – Effective 23 May 2019'. AGD-KG confirmed that the Chief Executive of the Attorney General's Department (AGD) is awaiting a request from the Chair and is willing to consider appointing a representative from the AGD to the vacant SC position. The Chair confirmed he would contact the AGD Chief Executive to seek the appointment of a suitable AGD SC representative. 	Noted Endorsed Noted Noted	SC SC SC SC



Minutes

Item	Items for discussion	Outcome	Responsibility
2.2		Noted	SC
clause 3(a)&(b)		Noted	SC
clause 10(1)		Noted	SC
		Noted	SC
		Noted	SC
		Noted	SC
		Noted	SC
		Noted	SC



Minutes

Item	Items for discussion	Outcome	Responsibility
	<ul style="list-style-type: none"> • [Redacted] • [Redacted] • [Redacted] • [Redacted] • [Redacted] 	Noted	SC clause 3(a)&(b) clause 10(1)
2.3	[Redacted]	Noted	SC
		Endorsed	SC
		Noted	SC
		Noted	SC
		Noted	SC
		Noted	SC clause 10(1)
		Noted	SC
		Noted	SC
		Endorsed	SC



Minutes

Item	Items for discussion	Outcome	Responsibility
		Noted	SC
		Noted	SC
			clause 10(1)
		Noted	SC
2.4		Noted	SC
		Noted	SC
		Noted	SC
		Noted	SC
			clause 16(2)(a)&(b)
			clause 10(1)
		Noted	SC



Minutes

Item	Items for discussion	Outcome	Responsibility
clause 16(2) (a)&(b)	• [Redacted]	Noted	SC
	• [Redacted]	Noted	SC
	• [Redacted]	Noted	SC
	• The Secretariat provided advice on the timeframes envisaged for notification of the PIV to LSSA and the potential for conflicts between Initiatives resulting from uncoordinated announcements.	Noted	SC
	• [Redacted]	Noted	DPTI-EK
2.5	• [Redacted]	Endorsed	SC
	• The SC endorsed the CSO contacting LSSA's legal representatives, should the Office of the Minister for Transport, Infrastructure and Local Government decide to publically release information on the MBPOC Project, prior to the State inviting LSSA to participate in a PIV.	Endorsed	SC
	• CEB-TM provided an overview of the TRUMPS stakeholder analysis undertaken, primarily based on TRUMPS documentation provided by the DPTI ICT team.	Noted	SC
clause 10(1)	• CEB-TM advised that approximately 50 stakeholders have been identified.	Noted	SC
	• [Redacted]	Noted	SC
	• The SC requested that a revised Stakeholder Map will be submitted by CEB-TM including revisions recommended by AGD-KG for	Noted	CEB-TM



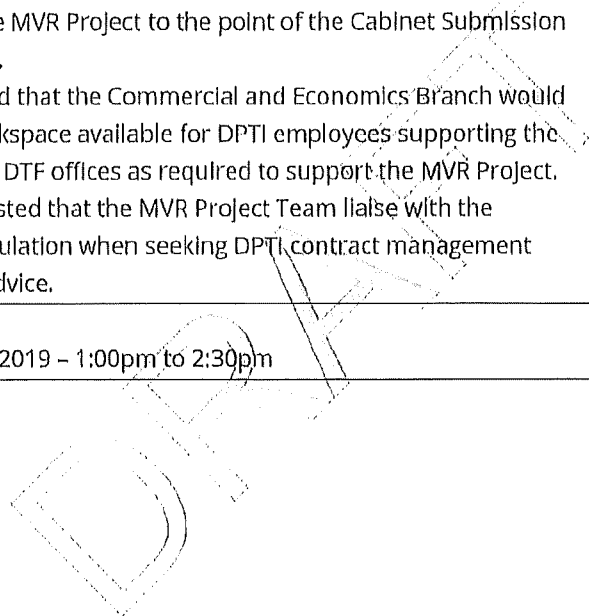
Minutes

Item	Items for discussion	Outcome	Responsibility
	<p>endorsement as a baseline for use by the Stakeholder Engagement Group (SEG) and IT Working Group (ITG) during the PIV phase of the MVR Project.</p> <ul style="list-style-type: none"> The SC noted that further identification and analysis of stakeholders undertaken by the SEG and ITG may result in updates to the Stakeholder Map. The SC noted that the Stakeholder Map will be included (or adapted for inclusion) in the LIP to be issued to LSSA. 	<p>Noted</p> <p>Noted</p>	<p>SC</p> <p>SC</p>
3.	Items for Noting		
3.1	<ul style="list-style-type: none"> The Secretariat provided a detailed overview of the emergent working groups and deliverables associated with the MVR Project progressing to a PIV phase. 	Noted	SC
3.2	<ul style="list-style-type: none"> The SC noted the 'MVR Project Timeline Review – as at 31 May 2019. The Secretariat advised that the MVR Project Team had recently completed an MVR Project PIV Risk Workshop with the CSO and input from DPC with risks to be updated shortly. The Risk Report was noted by the SC. 	<p>Noted</p> <p>Noted</p>	<p>SC</p> <p>SC</p>
3.3	<ul style="list-style-type: none"> The Secretariat provided a detailed overview of the proposed membership and scope of the: <ul style="list-style-type: none"> ITG; LIP Working Group (LIPG); and SEG. The SC discussed and endorsed a DPC representative being sought as a SEG member and SAPOL representatives being sought as an ITG and SEG member. The SC noted the 'Revised MVR Project Governance Structure – Effective 23 May 2019'. 	<p>Noted</p> <p>Noted</p> <p>Endorsed</p> <p>Noted</p>	<p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p>
4.	Communications		
4.1	<ul style="list-style-type: none"> The SC noted the Communications Register record. 	Noted	SC
4.2	<ul style="list-style-type: none"> The SC noted the media monitoring. 	Noted	SC
4.3	<ul style="list-style-type: none"> NII report. 		
5.	Other Business		
	<div style="background-color: black; height: 40px; width: 100%;"></div> <ul style="list-style-type: none"> CEB-BG sought confirmation from DPTI-EK on the availability of DPTI resources to support the progression of the MVR Project. 	<p>Endorsed</p>	<p>SC</p> <p>clause 1(1)(e)</p>



Minutes

Item	Items for discussion	Outcome	Responsibility
	<ul style="list-style-type: none"> The Secretariat confirmed that on 17 May 2019, (based on advice provided to the Secretariat by DPTI-EK and Don Hogben, on 14 May 2019), that funding of \$129,960 has been provided to DPTI, for an ASO6 (1.0FTE) and an ASO7 (1.0FTE) for a period of 6 months as approved by the Chief Executive – DTF. 	Noted	SC
	<ul style="list-style-type: none"> The Secretariat confirmed with DPTI-EK that the funding allocated to DPTI would ensure the prompt availability and support of all DPTI SEG, ITG and LIPG members and any other DPTI employees required to progress the MVR Project to the point of the Cabinet Submission including a PIV. 	Noted	SC
	<ul style="list-style-type: none"> CEB-BG advised that the Commercial and Economics Branch would also make workspace available for DPTI employees supporting the MVR Project in DTF offices as required to support the MVR Project. 	Noted	SC
	<ul style="list-style-type: none"> DPTI-EK requested that the MVR Project Team liaise with the A/Director Regulation when seeking DPTI contract management support and advice. 	Noted	SC
6.	<p>Next Meeting Thursday, 20 June 2019 – 1:00pm to 2:30pm</p>		



MINUTE

16/5/19
7/11/2019
19/5/19



MINUTES forming ENCLOSURE

File T&F18/0597

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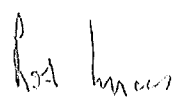
To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT – STEERING COMMITTEE MEETING UPDATE: 9 MAY 2019

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee (SC) – Agenda (Attachment A) for the meeting held on 9 May 2019.
- Note the draft MVR Project SC – Minutes (Attachment B) of the meeting held on 9 May 2019
- Note that the draft SC Minutes (Attachment B) are expected to receive out of session SC endorsement by 6 June 2019. These minutes are submitted to you for information purposes, and do not constitute a final record until endorsed by the SC.

Noted

 Hon Rob Lucas MLC
 Treasurer
 19/5/19

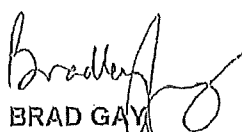
Key Points:

- The SC met for the tenth time on 9 May 2019 and matters for discussion included:
 - o The endorsement of the MVR Commercialisation Scoping Study Report,
 - o Transport Regulation User Management Processing System (TRUMPS) IT Considerations and next steps,

clause 3(a)&(b)



- o The revision of the SC membership to include the appropriate representation during the Preliminary Indication of Value process.
- o The next meeting of the SC is scheduled for 6 June 2019, where it is expected the SC will endorse a revised project governance structure and SC Terms of Reference.



BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS BRANCH

16 / 05 / 2019

Contact Officer:	David Penov, Project Manager
Telephone:	8429 3695
Email address:	David.Penov@sa.gov.au

List of Attachments

- Attachment A: MVR Project –Steering Committee Agenda – 9 May 2019
- Attachment B: MVR Project – Final Draft Steering Committee Minutes – 9 May 2019

Attachment A:

MVR Project –Steering Committee Agenda – 9 May 2019



AGENDA

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project – Steering Committee

Time and date: 9 May 2019 – 1:00PM to 2:30PM

Location: Conference Room – Level 9 – State Admin Centre
200 Victoria Square, Adelaide SA 5000
☎ Dial in details: Telephone 1800 062 923 – Passcode 7850 3749 2014 then #

Attending:

Stuart Hocking	Deputy Chief Executive – DTF	Chair
Andrew Cadd (CEB-AC)	Project Director	Member
Ben Wilson (DPC-BW) (Proxy)	Director, Economic Advice	Member
Brad Gay (CEB-BG)	Executive Director	Member
Emma Kokar (DPTI-EK) (Proxy)	A/Executive Director	Member
David Penov	Project Manager	Secretariat
Ken Patterson	Probity Advisor	Probity
Kate Guy (AGD-KG)	Senior Solicitor	Attendee
Simon Crotti (CEB-SC)	Manager	Attendee
Terry McKenna (CEB-TM)	Project Director – ICT	Attendee
Peng Ly (Inv-PG) ☎	Managing Director – Investec	Attendee
Priyanka Garg (Inv-PG) ☎	Associate – Investec	Attendee

Apologies:

Jim McDowell	Chief Executive – DPC
Tony Braxton-Smith	Chief Executive – DPTI

Item	Items for discussion	By who
1.	Welcome and preliminary business 1.1. Declaration of Conflict of Interest 1.2. Minutes from meeting 24 April 2019 ☎ 1.3. Action Items ☎	Chair Chair Chair
2.	Key Issues at Hand For Endorsement 2.1. Scoping Study Report 2.1.1. [REDACTED] 2.1.2. MVR Scoping Study Report and Amendments Table ☎ For Discussion 2.2. [REDACTED] 2.3. IT Considerations & Next Steps ☎	AGD-KG Inv-PL AGD-KG CEB-TM

clause 10(1)

clause 3(a)&(b)



AGENDA

3.	Items for Noting 3.1. Project Update - MVR Project Timeline Review - as at 3 May 2019 📄 3.2. Project Update - Risk Report 📄 3.3. Minute to the Treasurer - Endorsement to Proceed with PIV 📄 3.4. DPTI Workshop - Transport Regulation User Management Processing System (TRUMPS) Risk Report 📄	Chair Chair Chair DPTI-EK
4.	Communications 4.1. Communications Register (Nil report) 4.2. Media Monitoring 📄 4.3. Correspondence/FOI (Nil report)	Chair Chair Chair
5.	Other Business	Chair
6.	Next Meeting - Thursday, 23 May 2019 - 1:00pm to 2:30pm	All

📄 denotes a document will be provided to assist with consideration

Attachment B:

MVR Project – Final Draft Steering Committee Minutes – 9 May 2019




Minutes

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee

Time and date: 9 May 2019 - 1:00pm to 1:48pm (*meeting closed*)

Location: Conference Room, Level 9, State Administration Centre,
200 State Administration Centre, Adelaide

Attending:	Stuart Hocking	Deputy Chief Executive	Chair
	Ben Wilson (DPC-BW) (<i>Proxy</i>)	Director, Economic Advice	Member
	Brad Gay (CEB-BG)	Executive Director	Member
	Emma Kokar (DPTI-EK) (<i>Proxy</i>)	A/Executive Director	Member
	David Penov (CEB-DP) (<i>Proxy</i>)	Project Manager	Member
	David Dellaverde	Project Officer	Secretariat
	Ken Patterson (BDO-KP)	BDO - Probity Advisor	Probity
	Kate Guy (AGD-KG)	Senior Solicitor	Attendee
	Simon Crotti (CEB-SC)	Manager	Attendee
	Terry McKenna (CEB-TM)	Project Director – ICT	Attendee
	Peng Ly (Inv-PL) ☎	Investec – Managing Director	Attendee
	Priyanka Garg (Inv-PG) ☎	Investec – Associate	Attendee
Apologies:	Andrew Cadd (CEB-AC)	Project Director	
	Jim McDowell (DPC-JM)	Chief Executive DPC	
	Tony Braxton-Smith (DPTI-TBS)	Chief Executive DPTI	

Item	Items for discussion	Outcome	Responsibility
1.	Welcome and preliminary business		
1.1	• No conflicts of interest were declared.	Noted	SC
1.2	• The Steering Committee (SC) accepted the Minutes of the meeting held on 24 April 2019 subject to the following amendments: <ul style="list-style-type: none"> ○ 2.1 – Dot Point 18: revised to 'Inv-PL advised that Investec's observations of Land Registry Commercialisation across Australia has indicated that separate <i>registry IT Platforms continued to be maintained across jurisdictions</i>'. ○ 2.2 – Dot Point 8: revised to 'Inv-PL advised that reserve prices tend to be <i>defined amounts</i> rather than <i>in multiples</i>'. ○  	Accepted	SC
		clause 10(1)	



Minutes

Item	Items for discussion	Outcome	Responsibility
1.3	<ul style="list-style-type: none"> • [REDACTED] • The SC noted the action items and provided the following updates: <ul style="list-style-type: none"> ◦ 231 - Due date extended to 23 May 2019. ◦ 228 - Due date extended to 29 May 2019. ◦ 164 - To be considered during the Preliminary Indication of Value (PIV) process. Due date extended by one month. • The SC closed the following action items: <ul style="list-style-type: none"> ◦ 234 - Risk Report included in the SC meeting pack. 	Noted	SC
2.	Key Issues at Hand		
2.1			
2.1.1	<ul style="list-style-type: none"> • [REDACTED] 	Noted	SC
			clause 10(1)
2.1.2	<ul style="list-style-type: none"> • The Chair proposed that the SC endorse MVR Commercialisation Scoping Study Report. • Inv-PG-advised that the feedback provided from all contributors had been captured in the amendment table submitted. • DPTI-EK confirmed that the Department of Planning, Transport and Infrastructure (DPTI) comments had been considered in the Scoping Study Working Group's endorsement of the MVR Commercialisation Scoping Study. • The SC members endorsed the Scoping Study Report. • CEB-BG thanked Investec for their support of the MVR Project Team and development of the MVR Commercialisation Scoping Study. 	Noted	SC
		Noted	SC
2.2	<ul style="list-style-type: none"> • [REDACTED] • [REDACTED] • [REDACTED] 	Noted	SC
		Noted	SC
			clause 3(a)&(b)
		Noted	SC



Minutes

clause
3(a)&(b)

Item	Items for discussion	Outcome	Responsibility
	[REDACTED]	Noted	SC
	[REDACTED]	Noted	SC
	[REDACTED]	Noted	SC
	[REDACTED]	Noted	SC
	[REDACTED]	Endorsed	SC
	[REDACTED]	Endorsed	SC
	[REDACTED]	Noted	SC
2.3	<ul style="list-style-type: none"> • CEB-TM advised that the TRUMPS Commercialisation Options provides a summary of all previous advice to the SC and clearly outlined the endorsement of commercialisation of TRUMPS as the preferred approach for the MVR Project. • CEB-TM advised that the previous advice from Land Services SA (LSSA) did not contain a comprehensive list of IT Information, and recommended that the State hold discussions with LSSA prior to determining the 'TO-BE state' of the Motor Vehicle Registry (MV). • The Chair sought confirmation on whether selecting commercialisation as the preferred approach rules out the use of an Application Programming Interface (API) model. 	Noted	SC
		Noted	SC



Minutes

Item	Items for discussion	Outcome	Responsibility
clause 10(1)	<ul style="list-style-type: none"> CEB-TM advised that LSSA's review of the future state, including risk assumptions would determine their interest in an API model. 	Noted	SC
	<ul style="list-style-type: none"> CEB-DP advised that LSSA may change their position towards an API model following the receipt of the Limited Information Package (LIP) developed during the PIV process. 	Noted	SC
	<ul style="list-style-type: none"> CEB-DP proposed that the State provide LSSA with the option of submitting a secondary PIV alongside the base case PIV (assuming an API option). 	Noted	SC
	<ul style="list-style-type: none"> CEB-TM recommended that the SC approve the MVR Project Team developing a scope for IT Investigations during the PIV approach to be returned to the SC for endorsement. 	Noted	SC
	<ul style="list-style-type: none"> The Chair sought confirmation on when the MVR Project Team would return with the IT threshold advice. 		
	<ul style="list-style-type: none"> CEB-DP advised that the IT threshold advice would be submitted to SC following the appointment of the Market Engagement Advisor. 	Noted	SC
	<ul style="list-style-type: none"> Inv-PG sought confirmation on whether the State would review and vet the IT information to ensure sensitive information is not provided to LSSA. 	Noted	SC
	<ul style="list-style-type: none"> [REDACTED] 	Noted	SC
	<ul style="list-style-type: none"> The SC endorsed the adoption of TRUMPS Commercialisation as the preferred approach for the MVR Project. 	Endorsed	SC
	<ul style="list-style-type: none"> The SC endorsed the request to develop a threshold for IT Investigations during the PIV Approach. 	Endorsed	SC
3.	Items for Noting		
3.1	<ul style="list-style-type: none"> The Project Timeline was noted by the SC. CEB-DP provided an overview of the updates to the Project Timeline: <ul style="list-style-type: none"> The preliminary activities supporting the PIV process have been mapped by the MVR Project Team. The procurement process to appoint a Market Engagement Advisor has commenced. The PIV process will require a significant stakeholder engagement piece. The Legal, Finance and Human Resources components have been combined in the LIP Working Group A separate IT Working Group will be established to resolve remaining matters (within the agreed threshold) and support the development of Government Guarantees. 	Noted Noted	SC SC












Minutes

clause 10(1)

Item	Items for discussion	Outcome	Responsibility
	<ul style="list-style-type: none"> The Chair advised that he will contact DPTI-TBS to discuss the DPTI request for additional resourcing to support the PIV process. DPTI-EK requested clarification on the scope of DPTI involvement during the PIV Process. CEB-DP advised that the MVR Project Team currently envisages that the PIV Process would involve the DPTI Regulation Directorate, IT, Human Resources, Finance and Contract Management. CEB-DP agreed to meet with DPTI-EK to contemplate the resourcing requirements for the PIV process. Inv-PL sought clarification on the proposed next steps for a Market Engagement Advisor in communicating with LSSA about the PIV. CEB-DP confirmed that the State's Market Engagement Advisor would address this communication shortly after their appointment. 	Noted	SC
	<ul style="list-style-type: none"> [REDACTED] 	Noted	SC
3.2	<ul style="list-style-type: none"> The Risk Report was noted by the SC. The Secretariat advised that a number of risks will be closed following the endorsement of the Scoping Study Report. The SC closed the following Risks: <ul style="list-style-type: none"> Risk 20. Risk 21. 	Noted Noted Noted	SC SC SC
3.3	<ul style="list-style-type: none"> The SC noted the Minute to the Treasurer – Endorsement to Proceed with the PIV process. 	Noted	SC
3.4	<ul style="list-style-type: none"> The SC noted the 'DPTI Workshop – TRUMPS Risk Report'. DPTI-EK provided an overview of the TRUMPS Risk Report, including: <ul style="list-style-type: none"> The report includes a high level assessment of the MV risks and does not contain any proposed mitigants. The risk report was developed by DPTI, following workshops facilitated by Deloitte Australia. CEB-DP thanked DPTI for the risk report and advised that the risks contained in the report will form the basis considerations in the next stage of the MVR Project. 	Noted Noted Noted	SC SC SC
4.	Communications		
4.1	<ul style="list-style-type: none"> Nil report. 		
4.2	<ul style="list-style-type: none"> The SC noted the media monitoring. 	Noted	SC
4.3	<ul style="list-style-type: none"> Nil report. 		



Minutes

Item	Items for discussion	Outcome	Responsibility
5.	Other Business		
5.1	<ul style="list-style-type: none"> CEB-DP proposed that the MVR Project Team review the SC Terms of Reference, prior to entering into the PIV process. The SC endorsed the review of the SC Terms of Reference. CEB-DP proposed the cancellation of upcoming SC meeting on 23 May 2019 and the progression of any SC matters out of session. The SC endorsed the cancellation of the SC meeting on 23 May 2019. 	<p>Endorsed</p> <p>Noted</p> <p>Endorsed</p>	<p>SC</p> <p>SC</p> <p>SC</p>
	<i>Investec left the meeting at 1:41pm.</i>		
clause 1(1)(e)		Noted	SC
		Noted	SC
		Noted	SC
clause 10(1)			
clause 1(1)(e)		Noted	SC
	<ul style="list-style-type: none"> The Chair agreed that the valuation model would require review during the next phase of the project. 	Noted	SC
clause 1(1)(e)			
clause 1(1)(e)		Noted	SC
		Noted	SC
clause 10(1)			
	<ul style="list-style-type: none"> CEB-DP confirmed that the MVR Project Team are in the process of developing a 'standard paragraph' to be included in future briefings and correspondence. 	Noted	SC
6.	Next Meeting Thursday, 6 June 2019 – 1:00pm to 2:30pm.		

MINUTE



Government
of South Australia
Department of Treasury
and Finance

MINUTES forming ENCLOSURE

File T&F18/0247

Doc No TF18D00322

To The Treasurer
Cc Chief Executive

LAND SERVICES SA - MEETING: 2:15PM, 11 MAY 2018

Timing: URGENT — For the Premier's meeting with Land Services SA on 11/05/2018

Recommendations/Issues: It is recommended that you:

- Review, approve and provide the minute (Attachment 1) to the Premier's Office prior to the Premier's meeting with representatives of Land Services SA at 2:15pm on 11 May 2018.

Approved/Not Approved

Hon Rob Lucas MLC
Treasurer

/ /

Key Points:

- The attached minute (Attachment 1) has been requested by the Premier's Office on Wednesday, 9 May 2018, to prepare the Premier with relevant information prior to meeting with representatives of Land Services SA (LSSA) at 2:15pm on 11 May 2018.
- At 2:15pm on 11 May 2018, the Premier (and Treasurer), will be meeting with:
 - o Mark Butcher, Independent Director, Land Services SA (LSSA) Board,
 - o Kieran Zubrinich, Head of Macquarie Australia Infrastructure Trust,
 - o Ivan Varughese, ANZ Co-Head of Infrastructure, Utilities and Renewables, Macquarie Capital, and
 - o Navleen Prasad, Head of Government Relations, Macquarie Group
- The minute provides an overview to the Premier on the background related to the appointment of the Land Services SA (LSSA) consortium as the exclusive provider of land registry and property valuation services, protections to consumers



and stakeholders, the current status of business transition and possible matters that may be raised by LSSA representatives.



BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS DIVISION

10 / 05 / 2018

Contact Officer:	Andrew Cadd
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Email address:	andrew.cadd@sa.gov.au

Attachment: Minute to Premier – Land Services SA Meeting

MINUTES *forming* ENCLOSURE to:

TO: THE PREMIER

RE: MEETING WITH LAND SERVICES SA – 11 MAY 2018

PURPOSE

This minute provides background and context to inform your meeting at 2:15pm on 11 May 2018, with Mr Mark Butcher, Independent Director, Land Services SA (LSSA) Board, Kieran Zubrinich, Head of Macquarie Australia Infrastructure Trust, Ivan Varughese, ANZ Co-Head of Infrastructure, Utilities and Renewables, Macquarie Capital and Navleen Prasad, Head of Government Relations, Macquarie Group.

BACKGROUND

On 10 August 2017, the LSSA consortium was appointed by the previous government as the exclusive provider of land registry and property valuation services in South Australia with exclusive rights to commercialise related databases over a 40 year period in consideration for an up front amount of \$1.605 billion plus an ongoing royalty stream.

Financial close occurred on 12 October 2017, when the State received the full consideration from LSSA and entered into the Land Services Agreement and associated contractual documents.

The LSSA consortium is comprised of:

- Macquarie Australian Infrastructure Trust 1, managed by its trustee Macquarie Australian Infrastructure Management 1 Limited on behalf of the Macquarie Australian Infrastructure Trust 1 unitholders;
- Public Sector Pension Investment Board (Canada); and
- Macquarie Infrastructure and Real Assets Holding Pty Limited, an indirect subsidiary of Macquarie Group Limited within its Macquarie Infrastructure and Real Assets Division.

The Board of LSSA is chaired by the Honourable Dr Annabelle Bennett AO SC, a former Judge of the Federal Court of Australia. The Independent Director of the Board of LSSA is Mr Mark Butcher. In addition to that role, Mr Butcher currently maintains roles in Ernst & Young's SA Advisory Board, Minter Ellison SA, Health Industries SA and Somark Group Ltd.

An exclusive right to negotiate (ERN) for additional government registry commercialisation projects was included in the Land Services Commercialisation (LSC) Project transaction based on advice from the lead transaction advisor, Investec.

The ERN was offered to all shortlisted bidders with the majority of bidders submitting offers for the ERN during the transaction process.

LSSA's bid included \$80 million as a pre-payment for the ERN, contractually obliging the State, at its discretion to:

- use its best endeavours to commercialise the motor registration and vehicle licensing registry managed by the Department of Planning, Transport and Infrastructure within 3 years (by 12 October 2020); or
- repay LSSA \$80 million, including interest charges at 10% per annum, or grant LSSA an additional 7 year extension to the existing 40 year term of the Land Services Agreement.

CURRENT STATUS / IMMEDIATE FUTURE

Since commencing on 13 October 2017, LSSA has successfully operated land title transactions and property valuation service. Customers of those service previously provided by State have generally been satisfied with those services now provided by LSSA. The State has not received any formal complaints on this aspect of the Land Services Commercialisation.

In order to maintain service standards and achieve a seamless separation, the State entered into a Transitional Services Agreement with LSSA on 12 October 2017, obliging the State to provide transition services and access to required infrastructure and systems to LSSA for up to 2 years (until 12 October 2019).

Transitional services provided by the State include:

- employees performing duties for the benefit of LSSA (i.e. staff continuing to perform their pre-commercialisation duties until 12 October 2019),
- access to ICT hardware, systems, applications and support services, including from third party suppliers,
- access to premises, including regional valuation locations, and
- back office services including financial and treasury/cash management services.

These transitional services will be progressively rolled-off as LSSA builds its own internal systems and capacity.

A key activity the State is working with LSSA to oversee is the South Australia Integrated Land Information System (SAILIS) ICT system separation from the government network.

LSSA has committed to:

- utilise land registry and property valuation services experiences in South Australia as a base for future expansion into adjacent assets in other jurisdictions,
- further investment in SAILIS and other technology,
- a \$35 million investment over 5 years to improve outcomes for customers and other stakeholders, and

- encourage innovation through partnering with South Australian based technology start-ups via incubation hubs.

As LSSA expands into new data products, earns value added reseller royalties and any SAILIS Intellectual Property royalties, the State will receive 12.5% of the commercialisation revenue.

LSSA will require ongoing access to the State's infrastructure, hardware, software, data networks and services necessary for it to collect prescribed fees payable to the Registrar-General on behalf of the government and pay any royalties applicable.

LIKELY TOPICS FOR DISCUSSION

It is anticipated that the LSSA consortium will raise a number of points with you regarding the Land Services Commercialisation arrangement.

Exclusive Right to Negotiate

As outlined above, the Land Services Commercialisation agreement includes an exclusive right to negotiate (ERN) for commercialisation of any other State registries.

The ERN is for commercialisation of other State registries. These include the motor vehicles, driver and other licensing registry currently managed by DPTI and any other registry managed by the State (Other State Registries).

The ERN does not bind the government to commercialise other registries or to have to sell them to LSSA. It only requires the government to exclusively negotiate with LSSA if the government decides to commercialise other registries.

The ERN also includes a specific commitment by the State to use its reasonable endeavours to undertake a scoping study on whether to commercialise the Motor Vehicle Registry by 12 October 2020, being 3 years from the date on which LSSA commenced operation of lands titling transaction and property valuation services for the State.

Based on the \$80 million paid by LSSA, the market value of commercialising the Registry could represent hundreds of millions of dollars in sale proceeds to the State. Alternatively, commercialisation could be structured as an outsourcing of Registry services, structured as a fee for service arrangement between the State and a private sector service provider.

Under either approach, private sector management of the Registry would provide the Registry services to the community more efficiently, avoid future government ICT capital upgrades and drive innovation and productivity improvements for end users of the Registry services.

A formal scoping study would be required to inform the government of the appropriate legal structure and best approach to building private sector interest in the Registry. The study would also provide an estimate of the market value of the

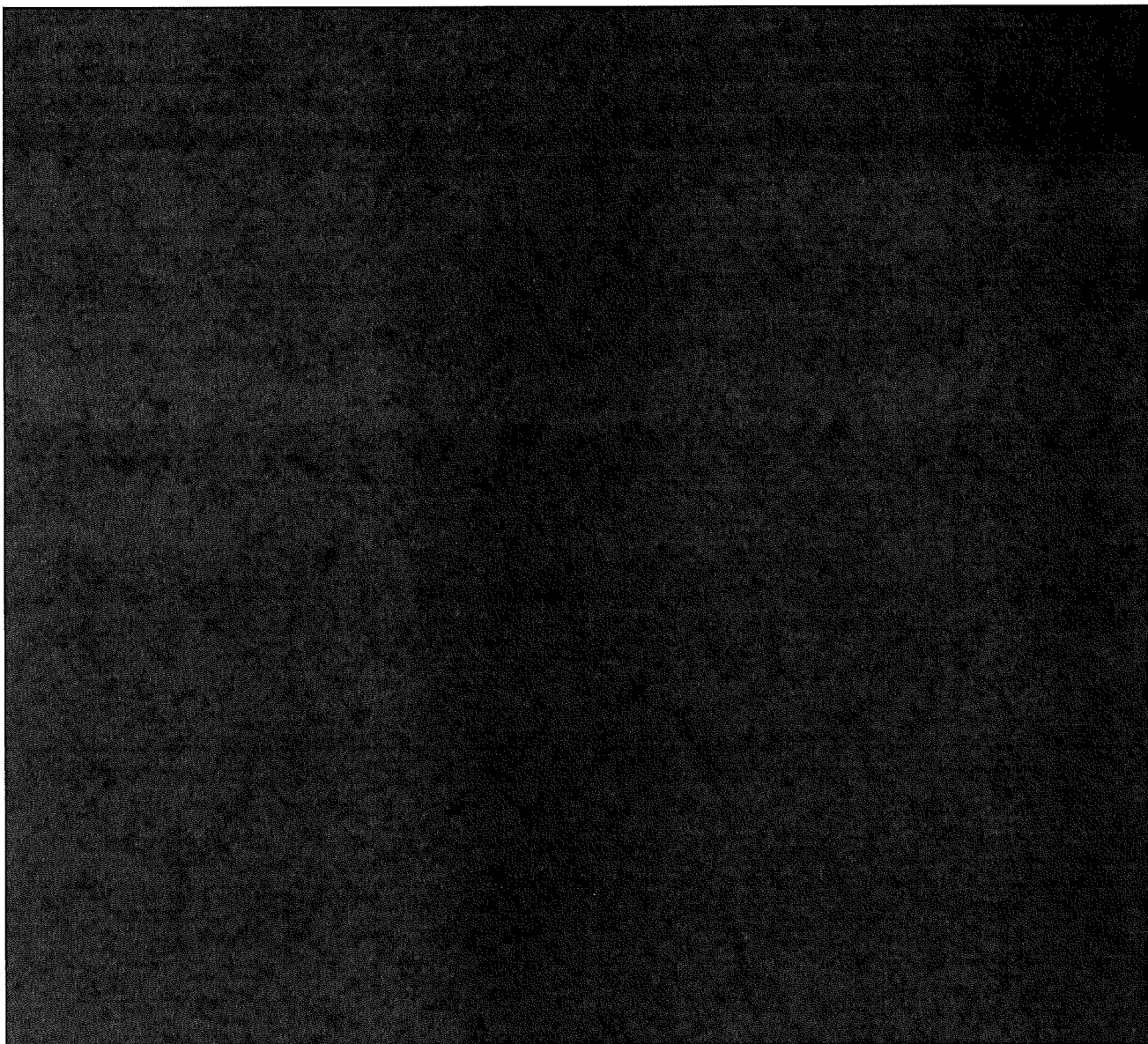
Registry and a business case with an estimate of the net financial and risk management benefits from commercialising the Register.

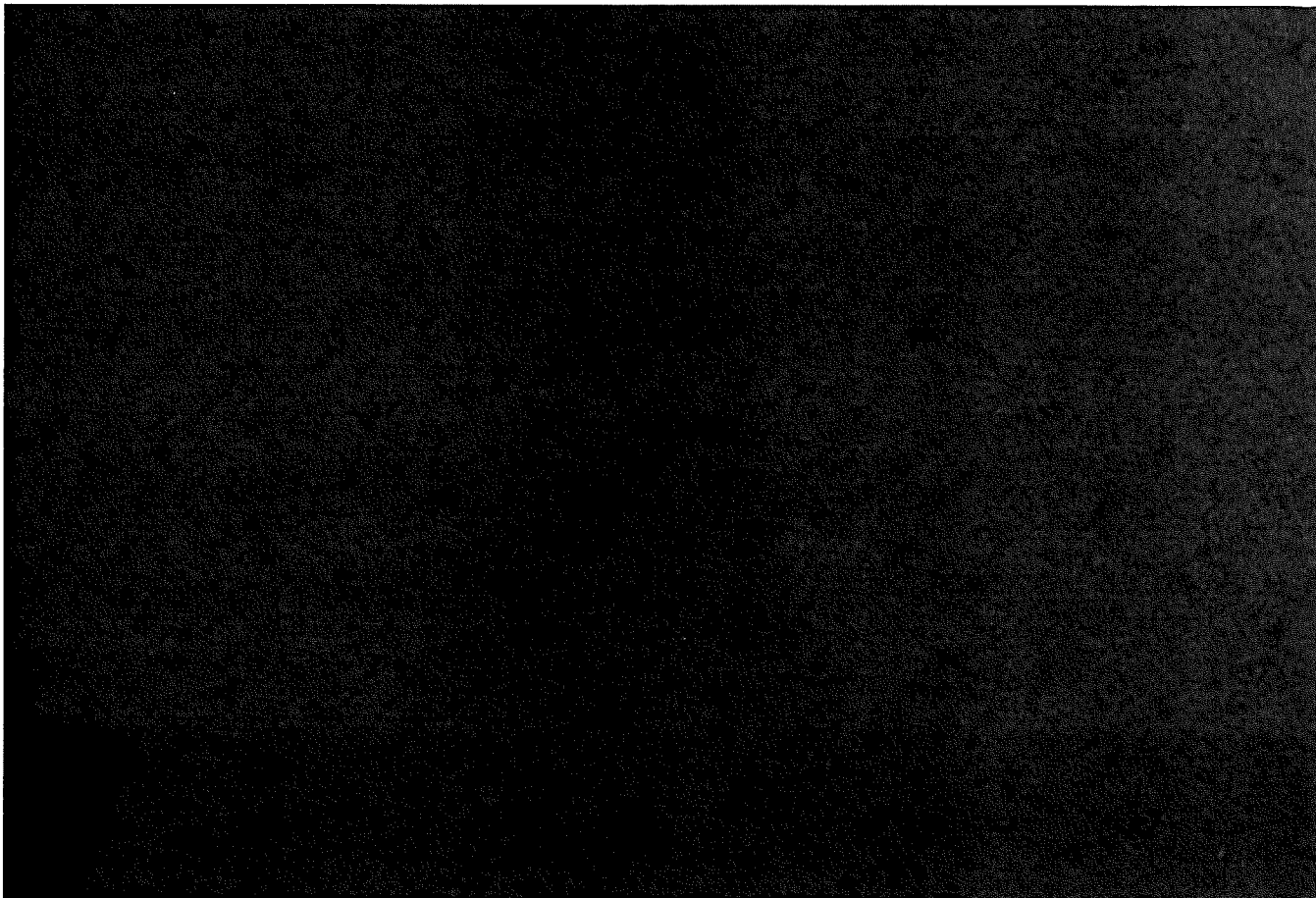
DTF considers that commercialisation of that Registry could be achieved by 12 October 2020 if a scoping study is started before the end of 2018.

In his meeting with you, Mr Butcher may seek your intentions, as leader of the government, regarding commercialisation of the Motor Vehicle Registry and other registries.

You may wish to reiterate your government's policy of exploring private sector options for delivery of government services, and recognise the State's contractual obligations under the ERN established by the previous government.

However, it is recommended that you make no commitment regarding commercialisation of the Motor Vehicle Registry (or any other registries) before Cabinet has considered a formal scoping study on that topic.

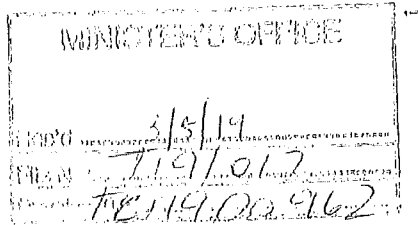




Hon Rob Lucas MLC
Treasurer

May 2018

MINUTE



MINUTES forming ENCLOSURE

File T&F18/0597

Doc No A1117729

To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT – STEERING COMMITTEE MEETING UPDATE: 24 APRIL 2019

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee (SC) – Agenda (Attachment A) for the meeting held on 24 April 2019.
- Note the draft MVR Project SC – Minutes (Attachment B) of the meeting held on 24 April 2019
- Note that the draft SC Minutes (Attachment B) are expected to be endorsed by the SC in session on 9 May 2019. These are submitted to you for information purposes and do not constitute a final record until endorsed by the SC.

Noted

Hon Rob Lucas MLC
Treasurer

6/5/19

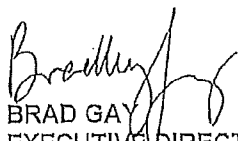
Key Points:

- The SC met for the ninth time on 24 April 2019 and matters for discussion included:
 - Preliminary review of the MVR Project Scoping,
 - Transport Regulation User Management Processing System Considerations (TRUMPS), and
 - Data rights which have been granted related to data contained in TRUMPS, including arrangements between South Australia and Austroads Ltd [REDACTED]

clause 10(1)



- The next meeting of the SC is scheduled on 9 May 2019, and the SC is expected to endorse the MVR Project – Scoping Study.



BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS BRANCH

3 / 05 / 2019

Contact Officer:	David Penov, Project Manager
Telephone:	8420 3666
Email address:	David.Penov@sa.gov.au

List of Attachments

- Attachment A: MVR Project – Steering Committee Agenda – 24 April 2019
- Attachment B: MVR Project – Final Draft Steering Committee Minutes – 24 April 2019

Attachment A:

MVR Project –Steering Committee Agenda – 24 April 2019



AGENDA

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project – Steering Committee

Time and date: 24 April 2019 – 1:30PM to 3:00PM

Location: Conference Room – Level 8 – State Admin Centre
200 Victoria Square, Adelaide SA 5000
☎ **Dial in details:** Telephone 1800 062 923 – Passcode 7850 3749 2014 then #

Attending:

Stuart Hocking	Deputy Chief Executive – DTF	Chair
Andrew Cadd (CEB-AC)	Project Director	Member
Ben Wilson (DPC-BW) (Proxy)	Director, Economic Advice	Member
Brad Gay (CEB-BG)	Executive Director	Member
Tony Braxton-Smith (DPTI-TBS)	Chief Executive – DPTI	Member
David Penov	Project Manager	Secretariat
Ken Patterson	Probity Advisor	Probity
David Dellaverde (CEB-DD)	Project Officer	Attendee
Kate Guy (AGD-KG)	Senior Solicitor	Attendee
Peng Ly (Inv-PG)	Managing Director – Investec	Attendee
Priyanka Garg (Inv-PG) ☎	Associate – Investec	Attendee
Terry McKenna (CEB-TM)	Project Director – ICT	Attendee

Apologies:

Simon Crotti	Manager
Jim McDowell	Chief Executive – DPC







Item	Items for discussion	By who
1.	Welcome and preliminary business	
	1.1. Declaration of Conflict of Interest	Chair
	1.2. Minutes from meeting 3 April 2019 ☎	Chair
	1.3. Action Items ☎	Chair
2.	Key Issues at Hand	
	2.1. MVR Project Scoping Study Q&A ☎	Investec-PL
	2.2. [REDACTED]	Chair
	2.3. Update – TRUMPS IT Considerations ☎	CEB-TM
	2.4. [REDACTED]	AGD-KG
	2.5. [REDACTED]	AGD-KG
	2.6. Update – Offensive Slogans Bill	DPTI-TBS

clause 10(1)(f) is associated with item 2.2.

clause 10(1) is associated with item 2.5.



AGENDA

3.	Items for Noting 3.1. Project Update – MVR Project Timeline Review – as at 17 April 2019  3.2. Project Update – Risk Report  3.3. Probity Advice – Preliminary Indication of Value  3.4. WACC Correction to the Preliminary Valuation Analysis 	Chair Chair Chair Investec-PL
4.	Communications 4.1. Communications Register (NIL report) 4.2. Media Monitoring  4.3. Correspondence/FOI 	Chair Chair Chair
5.	Other Business	Chair
6.	Next Meeting – Wednesday, 9 May 2019 – 1:00pm to 2:30pm	All

Attachment B:

MVR Project – Final Draft Steering Committee Minutes.– 24 April 2019



Minutes

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee

Time and date: 24 April 2019 - 2:00pm to 3:35pm (*meeting closed*)

Location: Conference Room, Level 8, State Administration Centre,
200 State Administration Centre, Adelaide

Attending:	Stuart Hocking	Deputy Chief Executive	Chair
	Brad Gay (CEB-BG)	Executive Director	Member
	David Penov (CEB-DP) (<i>Proxy</i>)	Project Manager	Member
	Tony Braxton-Smith (DPTI-TBS) <i>(left at 3:27pm)</i>	Chief Executive DPTI	Member
	David Dellaverde	Project Officer	Secretariat
	Ken Patterson	BDO - Probity Advisor	Probity
	Kate Guy (AGD-KG)	Senior Solicitor	Attendee
	Terry McKenna (CEB-TM)	Project Director – ICT	Attendee
	Peng Ly (Inv-PL)	Investec – Managing Director	Attendee
	Priyanka Garg (Inv-PG) 📞	Investec – Associate	Attendee
Apologies:	Jim McDowell	Chief Executive DPC	
	Andrew Cadd	Project Director	
	Ben Wilson	Director, Economic Advice	
	Simon Crotti	Manager	

Item	Items for discussion	Outcome	Responsibility
1.	Welcome and preliminary business		
1.1	• No conflicts of interest were declared.	Noted	SC
1.2	• The Steering Committee (SC) accepted the Minutes of the meeting held on 3 April 2019 subject to the following minor amendment: <ul style="list-style-type: none"> ◦ 2.1 - Change all references of 'DTF-TM' to 'CEB-TM'. 	Accepted	SC
1.3	• The SC noted the action items and provided the following updates: <ul style="list-style-type: none"> ◦ 234 - Action responsibility changed to DPTI-TBS, with the due date extended to 9 May 2019; ◦ 231 - Due date extended to 9 May 2019; ◦ 145 - Due date extended to 23 May 2019; ◦ 228 - Due date extended to 15 May 2019; and ◦ 164 - Due date extended to 23 May 2019. 	Noted	SC
	• The SC closed the following action items in session: <ul style="list-style-type: none"> ◦ 232; and 227. 	Noted	SC

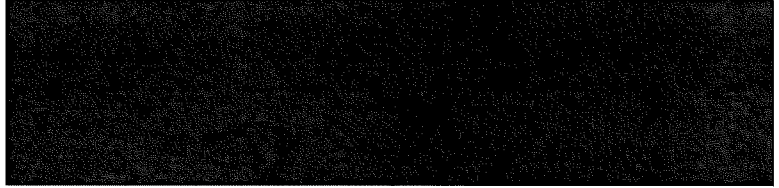



Minutes

2.	Key Issues at Hand		
2.1	<ul style="list-style-type: none"> • Inv-PL provided an overview of the MVR Project Scoping Study Executive Summary outlining that the MVR Project is expected to appeal to a similar bidder field as the Land Services Commercialisation (LSC) Project and that the MVR Project Scoping Study Report (SS) has adopted a similar reserve price development process as the LSC Project, representing a premium reserve price. • The Chair sought advice on whether ‘anti-embarrassment’ clauses had been included in the SS, based on the unique nature of the MVR Project. • Inv-PL confirmed that ‘anti embarrassment clauses’ (i.e. Internal Rate of Return Clawback and Go-Shop provision (GSP)) have been contemplated in the SS. • DPTI-TBS sought advice on the State’s development of a reserve price as a basis for assessment of any indication of value. • Inv-PL advised that in precedent transactions (Land Services Commercialisation Project and SA Lotteries Project) the State’s advisors were purposely not involved in the development of the State’s reserve price and that the role of the lead transaction advisor was to consistently encourage all market participants to submit their highest bid. • DPTI-TBS stated that the SS acknowledged that Investec and the State had not yet engaged with the South Australian Police (SAPOL) and requested that the Key Policy Considerations (Section 1.7 of the SS) acknowledge SAPOL’s interest. • CEB-TM advised that representatives of the MVR Project have held preliminary discussions with SAPOL to discuss the Transport Regulation User Management Processing System (TRUMPS) IT considerations • CEB-DP advised that the purpose of the SS is to outline the current business being reviewed and to determine a viable proposal for commercialisation. • CEB-DP advised that stakeholder engagement (including SAPOL) is a critical requirement of the subsequent phases of the MVR Project. • DPTI-TBS sought advice on the State’s access rights under a commercialisation model and how LSSA will provide the State representatives with access to the TRUMPS system. 	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>	<p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p>



Minutes

<ul style="list-style-type: none"> • CEB-DP advised that based on the precedent LSC contractual documents, it is envisaged that the State would retain direct access to TRUMPS under a commercialisation option, meaning State employees would retain unfettered access to TRUMPS. 	Noted	SC
<ul style="list-style-type: none"> • DPTI-TBS sought confirmation on whether this could be achieved in the contractual documents. 		
<ul style="list-style-type: none"> • CEB-DP advised that LSC Project contractual documents guaranteed State employees with unfettered access to the South Australian Integrated Land Information System. 	Noted	SC
<ul style="list-style-type: none"> • DPTI-TBS sought confirmation on the party responsible for TRUMPS technology developments. 		
<ul style="list-style-type: none"> • CEB-DP advised that a new service provider would be responsible for technology developments and advised that a bidder would be likely to factor this cost into a bid submitted. 	Noted	SC
<ul style="list-style-type: none"> •  	Noted	SC clause 10(1)
<ul style="list-style-type: none"> • DPTI-TBS sought confirmation on whether LSSA would be looking to integrate other motor vehicle registries into TRUMPS. 		
<ul style="list-style-type: none"> • Inv-PL advised that Investec's observations of Land Registry Commercialisation across Australia has indicated that separate registries across jurisdictions have continued to be maintained. 	Noted	SC
<ul style="list-style-type: none"> • DPTI-TBS contemplated opportunities for the State to combine all requisite licencing undertaken by the State on a single online platform. 		
<ul style="list-style-type: none"> • Inv-PL advised that this opportunity has been captured in the Exclusive Right to Negotiate included in the Land Services Commercialisation Implementation Deed. 	Noted	SC
<ul style="list-style-type: none"> •  		clause 10(1)
<ul style="list-style-type: none"> • CEB-TM advised that TRUMPS has the potential to be expanded to incorporate additional registries. 	Noted	SC
<ul style="list-style-type: none"> • CEB-DP stated that customer access to alternate State registries could be improved based on the existing geographic footprint of the Motor Vehicle Registry operations. 	Noted	SC



Minutes

clause 10(1)

- DPTI-TBS sought advice on the employment conditions on page 20 of the SS, and whether the LSC Project had required LSSA to make offers of employment to State employees.
- CEB-DP confirmed that the LSC Project had allowed bidders to propose the proportion of the workforce they would make offers of employment to, which was considered as a component of the overall bid evaluation.
- [REDACTED]
- The Chair advised that weekly paid agreement would prevent employees being outsourced to a service provider and requested confirmation that there are currently no State employees under this agreement within the related DPTI Business unit.
- [REDACTED]
- DPTI-TBS advised that the State will need to strategically consider the next steps to mitigate industrial action.
- [REDACTED]
- The Chair sought confirmation on the number of State employees who would be considered 'in-scope' for the MVR Project transaction.
- CEB-DP advised that the exact number of State employees 'in-scope' would be refined and determined in the development of a 'To-Be' state.
- Inv-PG advised that the costing summary from PricewaterhouseCoopers provided employee numbers and costings however this would need to be revisited during Vendor Due Diligence (VDD) once the 'To-Be' state had been determined.

2.2

- [REDACTED]

Noted

SC

Noted

SC

Noted

SC

Noted

SC

Noted

SC

Noted

SC

Noted

SC

Noted

SC

Noted

SC

clause 1(1)(f)



Minutes

clause 1(1)(f)	[Redacted]	Noted	SC
		Noted	SC
		Noted	SC
	<ul style="list-style-type: none"> The Chair sought clarification on whether the reserve price would need to be developed prior commencing a PIV process. CEB-DP confirmed that the State should develop the reserve price prior to receiving a PIV from LSSA. DPTI-TBS sought confirmation on whether a reserve price was calculated as a value or a multiple. Inv-PL advised that reserve prices tend to be multiples rather than a defined amount. 	Noted	SC
clause 10(1)	<ul style="list-style-type: none"> [Redacted] 	Noted	SC
	<ul style="list-style-type: none"> DPTI-TBS advised that LSSA will have the opportunity to avoid a GSP process if their PIV sufficiently exceeds the reserve price. 	Noted	SC
clause 10(1)	[Redacted]	Noted	SC
		Noted	SC
clause 10(1)	<ul style="list-style-type: none"> [Redacted] 		
	<ul style="list-style-type: none"> Inv-PL advised that Investec envisaged that exclusivity would commence following the completion of VDD. The Chair sought advice on the State's next steps to proceed with the PIV approach. CEB-DP advised that the MVR Project Team have scheduled a planning meeting on 30 April 2019 to discuss the next steps required. 	Noted	SC
		Noted	SC



Minutes

2.3

- CEB-TM provided an overview of the progress and findings on the TRUMPS Options following the SC meeting on 3 April 2019:
 - the State has further investigated the TRUMPS Commercialisation approach;
 - retention of the TRUMPS production environment appears to be an unviable option;
 - the MVR Project team held a preliminary meeting with SAPOL to discuss TRUMPS on 8 April 2019;
 - SAPOL have indicated their interest communicating with the Chair for potential involvement at the SC; and
 - stakeholder engagement meetings with SAPOL are likely to commence in the next phase of the MVR Project.
- CEB-DP advised that SAPOL were not required during the scoping study (As-Is) phase of the MVR Project and their engagement is most relevant in defining the 'To-Be' phase.
- [REDACTED]
- CEB-TM advised that the SAPOL Deputy Commissioner has an interest in the MVR Project and has expressed an interest in meeting with the MVR Project Team.
- The Chair advised he will meet with the SAPOL Deputy Commissioner.
- [REDACTED]
- [REDACTED]
- CEB-TM advised that this view had been formed after discussions with the DPTI TRUMPS IT team.
- The SC noted that, whilst to date, there have been no technical controls identified that can be applied to diminish the increased risk, perceived or otherwise to road safety or law enforcement, this advice will need to be further contemplated and refined during the development of the 'To-Be' state.
- [REDACTED]
- CEB-TM advised that it is possible, however it is unlikely to be appealing to market participants.

Noted

SC

Noted

SC

Noted

SC

Noted

SC

Noted

SC

Noted

SC

clause 10(1)

Noted

SC

Noted

SC

clause 10(1)

Noted

SC

clause 10(1)



Minutes

	<ul style="list-style-type: none"> CEB-DP proposed that the State progress with seeking a PIV from LSSA on the SS adopted commercialisation approach, however, LSSA may also be provided with an option to separately contemplate an Application Programming Interface (API) solution, and provide a separate indication of value for an API approach based on their improved understanding of the 'To-Be' state. The SC endorsed seeking a separate indication of value for an API approach from LSSA, during the PIV process. CEB-DP stated that, for clarity, this endorsement did not amend the SC's adoption of the commercialisation approach in the SS and that this remained the only viable market approach as advised by Investec. Inv-PL advised that LSSA would require a detailed description of the API option to enable an appropriate PIV submission. DPTI-TBS proposed and the SC agreed to further consider the State developing a summary of the core use cases that would assist the State in developing risk mitigation strategies and appropriate stakeholder engagement. CEB-TM acknowledged that the State would be required to provide LSSA with a high level overview of the processes adopted in maintaining sensitive records. 	clause 7(1)(b)	
		Endorsed	SC
		Noted	SC
		Noted	SC
		Agreed	SC
		Noted	SC
		Endorsed	SC
clause 10(1)	<ul style="list-style-type: none"> [REDACTED] [REDACTED] The SC noted that the State will have an ongoing requirement to retain appropriate levels of subject matter expertise to enable independent assessment and evaluation of materials (such as audit trails and system logs) which the Service Provider might be required to provide as part of a compliance regime. The SC noted that the State should ensure that conditions are included in the contract with a future Service Provider to ensure that TRUMPS remains hosted to agreed security standards. The SC noted that the contractual provisions providing for the ongoing oversight by the State should define the rights of the State in terms that are independent of future technology directions. 		
		Noted	SC
		Noted	SC
		Noted	SC



Minutes

	<ul style="list-style-type: none"> The SC noted that pursuing the service provider assuming control of the TRUMPS development and testing environments, with the State retaining control of the TRUMPS production environment is not expected to avoid the need for the measures and controls anticipated to be required under Option 1 (full commercialisation), but would also result in considerable additional overhead, inefficiencies and expense to both the State and the service provider. 	Noted	SC
		clause 7(1)(b)	
2.4	<ul style="list-style-type: none"> The Chair stated that the Austroads Agreement advice submitted to the SC suggests that there is no current barrier to the State commercialising the Motor Vehicle Registry data. DPTI-TBS advised that he is open to advice on how to progress discussions with Austroads about South Australia's data commercialisation intentions. The Chair sought advice on whether LSSA would need to be provided with the Austroads contractual documents. Inv-PL advised that LSSA would only need to be provided with an overview of the Austroads Agreements. 	Noted	SC
		Noted	SC
clause 10(1)		Noted	SC
		Noted	SC
2.5		Noted	SC
		Noted	SC
clause 10(1)		Noted	SC
		Noted	SC



Minutes

clause 1(1)(e)	2.6	<ul style="list-style-type: none"> DPTI-TBS advised it would be preferable that the correspondence request a copy of the TRELIS contract and seek a contact person to progress discussions on the matter. The SC endorsed the development of the correspondence requesting a copy of the TRELIS contract and identification of a contact person to progress discussions between jurisdictions. 	Noted	SC
		<ul style="list-style-type: none"> [Redacted] 	Endorsed	SC
		<ul style="list-style-type: none"> [Redacted] 	Noted	SC
		<ul style="list-style-type: none"> [Redacted] 	Noted	SC
	3. Items for Noting			
	3.1	<ul style="list-style-type: none"> The Chair advised that the Project Timeline was updated to incorporate the activities supporting a PIV approach. 	Noted	SC
	3.2	<ul style="list-style-type: none"> The risk report was noted by the SC. 	Noted	SC
	3.3	<ul style="list-style-type: none"> The SC noted the Probity Advice - Preliminary Indication of Value. 	Noted	SC
	3.4	<ul style="list-style-type: none"> The SC noted the WACC correction to the Preliminary Valuation Analysis. 	Noted	SC
	4. Communications			
	4.1	<ul style="list-style-type: none"> Nil report. 		
	4.2	<ul style="list-style-type: none"> The SC noted the media monitoring. 	Noted	SC
	4.3	<ul style="list-style-type: none"> The SC noted the FOI correspondence. 	Noted	SC
	5. Other Business			
		<ul style="list-style-type: none"> CEB-DP requested that DPTI-TBS review and endorse the 'As-Is' report out of session. 	Noted	SC
	6. Next Meeting			
		Wednesday, 9 May 2019 - 1:00pm to 2:30pm		

MINUTE

24/4/19
T19/017
TRS1900885



Government of South Australia
Department of Treasury and Finance

MINUTES forming ENCLOSURE

File T&F18/0826

Doc No A1102327

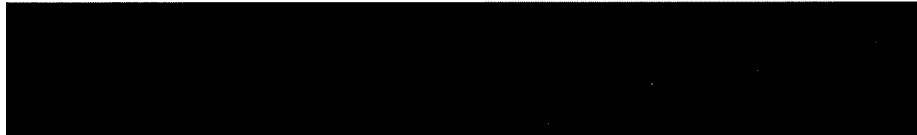
To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT – NEXT STEPS

Timing: URGENT — A decision is required before 29/04/2019

Recommendations/Issues: It is recommended that you:

- Note the presentation provided to you on 10 April 2019 by officers from DTF, Investec Australia, and CSO at Attachment A.
- Note that the State's Motor Vehicle Registry (MVR) Commercialisation Project Scoping Study Advisor (Investec) has proposed the State seek a non-binding and confidential preliminary indication of value (PIV) from Land Services SA Pty Ltd (LSSA) prior to making a decision to proceed to full vendor due diligence.
- Note advice from independent advisors in relation to the PIV approach:



- o Strategic Procurement, Government Services (Attachment C) confirms that a PIV is effectively a request for information and does not require formal procurement approvals;
- o BDO, the MVR Project probly advisor (Attachment D), confirms that the State is open to seek a PIV from LSSA, providing that information provided to LSSA as part of the PIV process is also made available to potential market participants in any future market approach.
- Note that, subject to your approval to proceed to a PIV, the MVR Project Team will appoint an external market engagement advisor and a legal advisor to set out the State's transaction terms and manage the engagement with LSSA,



clause 10(1)

clause 16(2)(a)&(b)



clause 16(2)
(a)&(b)



clause 1(1)(e)
clause 1(1)(f)

Approved / Not-Approved

Rob Lucas

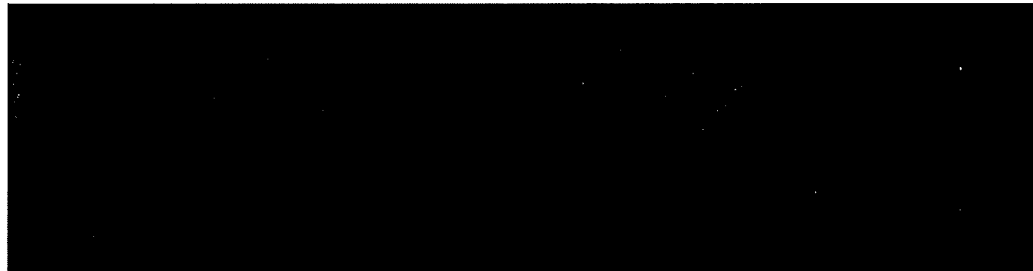
Hon Rob Lucas MLC
Treasurer

29/4/19

Key Points:

- On 10 April 2019 you met with representatives from the MVR Project Steering Committee, the MVR Project Team, and the MVR Scoping Study Advisors (Investec Australia Ltd) and requested a brief on proposed next steps for the MVR Project. A copy of the meeting presentation is at Attachment A.

clause 16(2)
(a)&(b)



clause 15(a)

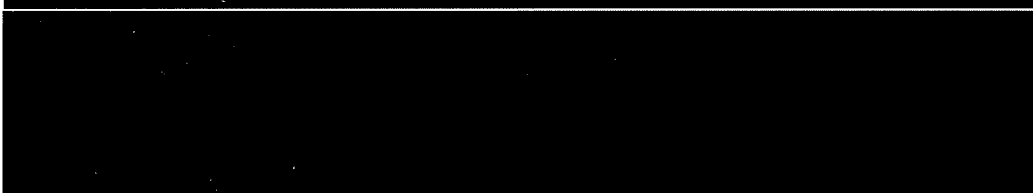
- As the MVR is an unproven asset class, Investec has proposed the State seek a non-binding and confidential preliminary indication of value (PIV) from Land Services SA (LSSA).

clause 16(2)
(a)&(b)
clause 15(a)



clause 1(1)(e)
clause 16(2)
(a)&(b)

clause 10



- Strategic Procurement, Government Services, has advised the MVR Project Team (Attachment C) that a PIV process can effectively be considered a request for information and does not require any formal procurement approval. Subject to your approval to proceed, the MVR Project Team will establish appropriate rules for the PIV process in accordance with the Strategic Procurement advice.
- BDO, the MVR Project Team's probity advisor, has advised that the State is open to seek a PIV from LSSA but should ensure that all of the information provided to LSSA as part of this process is also made available to potential market participants in any subsequent market approach (Attachment D). Subject to your approval to proceed, the MVR Project Team will establish appropriate data management procedures for the PIV process in accordance with the BDO advice.

clause 16(2)
(a)&(b)
clause 15(a)



- Investec has advised that LSSA would require the following information (at a minimum) to develop a PIV for the MVR:

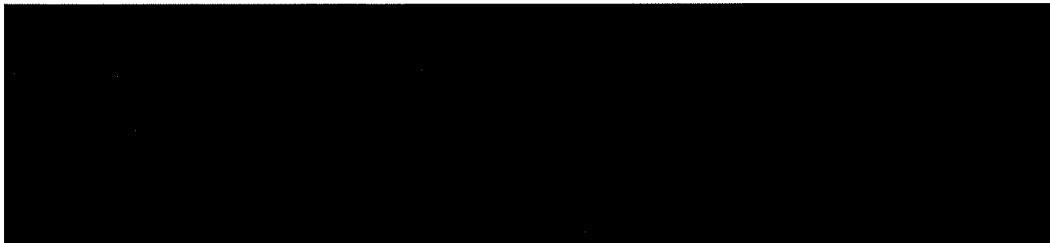
clause 16(2)(a)&(b)
clause 15(a)




clause 16(2)
(a)&(b)

- It is estimated that the PIV process will take up to [REDACTED] including procurement of the State's advisors, data collection, development of an information package, responding to LSSA queries, and time for LSSA to respond with a PIV. An updated timeline is shown at Attachment E.

clause 16(2)(a)&(b)
clause 1(1)(e)
clause 15(a)



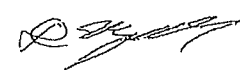
- Subject to you confirming the PIV approach, DTF will develop a separate note to Cabinet to provide a general update on the MVR Project and Investigations, provide the outcomes of the Scoping Study, and to outline the PIV process and timelines.


BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS

18 April 2019

Contact Officer:	Simon Croll
Telephone:	0429 0025
Email address:	simon.croll@sa.gov.au

Supported / Not Supported


David Reynolds
CHIEF EXECUTIVE
Department of Treasury and Finance
Date 29.4.19

List of Attachments

- Attachment A: MVR Talkbook to Treasurer 10 April 2019 (A1099638)
- Attachment B: CSO MVR PIV Advice
- Attachment C: Strategic Procurement Government Services MVR PIV
- Attachment D: BDO MVR PIV Probity Advice
- Attachment E: Updated Timeline

Attachment A:

MVR Talkbook to Treasurer 10 April 2019 (A1099638)

Motor Vehicle Registry Commercialisation Project

10 April 2019



Government of South Australia
Department of Treasury
and Finance

Confidential Commercial: E2-A5

0. Re-cap and agenda

Today's presentation covers scope and valuation issues around commercialising the MVR, and options to progress the project to the next stage of development.

Re-cap on the Exclusive Right to Negotiate (ERN)

- The Land Services Agreement (LSA) with Land Services SA (LSSA) included an \$80 million payment for an ERN.
- If a registry is not commercialised by October 2020, the State must repay \$80 million with interest, or extend the land services contract by 7 years.
- The State is contractually obliged to consider motor vehicle registration, drivers licensing and driving instructor's licensing, as well as other licencing and permits managed by DPTI.
- Related functions and services which fall outside of the contractual obligation, but make practical, legal and commercial sense under commercialisation have also been considered.
- If the State wishes to commercialise any other state registries, it is obliged to negotiate exclusively with LSSA for a 6 month period.

Today's Presentation

1. Context and work to date
2. Transaction scope
3. TRUMPS issues
4. Preliminary Valuation Analysis
(Scoping Study Advisor — Investec)
 1. Preliminary Valuation Summary
 2. Infrastructure Bidder Discount rate
 3. Sensitivity analysis
5. Budget Impacts
 1. Preliminary Valuation Analysis
 2. Alternative Admin Fee Scenarios
 3. Premium Bid Example
6. Next steps

Joint presentation by the Department of Treasury (DTF) and Finance, Scoping Study Adviser (Investec), and Crown Solicitor's Office (CSO)

1. Context and work to date

Over the last 6 months DTF has led a detailed study to develop a case for the commercialisation of the MVR function.

Project approach

- High-level Governance group Chaired by Deputy Chief Executive, DTF and comprising representatives from DTF, DPTI, DPC, and CSO
- Reporting of project progress to the Treasurer (and, through the CE of DPTI, to the Minister for Transport)

Comments

- High level of project governance with strict probity and confidentiality regime
- Joint project working groups with DPTI, CSO and adviser teams
- Detailed legal and risk analysis throughout all stages of work, as functions and services in scope have been refined and commercialisation options assessed
- Greater detail than typical 'scoping study' would comprise given the transaction complexity
- Scoping Study Advisor — Investec
- AS-IS Business Process Mapping Advisor — PWC

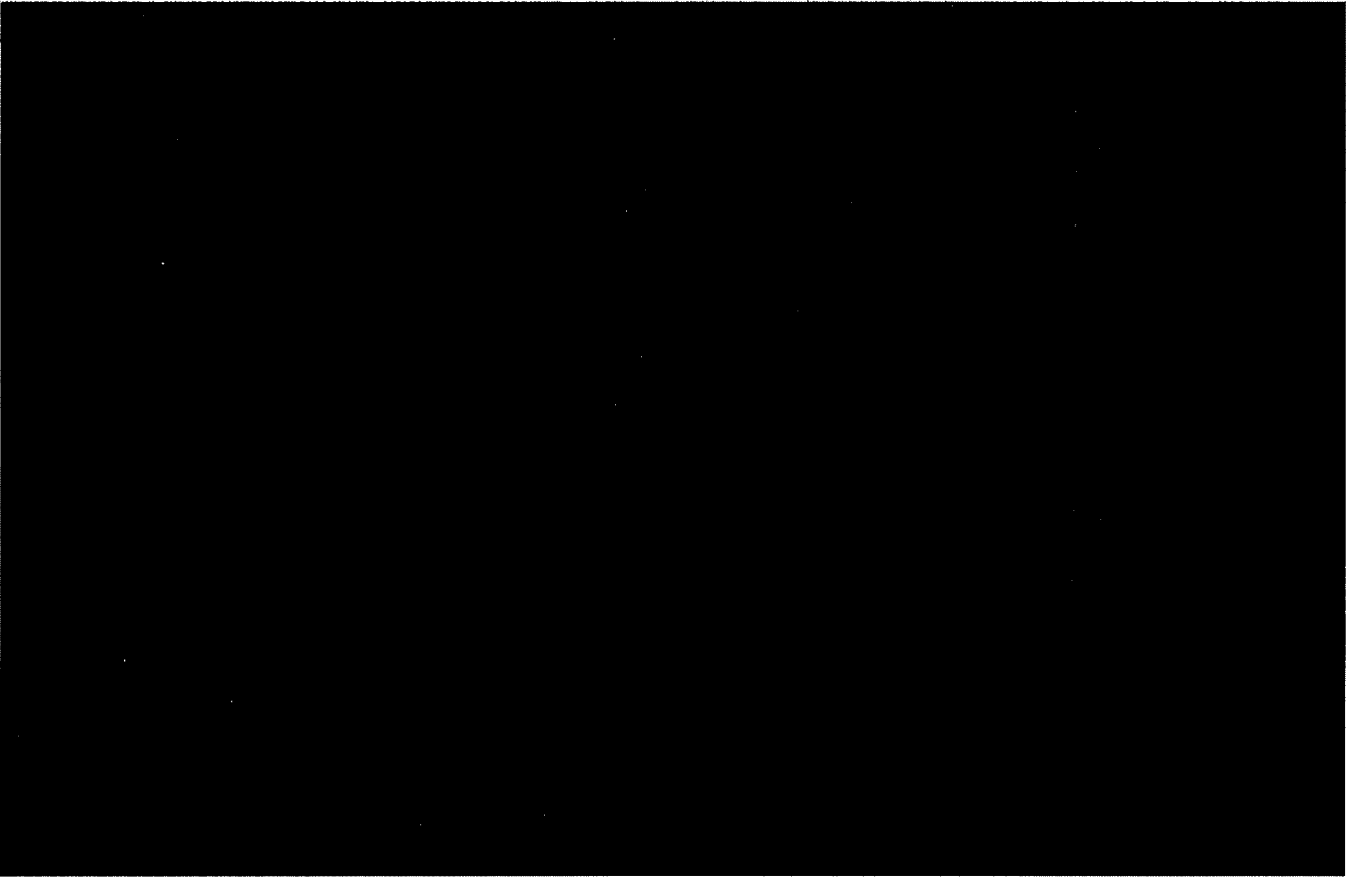
Work to date

2. Strategic assessment of potential functions and services for commercialisation:
 - Whether function or service should appropriately remain with Government;
 - Whether the function can in a legal sense be commercialised;
 - Whether function or service can be better or more efficiently provided by a Private Operator; and
 - Whether function or service have any commercial or financial value for a Private Operator
3. AS-IS process mapping of each function
4. Financial analysis of each function's cost and revenues

6. Preliminary Valuation Analysis

2. Transaction scope

Following the review of MVR functions (by DPTI, DTF, CSO, Investec and PwC), the Steering Committee narrowed the scope for the Potential Transaction



clause 16(2)(a)&(b)
clause 15(a)

Background

- TRUMPS (Transport Regulation User Management Processing System) is the core ICT system used for Motor Vehicle Registry (MV) functions. TRUMPS is also used by other stakeholders for non-MV functions:

[Redacted]

- Road Safety and other campaigns; undertaken by DPTI, and rely upon data stored in TRUMPS;

[Redacted]

[Redacted]

Issues

- Two broad options are under consideration:

[Redacted]

[Redacted]

[Redacted]

- Further work is being undertaken to first identify all risks associated with Option 1, and second, to identify whether those risks can be adequately controlled.

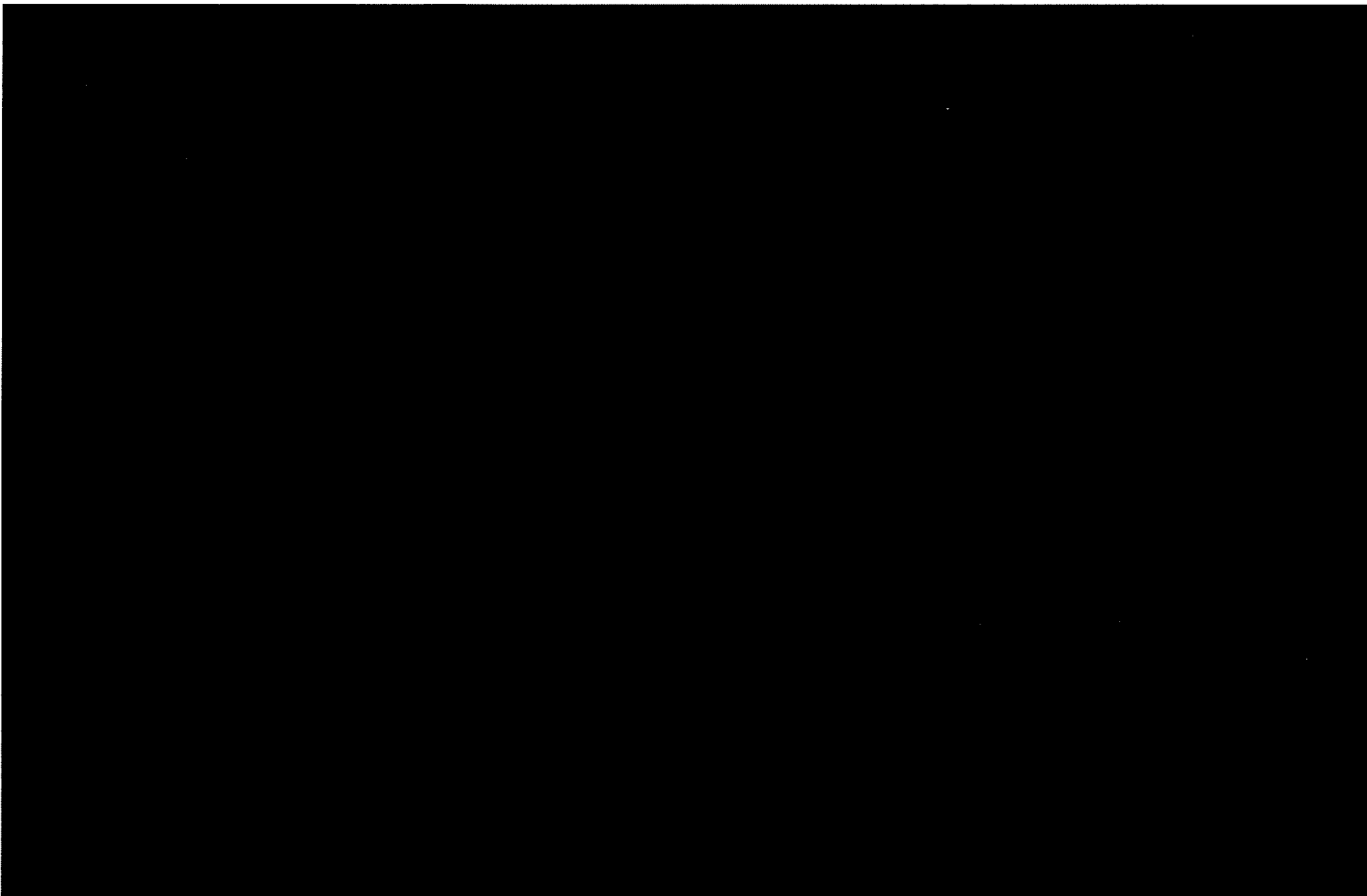
[Redacted]

clause 16(1)(a)(i)
clause 16(2)(a)&(b)
clause 10

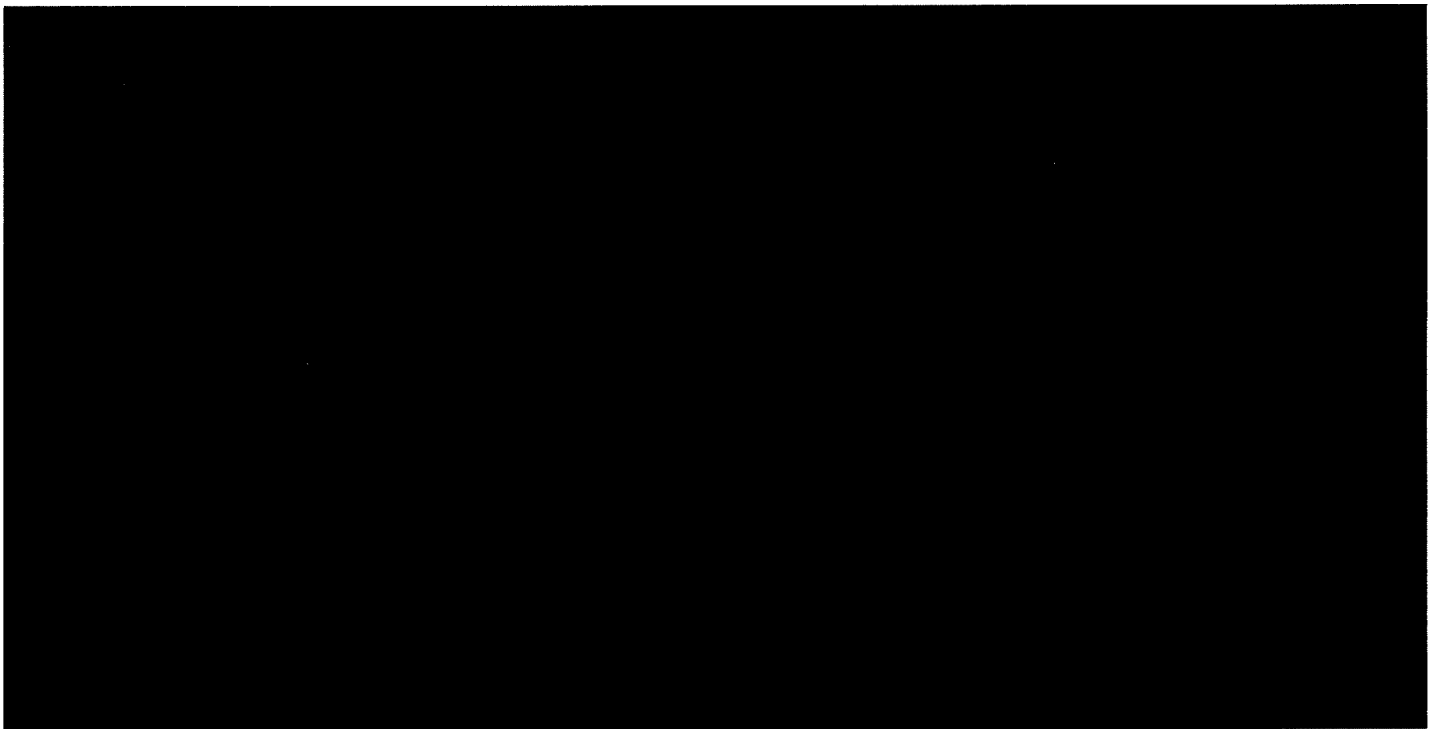


4. Preliminary Valuation Analysis

4.1 Preliminary Valuation Summary



4.2 Market Value – Infrastructure Bidder Discount Rate



clause 16(2)(a)&(b)

4.3 Preliminary Valuation – Sensitivity Analysis

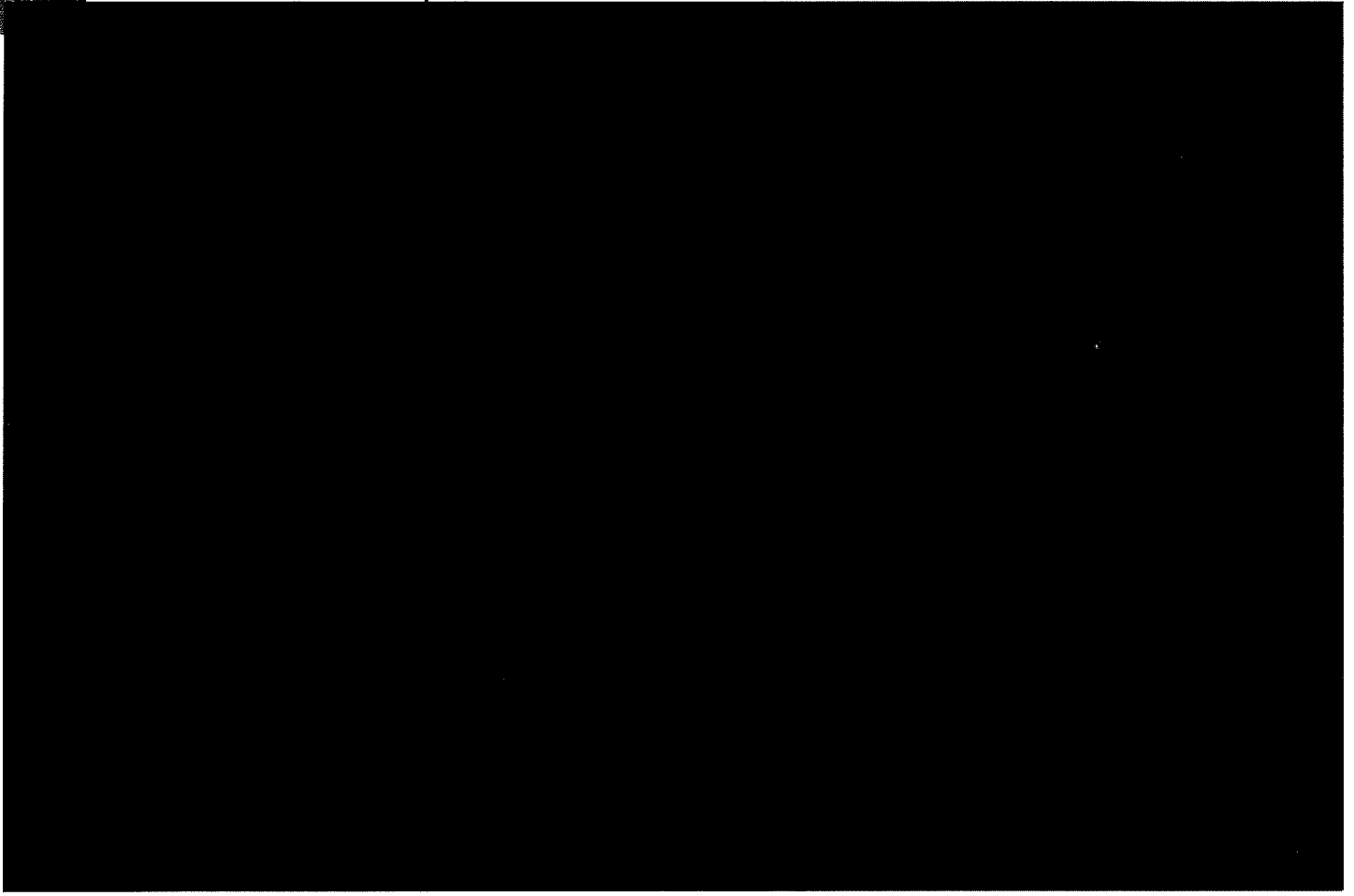


5.1 Indicative Budget Impacts — Preliminary Valuation Analysis



clause 16(2)(a)&(b)
clause 15(a)

5.2 Illustrative NOB impact — Alternative Admin Fees



clause 16(2)(a)&(b)
clause 15(a)

5.3 Indicative Budget Impacts — Premium Bid Example

clause 16(2)(a)&(b)
clause 15(a)

6.1 Next steps — options

Several intersecting issues will need to be considered in determining how a transaction process will be taken forward.

In considering the best way forward an number of issues need to be considered, including Cabinet's decision making requirements and temperament towards the transaction; transaction vendor due diligence costs; ERN requirements on the State and timelines; and ability to re-introduce competitive tension to the transaction

clause 16(2)(a)&(b)
clause 15(a)

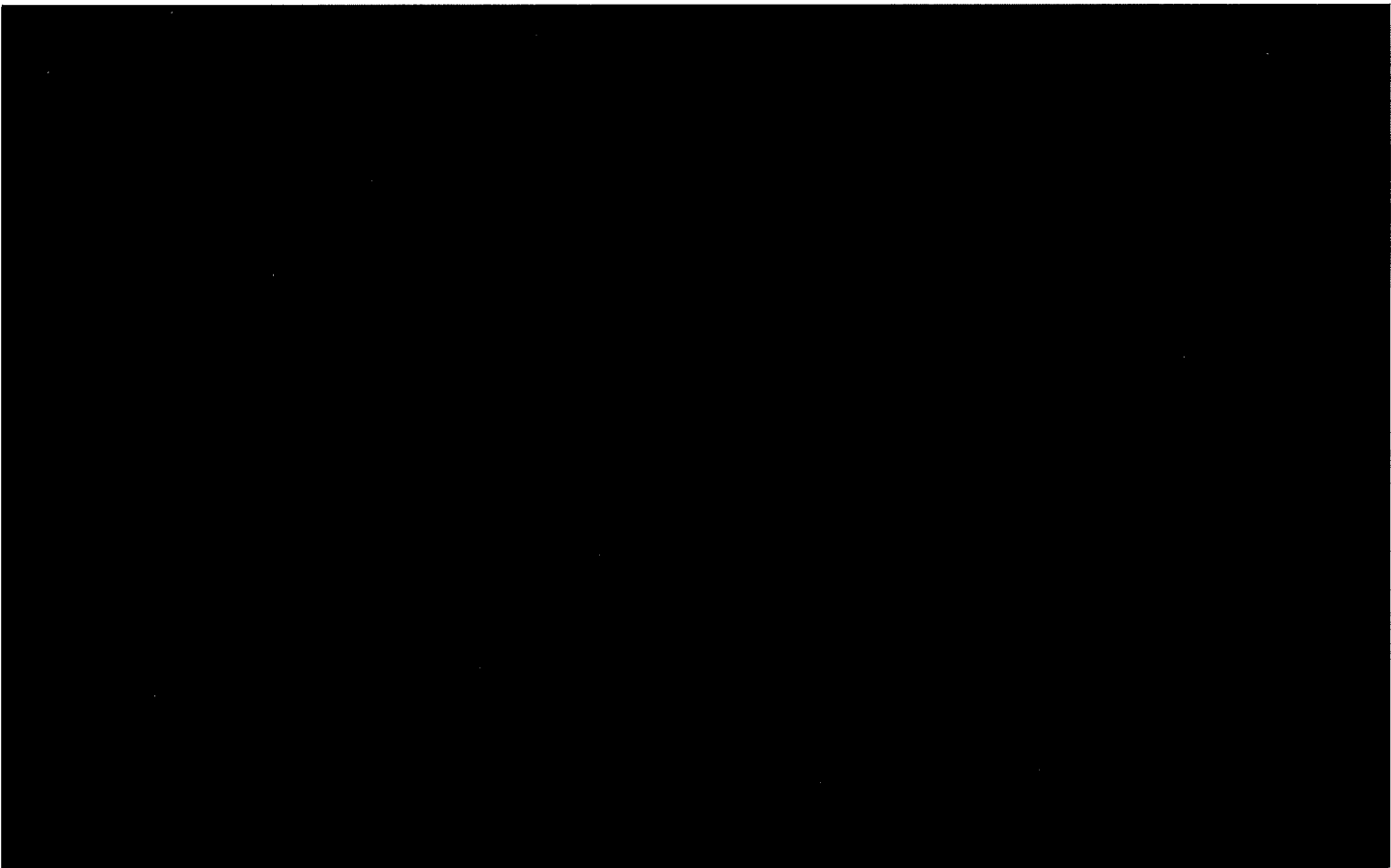


Technical Attachments

ATTACHMENT 1: Potential Legal Controls and Mitigants for the MVR Project*

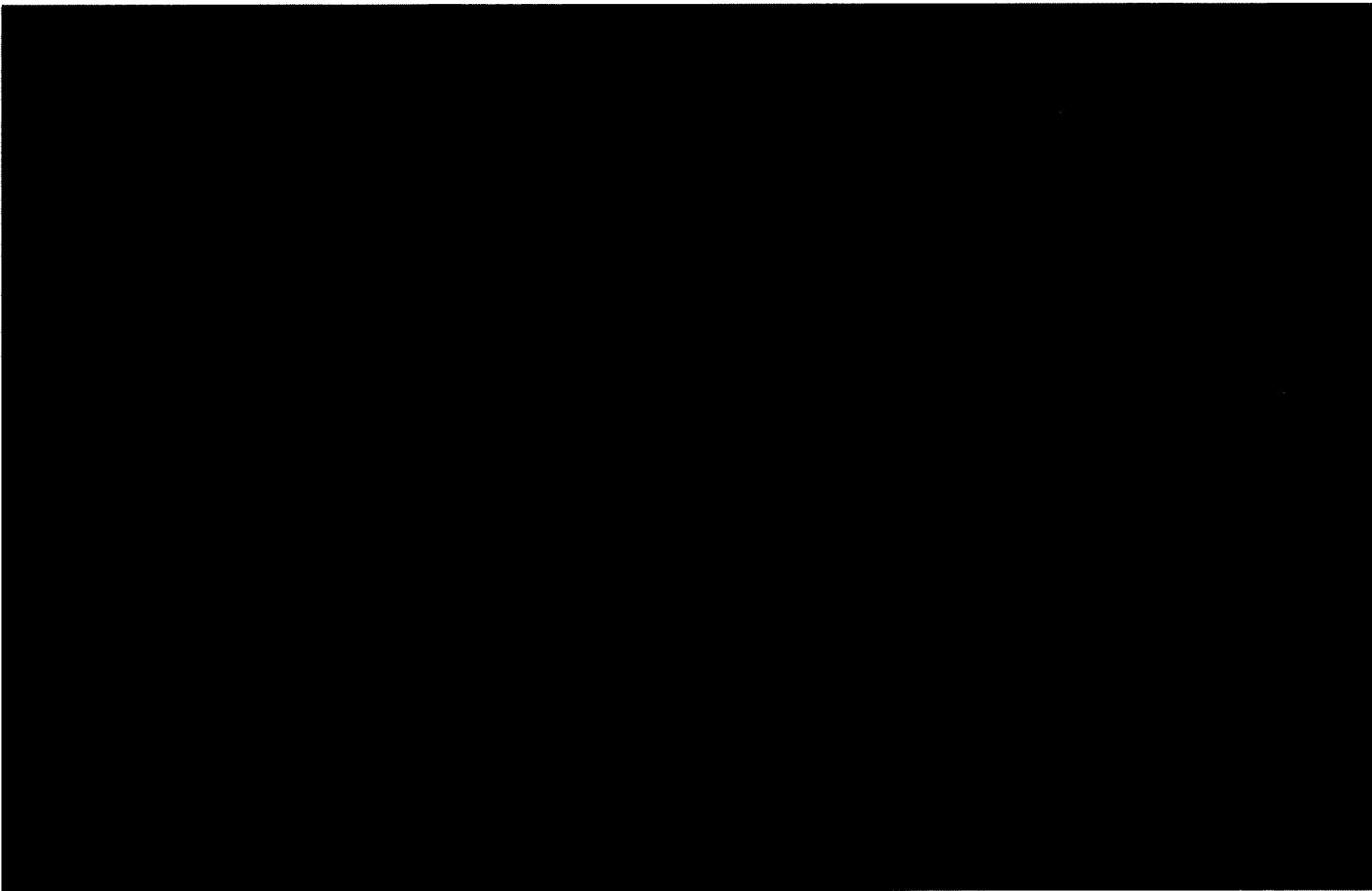


ATTACHMENT 1: Potential Legal Controls and Mitigants for the MVR Project*



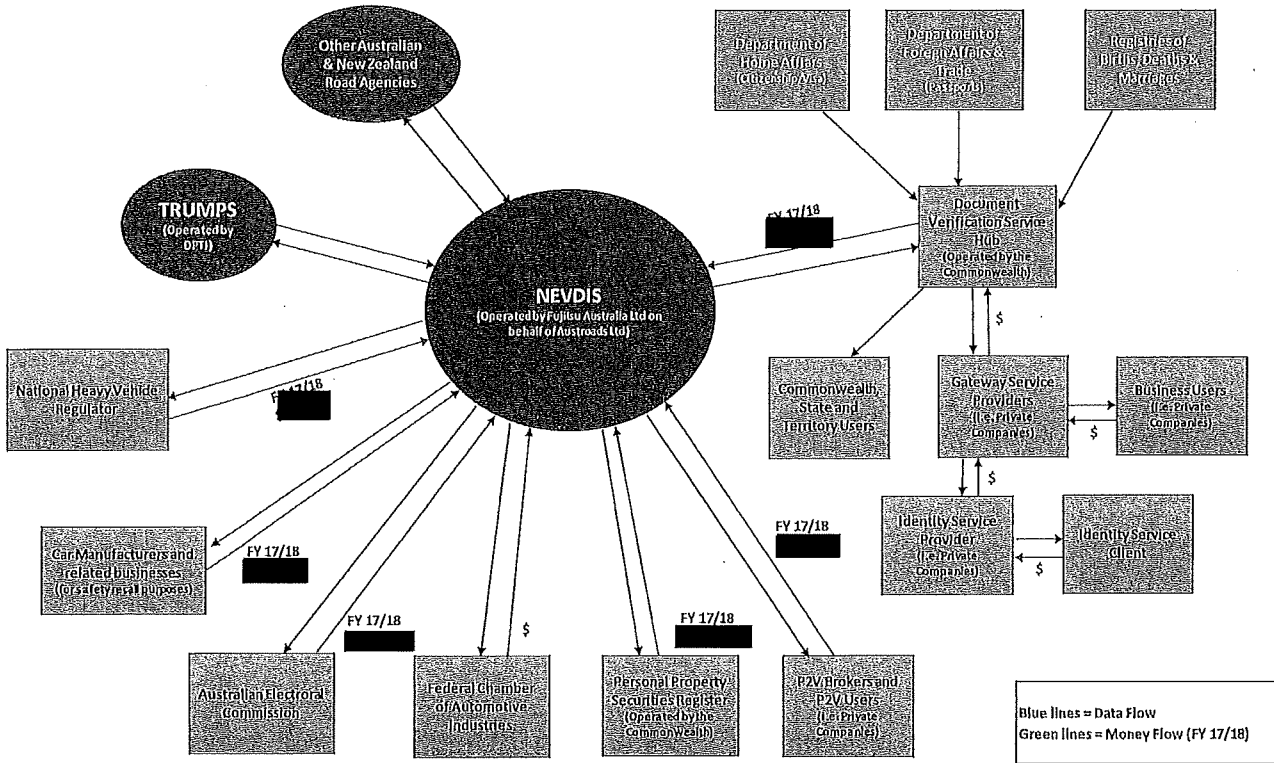
clause 10

ATTACHMENT 2: TRUMPS Users and Contributors



clause 16(2)(a)&(b)
clause 4(2)(a)(ii)(iv)(vi)

ATTACHMENT 3: NEVDIS Arrangements



clause 16(2)(a)&(b)
clause 15(a)

ATTACHMENT 4: Vendor Due Diligence — Estimated Costs

The key purpose of the due diligence process is to realise the best price for the asset proposed to be commercialised. A rigorous vendor due diligence process is undertaken to:

- Allow the State to arrive at an accurate and publicly defensible retention value.
- Maximise the value of the MVR Project transaction by providing increased certainty to bidders.
- Signal to the market that as a vendor the State is serious about the MVR Project transaction.
- Reduce or avoid exposure to legal liability to the State or Other Parties.
- Identify and assess the risks associated with relevant aspects of the operations, the role of any statutory officers and the assets related to the in-scope business, ahead of proceeding with the transaction.

The MVR Project transaction is complex and will require significant investment in due diligence as the in-scope business is not standalone.

Source: PWC



ATTACHMENT 5:
Valuation Analysis Appendix

Commercialisation Model

Market Value – Retained vs Commercialised Revenues

DRAFT FOR DISCUSSION



Confidential |

21

clause 16(2)(a)&(b)
clause 15(a)

Preliminary Valuation – Commercialisation model

Valuation Case

Comparison of Market Value vs. term

- 1 Market Value: Potential upfront proceeds received by the State from private operator under commercialisation transaction



Key Risks to Preliminary Valuation

Given MVR would be the first motor registry commercialisation in Australia, there are no direct market benchmarks, albeit land registries would be the closest comparable – the table below outlines potential valuation risks



Outsourcing Model
Setting Service Fee

DRAFT FOR DISCUSSION



clause 16(2)(a)&(b)
clause 15(a)

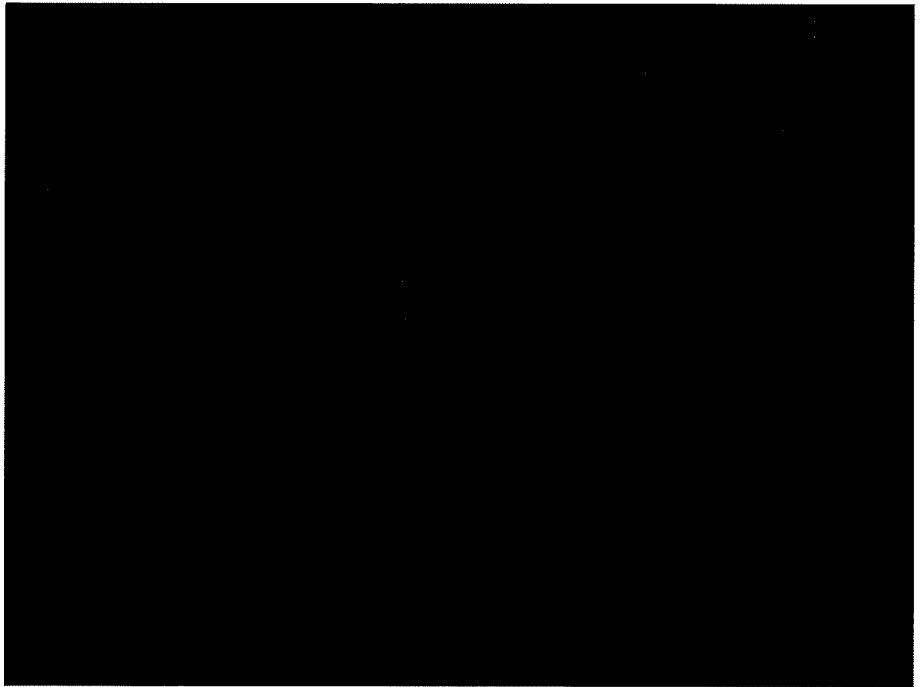
Preliminary Valuation – Outsourcing model

Valuation Cases

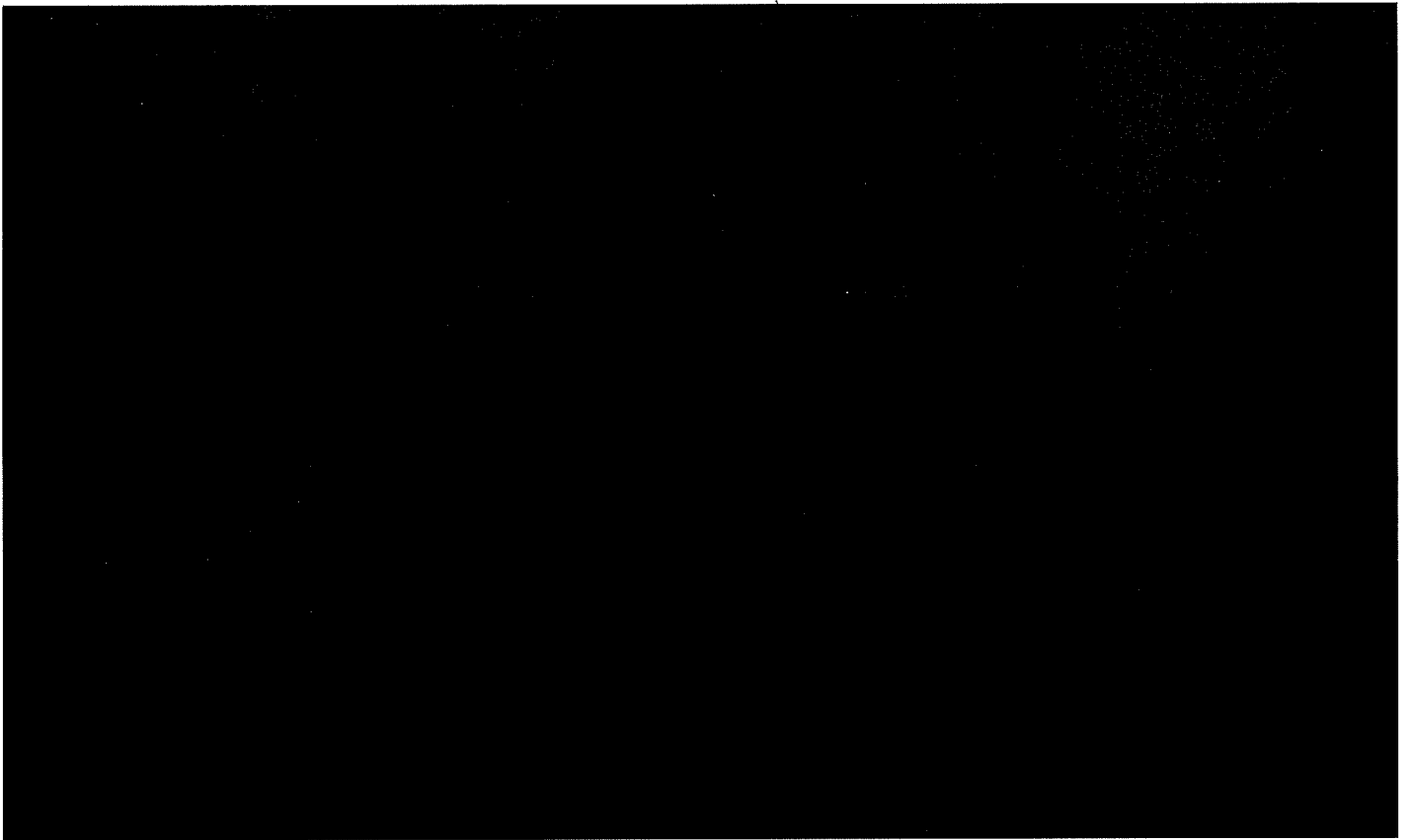
- 1 Market Value: Potential upfront proceeds received by the State from private operator under outsourcing transaction



Comparison of Market Value vs. term



Preliminary Valuation – Outsourcing model



Contacts

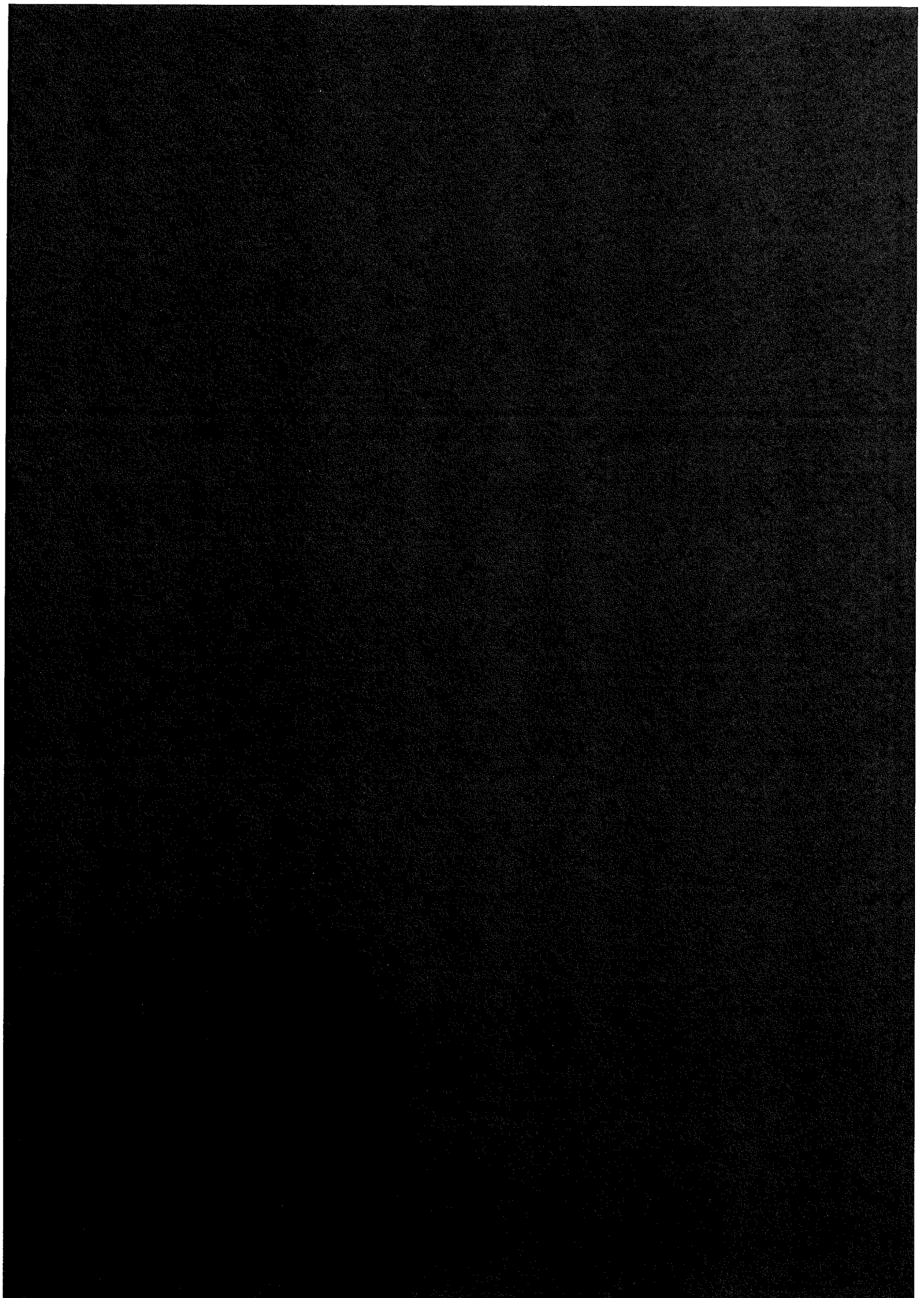
Suan Hocking
Deputy Chief Executive
Department of Treasury and Finance
0434 474 199

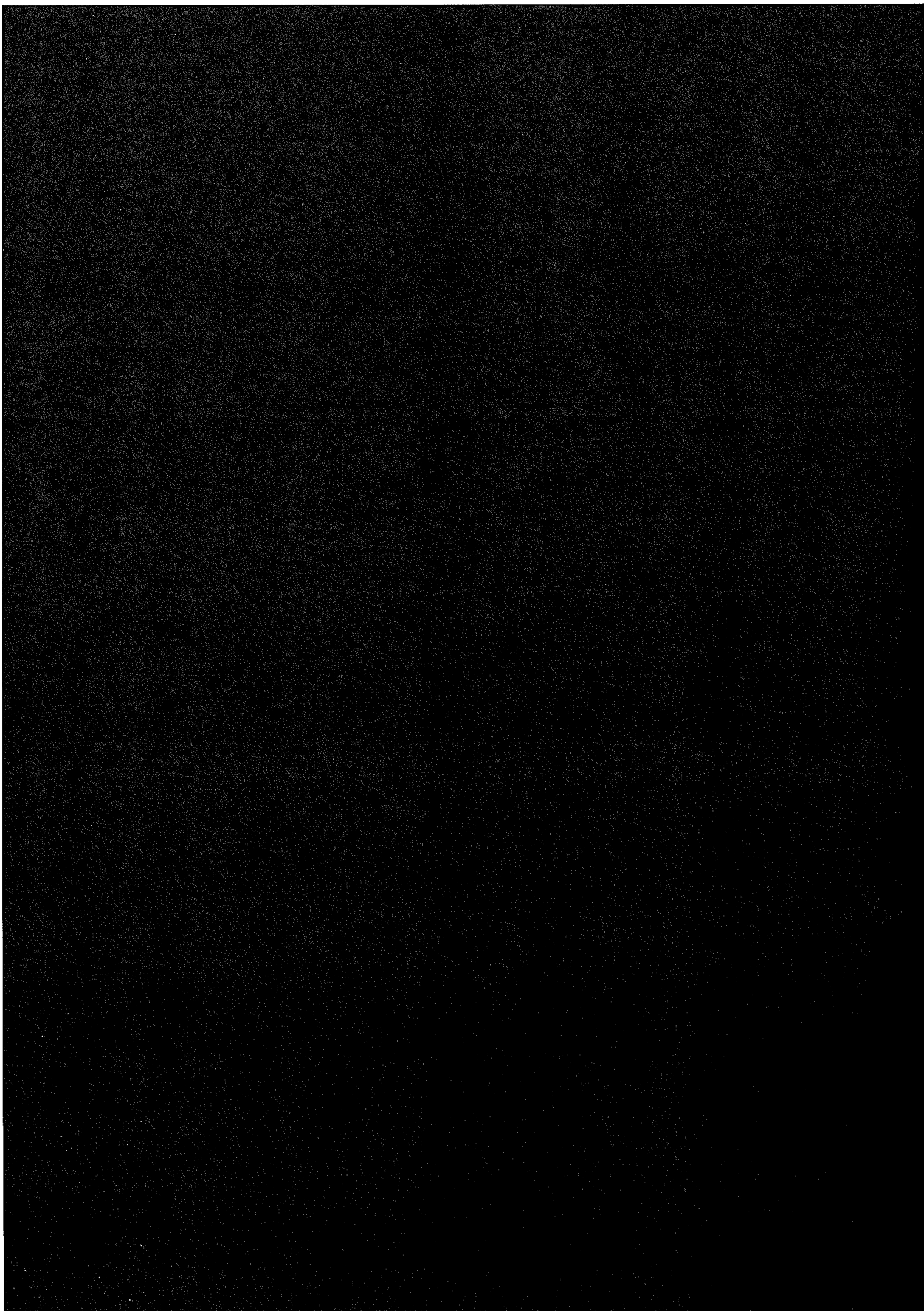
Brad Gay
Executive Director, Commercial & Economics
Department of Treasury and Finance
0410 478 552

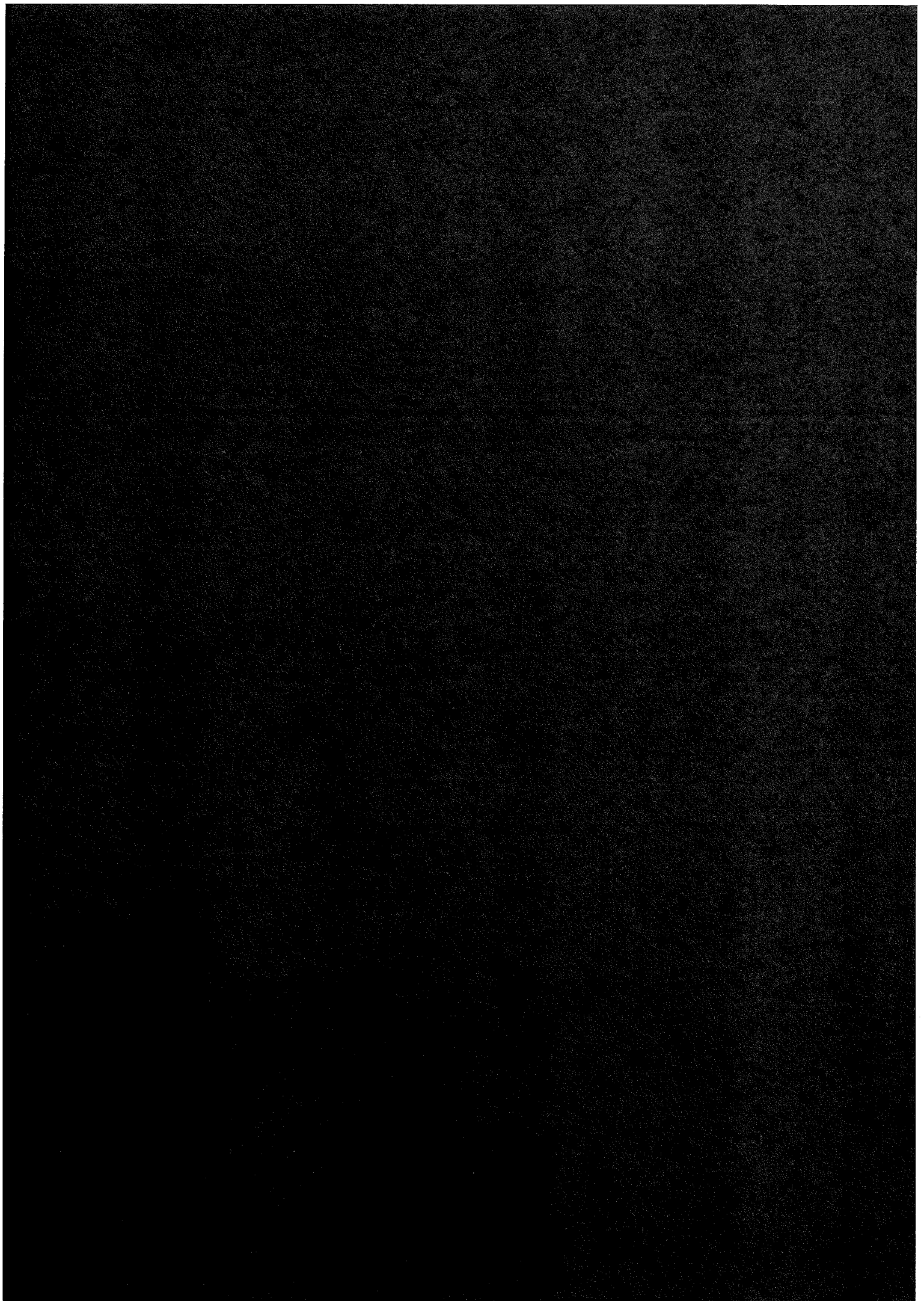
Attachment B:

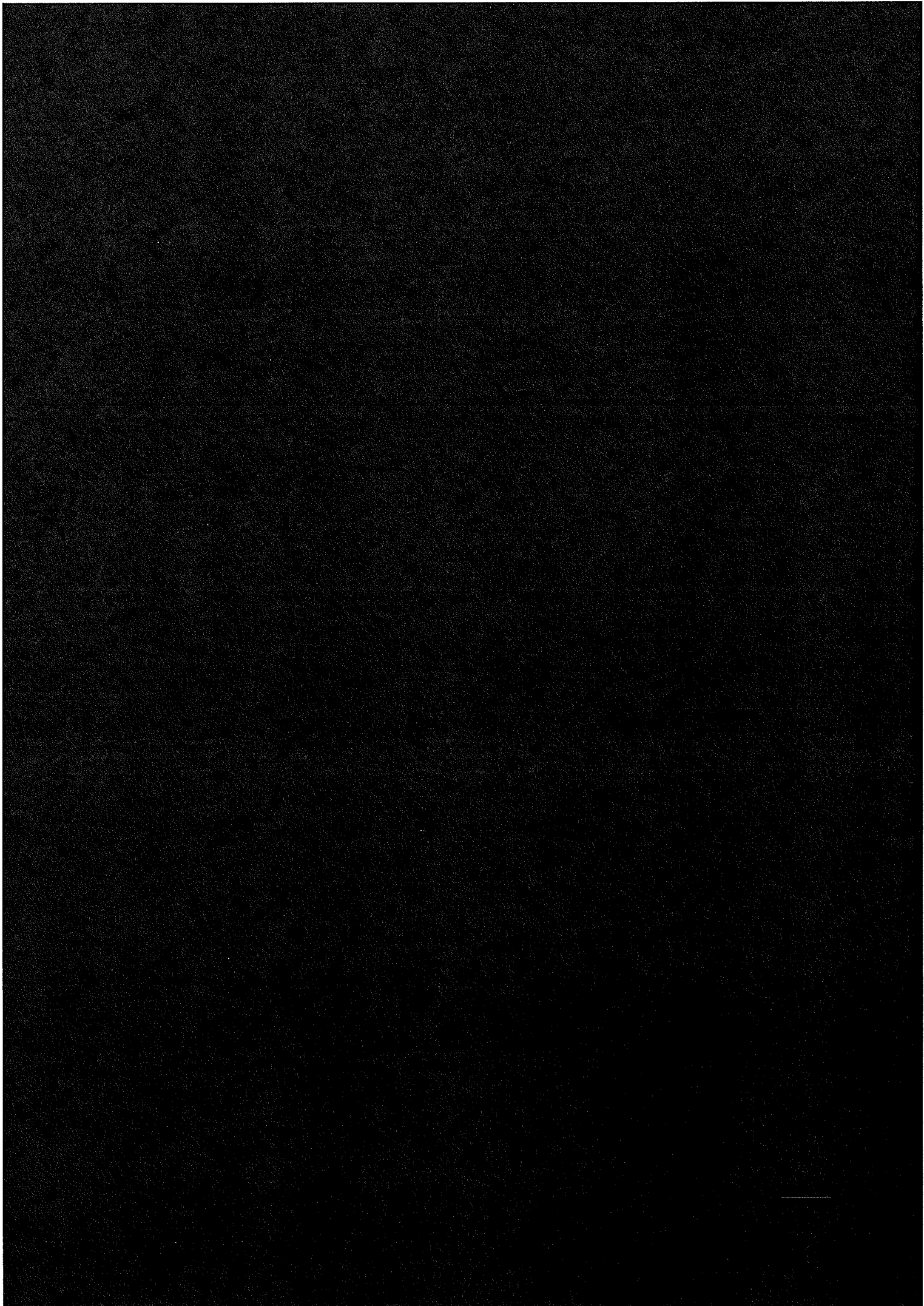
CSO MVR PIV Advice

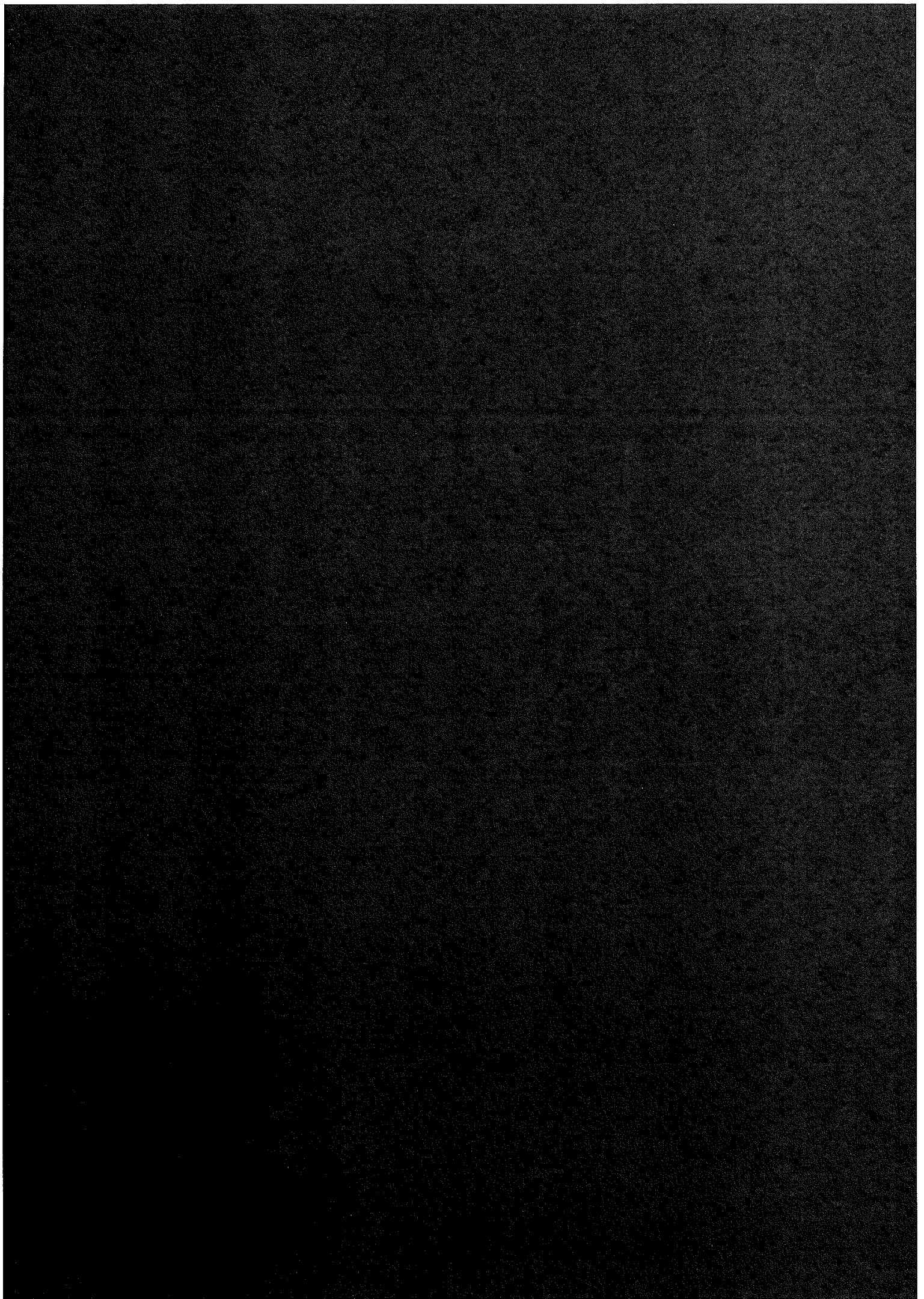
clause 10

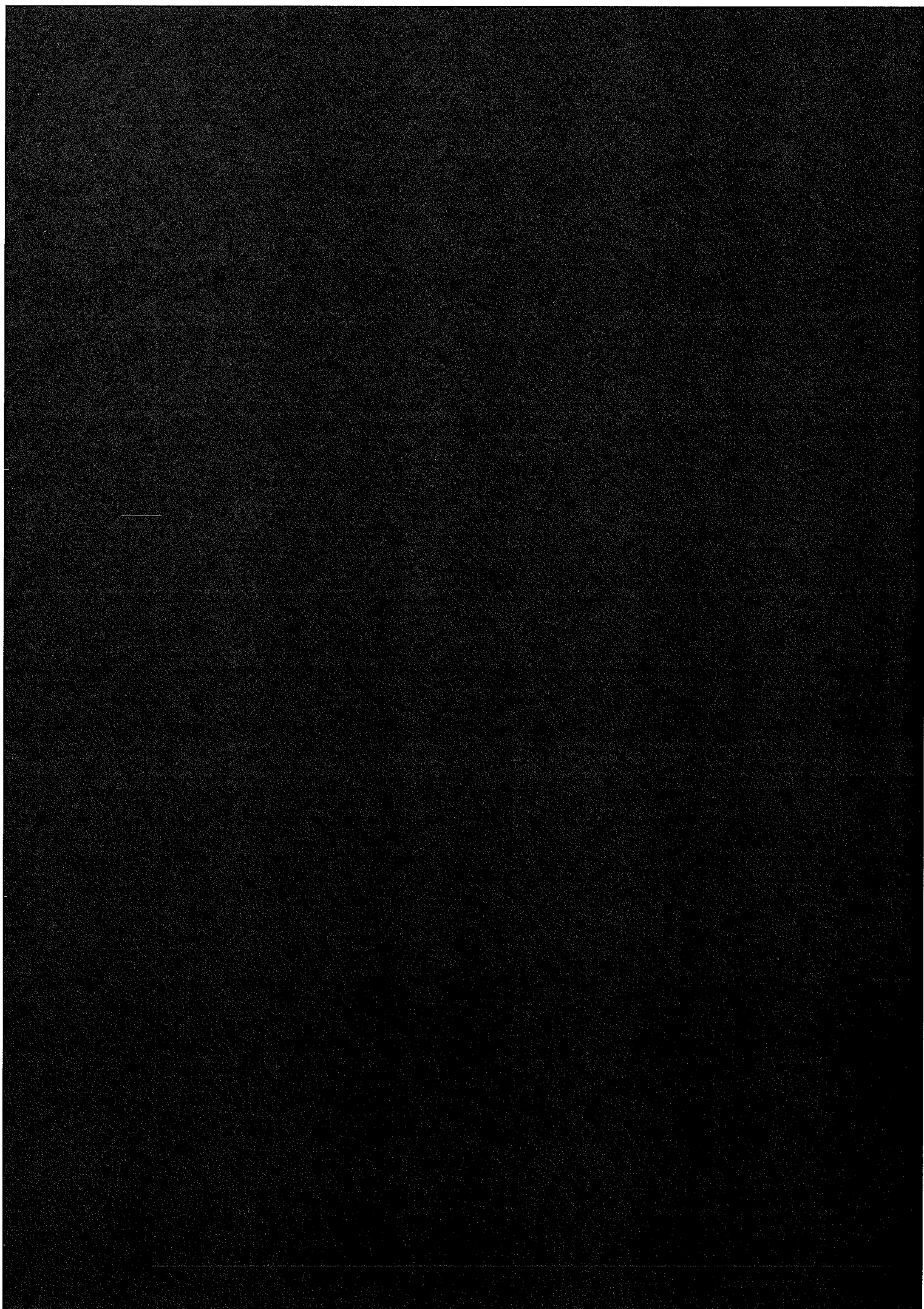








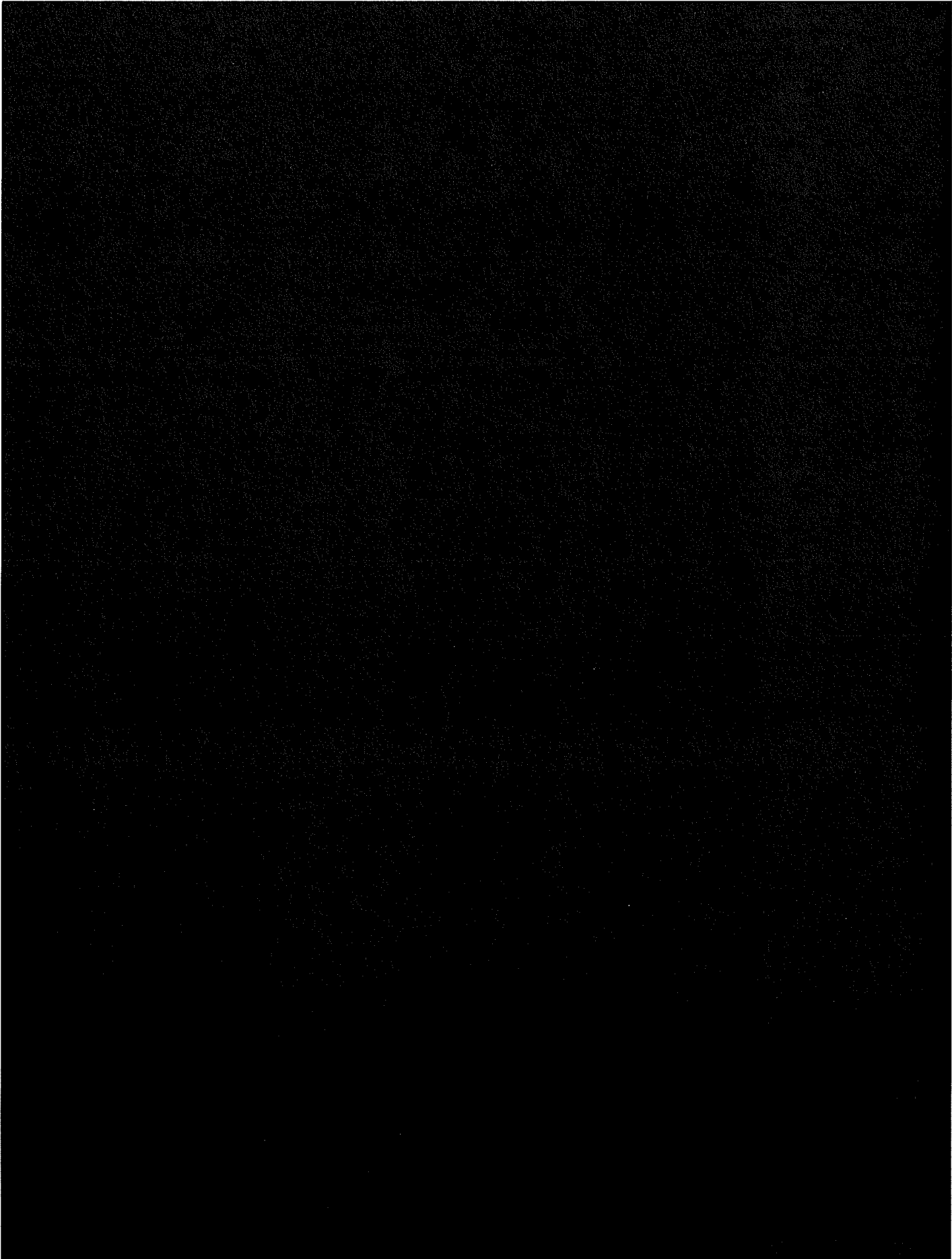


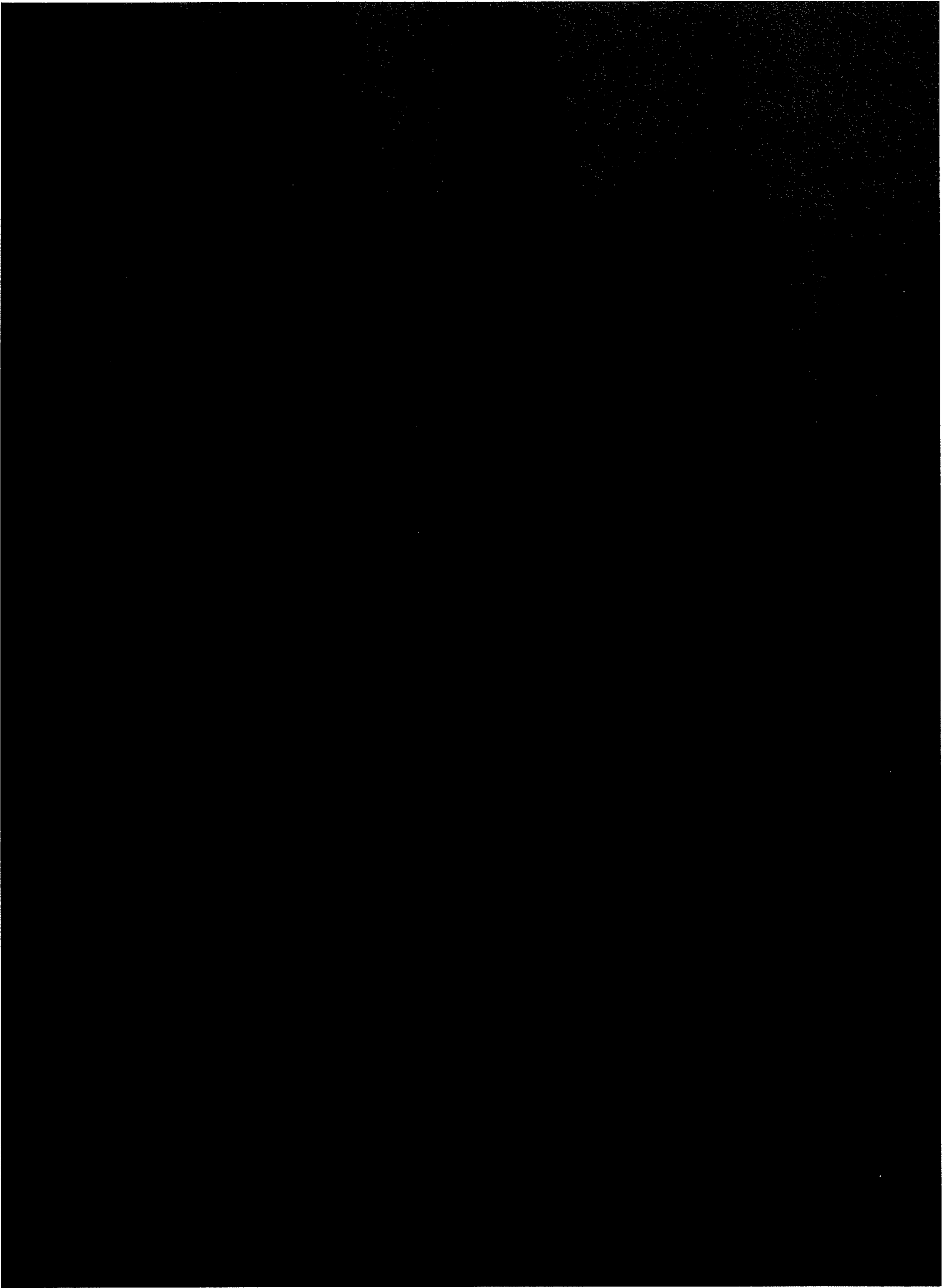


Attachment C:

Strategic Procurement Government Services MVR PIV

clause 7(1)(B)
clause 1(1)(e)

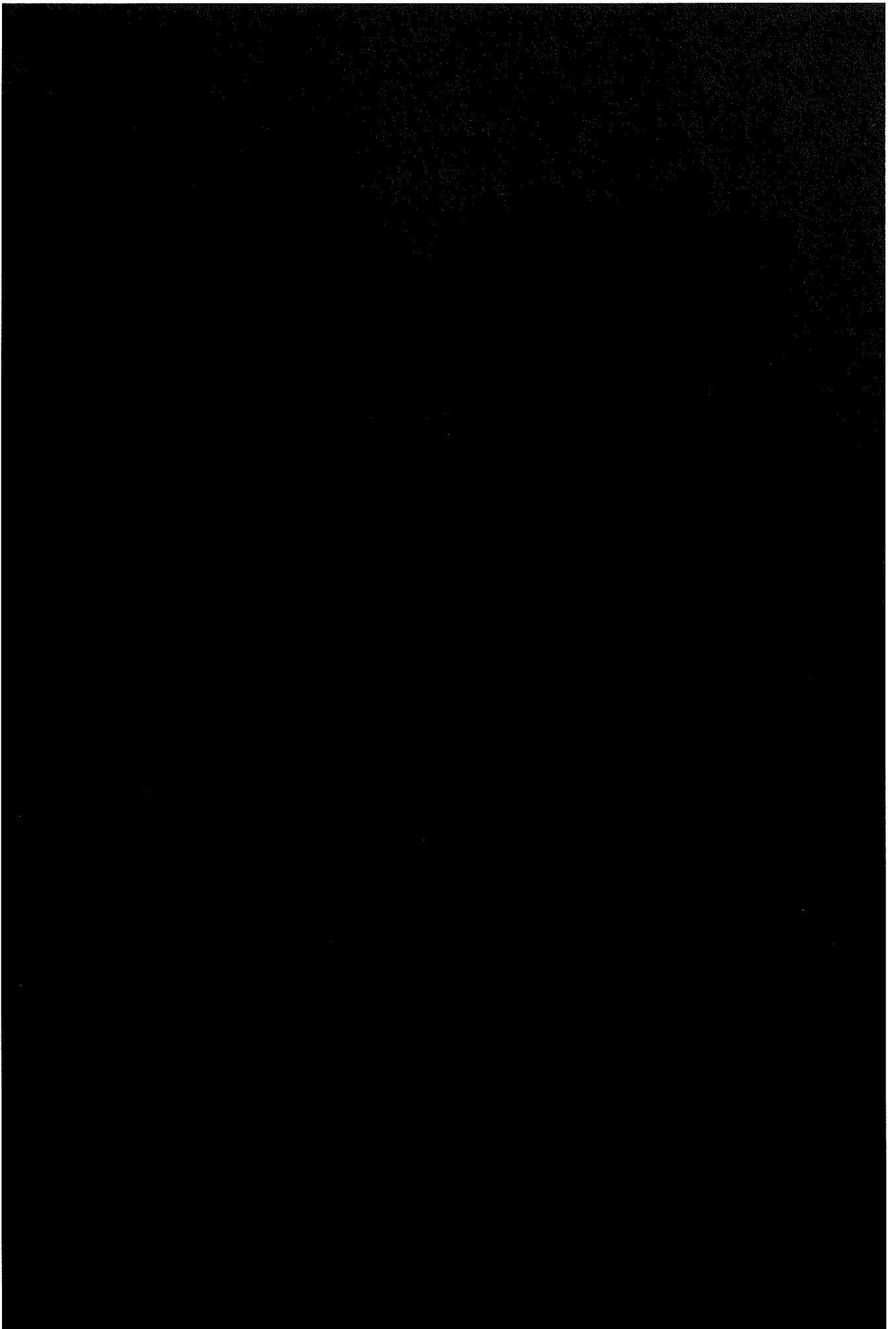


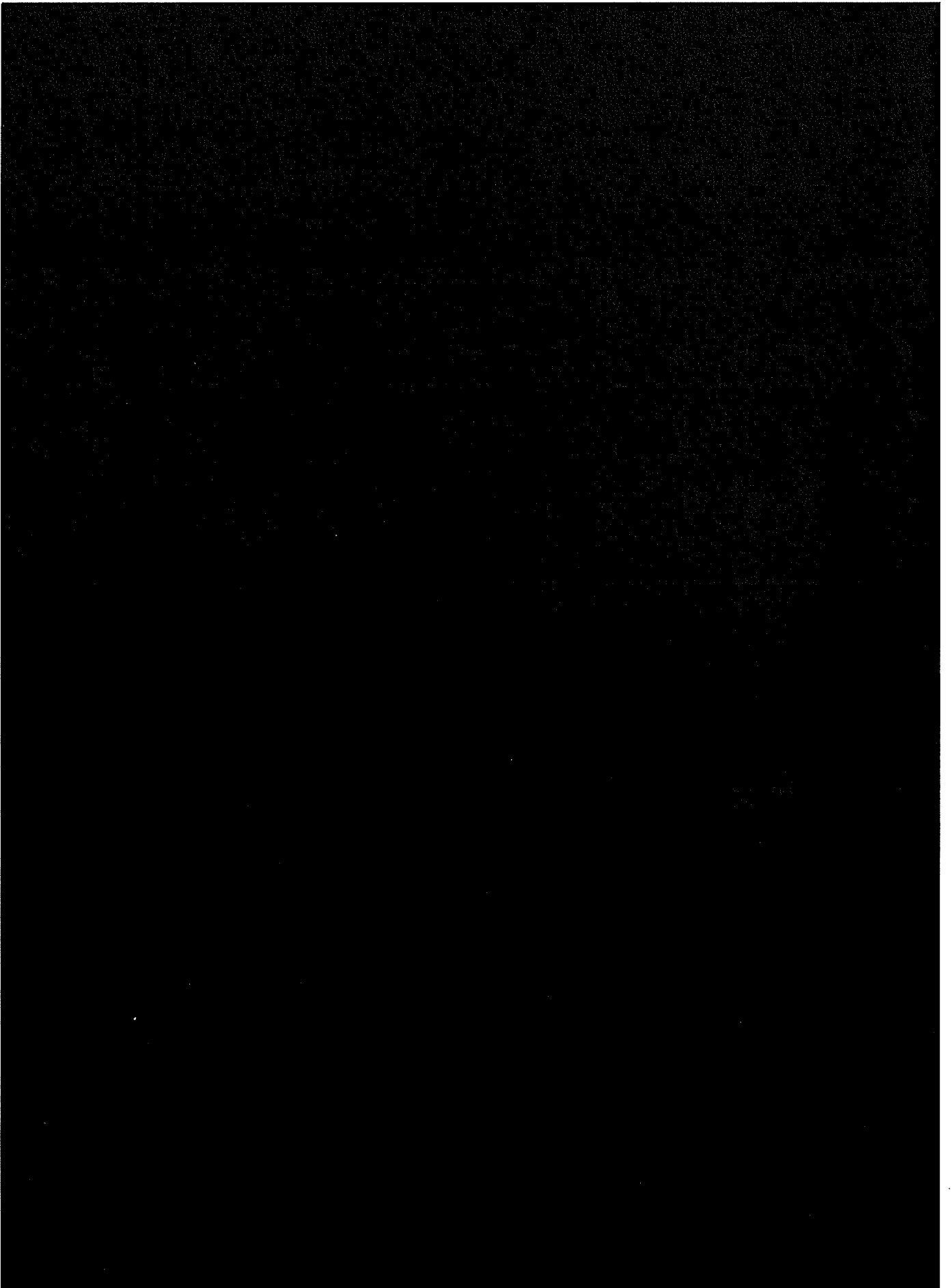


Attachment D:

BDO MVR PIV Probity Advice

clause 7(1)(b)

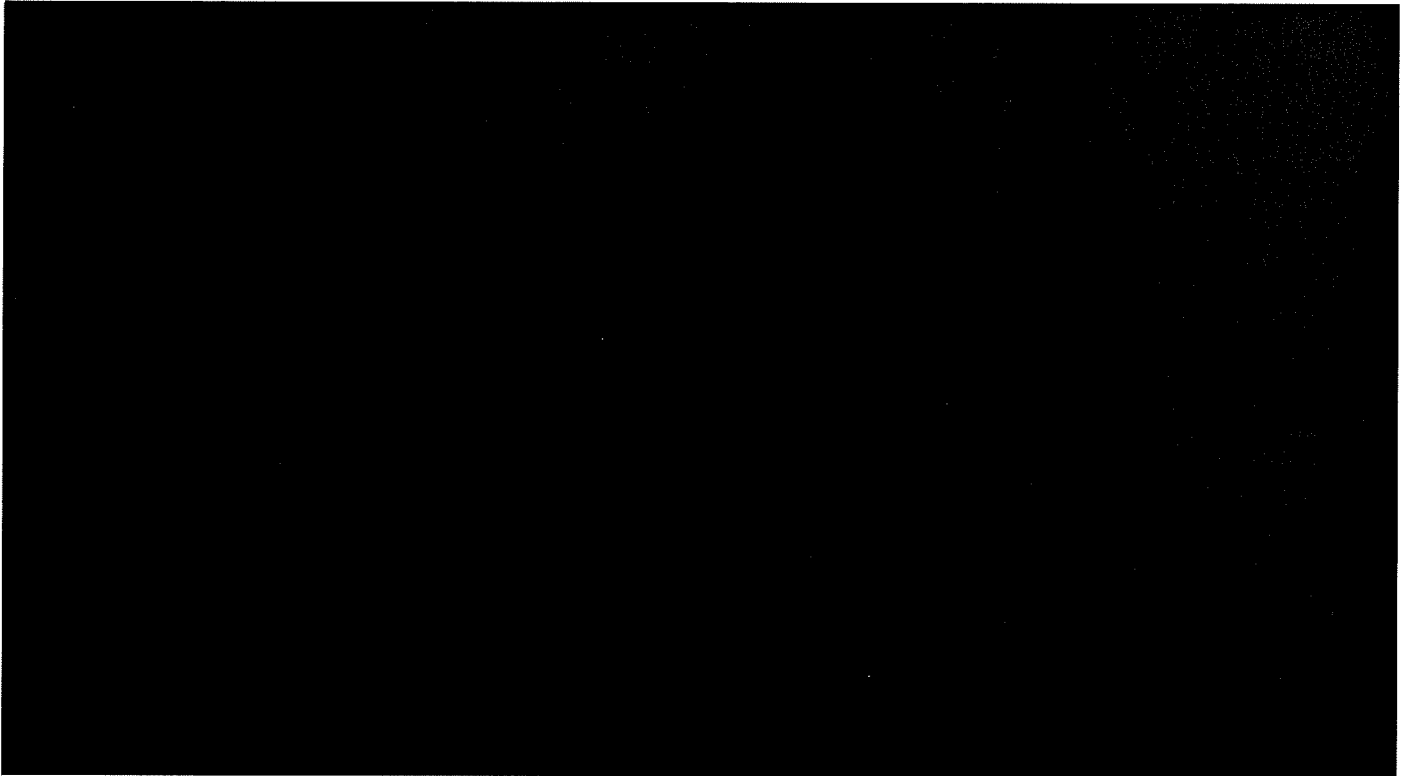




Attachment E:

Updated Timeline

■ Preliminary Indication of Value –
Key Milestones



clause 16(2)(a)&(b)

MINUTE

12/4/19
T19/017
TR31960827



Government of South Australia
Department of Treasury and Finance

MINUTES forming ENCLOSURE

File T&F18/0597

Doc No A1098031

To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT – STEERING COMMITTEE MEETING UPDATE: 3 APRIL 2019

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee (SC) – Agenda (Attachment A) for the meeting held on 3 April 2019.
- Note the draft MVR Project SC – Minutes (Attachment B) of the meeting held on 3 April 2019
- Note that the draft SC Minutes (Attachment B) are expected to be endorsed by the SC in session on 24 April 2019. These are submitted to you for information purposes and do not constitute a final record until endorsed by the SC.

Noted

Hon Rob Lucas MLC
Treasurer

20/4/19

BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS BRANCH

12 / 04 / 2019

Contact Officer:	Simon Croll, Manager
Telephone:	0420 0625
Email address:	Simon.Croll@sa.gov.au



List of Attachments

Attachment A: MVR Project – Steering Committee Agenda – 3 April 2019

Attachment B: MVR Project – Final Draft Steering Committee Minutes – 3 April 2019

Attachment A:

MVR Project –Steering Committee Agenda – 3 April 2019



AGENDA

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project -
Steering Committee

Time and date: 3 April 2019 - 1:30PM to 3:00PM

Location: Conference Room - Level 8 - State Admin Centre
200 Victoria Square, Adelaide SA 5000

☎ **Dial in details:** Telephone 1800 062 923 - Passcode 7850 3749 2014 then #

Attending:	Stuart Hocking	Deputy Chief Executive - DTF	Chair
	Andrew Cadd (CEB-AC)	Project Director	Member
	Ben Wilson (DPC-BW) (Proxy)	Director, Economic Advice	Member
	Brad Gay (CEB-BG)	Executive Director	Member
	Wayne Buckerfield (DPTI-WB) (Proxy)	A/Chief Executive - DPTI	Member
	Ken Patterson	Probity Advisor	Probity
	Simon Crotti	Manager	Secretariat
	David Dellaverde (CEB-DD)	Project Officer	Attendee
	Kate Guy (AGD-KG)	Senior Solicitor	Attendee
	Terry McKenna (CEB-TM)	Project Director - ICT	Attendee
	☎ Priyanka Garg (Inv-PG)	Associate - Investec	Attendee
	☎ Peng Ly (Inv-PG)	Managing Director - Investec	Attendee

Apologies:

David Penov	Project Manager
Jim McDowell	Chief Executive - DPC
Tony Braxton-Smith	Chief Executive - DPTI

Item	Items for discussion	By who
1.	Welcome and preliminary business	
	1.1. Declaration of Conflict of Interest	Chair
	1.2. Minutes from meeting 14 March 2019 ☎	Chair
	1.3. Action Items ☎	Chair
2.	Key Issues at Hand	
	2.1. TRUMPS Update - Advice from Land Services SA Pty. Ltd. ☎	CEB-TM
	2.2. Treatment of Land Services SA (LSSA) Exclusive Right to Negotiate Payment ☎	DPC-BW
	2.3. Preliminary Valuation Analysis ☎	Inv-PG
3.	Items for Noting	
	3.1. Project Update - MVR Project Timeline Review - as at 25 March 2019 ☎	Chair
	3.2. Project Update - Risk Report ☎	Chair



AGENDA

clause 10(1)	3.3. Estimated State Budget Impact	CEB-SC
	3.4. Estimated Highways Fund Impact	CEB-SC
	3.5.	AGD-KG
	3.6.	AGD-KG
clause 7(1)(b)	3.7.	DPTI-WB
	3.8.	DPTI-WB
	3.9. Revised - Scoping Study Working Group - Terms of Reference - effective 13 March 2019	Chair
4.	Communications	
	4.1. Communications Register	Chair
	4.2. Media Monitoring	Chair
	4.3. Correspondence/FOI (<i>Nil report</i>)	Chair
5.	Other Business	Chair
6.	Next Meeting - Monday, 15 April 2019 - 11:00am to 12:30pm	All

Attachment B:

MVR Project – Final Draft Steering Committee Minutes – 3 April 2019



Minutes

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee

Time and date: 1:30pm - 3:00pm, 3 April 2019

Location: Conference Room, Level 8, State Administration Centre, 200 State Administration Centre, Adelaide

Attending:	Stuart Hocking	Deputy Chief Executive	Chair
	Brad Gay (CEB-BG)	Executive Director	Member
	Andrew Cadd (CEB-AC)	Project Director	Member
	Ben Wilson (DPC-BW) <i>(Proxy)</i>	Director, Economic Advice	Member
	Wayne Buckerfield (DPTI-WB) <i>(Proxy)</i>	A/Chief Executive	Member
	Simon Crotti	Manager	Secretariat
	Ken Patterson	BDO - Probity Advisor	Probity
	Kate Guy (AGD-KG)	Senior Solicitor	Attendee
	Terry McKenna (CEB-TM)	Project Director - ICT	Attendee
	David Dellaverde (CEB-DD) <i>(Proxy)</i>	Manager	Attendee
	Peng Ly (Inv-PL) ☎	Investec - Managing Director	Attendee
	Priyanka Garg (Inv-PG) ☎	Investec - Associate	Attendee
Apologies:	David Penov	Project Manager	
	Jim McDowell (DPC-JM)	Chief Executive DPC	
	Tony Braxton-Smith (DPTI-TBS)	Chief Executive DPTI	

Item	Items for discussion	Outcome	Responsibility
1.	Welcome and preliminary business		
1.1	• No conflicts of interest were declared	Noted	SC
1.2	• The Steering Committee (SC) accepted the Minutes of Meeting on 14 March 2019.	Accepted	SC
	• AGD-KG sought clarification on the inclusion of Chris Gray as an apology in the minutes.		
	• CEB-DD advised that Chris Gray was a member of the Steering Committee until the revised terms of reference were endorsed at that meeting.	Noted	SC
1.3	• The SC noted the action items.	Noted	SC
2.	Key Issues at Hand		
2.1	<u>TRUMPS Update – Advice from Land Services SA Pty. Ltd.</u>		
	• DTF-TM advised that at the Investec facilitated meeting with Macquarie Infrastructure and Real Assets (MIRA) on 20 March 2019, it became apparent that MIRA's preference was to obtain full control of the Transport Regulation User Management	Noted	SC
		clause 7(1)(a)	



Minutes

Item	Items for discussion	Outcome	Responsibility
	Processing System (TRUMPS) in the event that the State decided to proceed with commercialisation of the MVR.		
	<ul style="list-style-type: none"> DTF-TM advised that other potential TRUMPS options discussed with MIRA included the use of Application Programming Interfaces (API); and a split management approach ('Option 2') 	Noted	SC
	<ul style="list-style-type: none"> Investec-PG advised that MIRA had not anticipated the use of an Application Programming Interface (API) model, and was resistant to an API model as they deemed it to be high cost and high risk. 	Noted	SC
	<ul style="list-style-type: none"> DTF-TM clarified that MIRA did not propose a solution that allows the State to retain control of TRUMPS functions that have access to sensitive data, and that in his view, the only way to deliver this option is via an API model. 	Noted	SC
	<ul style="list-style-type: none"> Investec-PG advised that Investec anticipate that the API model would not appeal to other infrastructure bidders as they would be deterred by the associated expenditure and risk. 	Noted	SC
	<ul style="list-style-type: none"> Investec-PG advised that 'strategic' bidders (for the outsourcing model) typically require full control of IT systems and are unlikely to invest in API development given shorter term outsourcing contracts. 	Noted	SC
clause 10(1)	<ul style="list-style-type: none"> [Redacted] 	Noted	SC
	<ul style="list-style-type: none"> Investec-PG advised that MIRA are aware of the high number of touch points between TRUMPS and other State agencies, and associated reporting obligations. 	Noted	SC
	<ul style="list-style-type: none"> Investec-PG advised that MIRA expressed comfort with the level of Interfaces and reporting obligations. 	Noted	SC
	<ul style="list-style-type: none"> The SC endorsed the TRUMPS Options Working Group directing its efforts to investigate the risk mitigation issues associated with the transfer of full control of TRUMPS. 	Endorsed	SC
	<ul style="list-style-type: none"> The SC noted that DPTI and MVR Project Team will prepare advice to identify the technical controls that could be used to mitigate risks associated with the transfer of TRUMPS. 	Noted	SC
clause 10(1)	<ul style="list-style-type: none"> [Redacted] 		
	<ul style="list-style-type: none"> CEB-TM advised that Option 2 could be an interim solution for the State, however he did not consider it sustainable given the 	Noted	SC



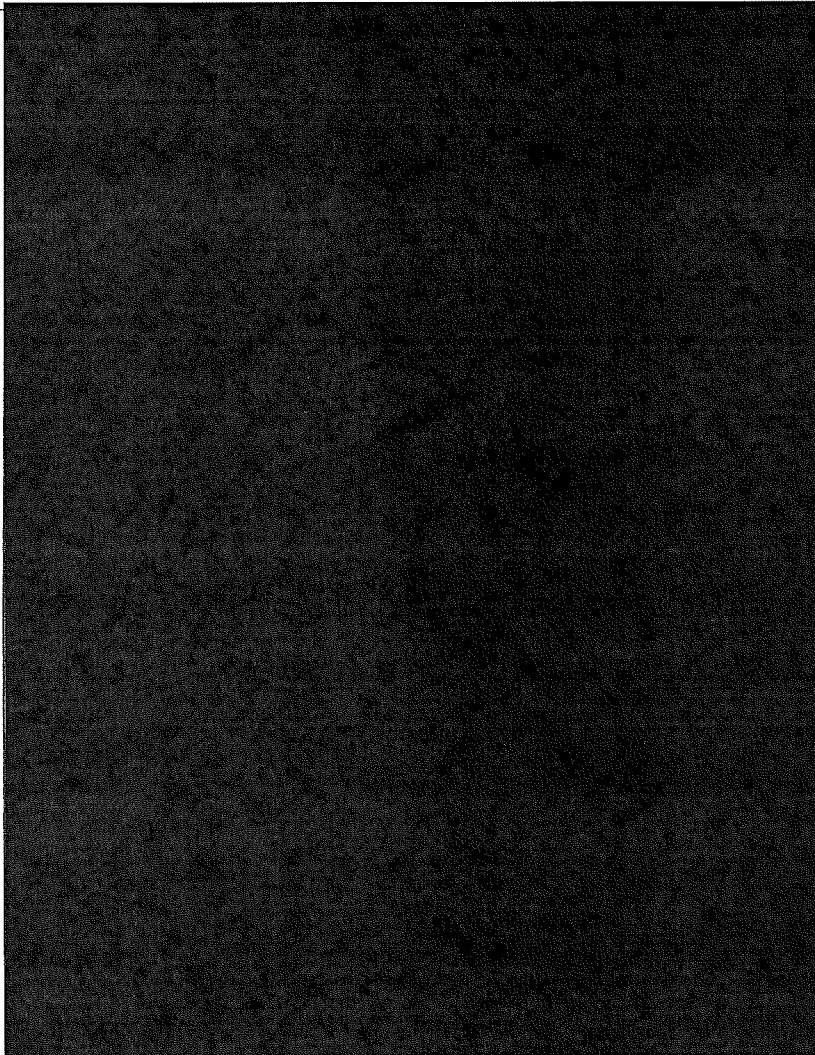
Minutes

Item	Items for discussion	Outcome	Responsibility
clause 10(1)	increased overheads for the State and duplication of effort required.		
	<ul style="list-style-type: none"> The Chair sought clarification on whether Option 2 removed the perceived risks associated with assumed Identities Information contained within TRUMPS. CEB-TM confirmed that Option 2 did avoid those risks. 	Noted	SC
	[Redacted]		
	<ul style="list-style-type: none"> The Chair advised that he has received written advice from CEB-TM on Option 2 and requested that the advice is provided for consideration at the next SC meeting. 	Noted	SC
	[Redacted]	Noted	SC
	[Redacted]	Noted	SC
clause 10(1)	<ul style="list-style-type: none"> Investec-PG advised that there was a discussion of system controls at the MIRA meeting on 20 March 2019, including current controls in place within DPTI. 	Noted	SC
	[Redacted]	Noted	SC
clause 10(1)	<ul style="list-style-type: none"> DPTI-WB advised that the risk report has not been finalised. The SC endorsed DPTI sharing the outcomes of the risk workshops with the MVR Project Team as a matter of priority. 	Noted	SC
		Endorsed	SC
	[Redacted]	Noted	SC



Minutes

2.2



Noted

SC

Noted

SC

Endorsed

SC

Noted

SC

Endorsed

SC

Endorsed

SC

Noted

SC

clause 1(1)(e)

2.3

Preliminary Valuation Analysis (PVA)

- Investec-PG advised that the API model was removed from the PVA given the limited market appetite for that model.
- Investec-PG confirmed that TRUMPS capital expenditure and TRUMPS operating expenditure would be transferred to the private operator under the commercialisation model.
- Investec-PG advised that the interest rate to calculate interest expense savings was revised from 3.3% to 2.2% based on advice from South Australian Government Financing Authority.
- DPTI-WB asked for clarification that the SC is being asked to endorse Investec's analysis as correct, and that the SC is relying on Investec's assessment of market returns.

Noted

SC

Noted

SC

Noted

SC



Minutes

clause 10(1)	<ul style="list-style-type: none"> The Chair confirmed that the SC is seeking endorsement of the PVA, and noted that Investec tested discount rate assumptions with the Department of Treasury and Finance and the cost, volume and revenue assumptions with DPTI. The SC noted the thoroughness of the market valuation process undertaken by Investec for the scoping study [REDACTED] Investec-PG advised that this information would be presented in the in the Scoping Study report. The SC conditionally endorsed the PVA subject to confirmation from DPTI (due Monday 8 April 2019) 	Noted Noted Noted Conditionally Endorsed	SC SC SC SC
clause 10(1)	<p>3. Items for Noting</p> <p>3.1 <u>Project Update – MVR Project Timeline Review – as at 25 March 2019</u></p> <ul style="list-style-type: none"> The SC noted the MVR Project Timeline as at 25 March 2019. The Chair advised that he intends to discuss next steps with the Treasurer, including the potential to seek a preliminary indication of value from LSSA. [REDACTED] 	Noted Noted Noted	SC SC SC
	<p>3.2 <u>Project Update – Risk Report</u></p> <ul style="list-style-type: none"> The risk report was noted by the SC. 	Noted	SC
	<p>3.3 <u>Estimated State Budget Impact</u></p> <ul style="list-style-type: none"> The SC noted the 'Estimated State Budget Impact' minute. 	Noted	SC
	<p>3.4 <u>Estimated Highways Fund Impact</u></p> <ul style="list-style-type: none"> The SC noted the 'Estimated Highways Fund Impact' minute. 	Noted	SC
clause 10(1)	[REDACTED]	Noted	SC
3.6	[REDACTED]	Noted	SC
clause 10(1)	[REDACTED]	Noted	SC



Minutes

	[Redacted]	Endorsed	SC	
	[Redacted]	Noted	SC	
3.8	[Redacted]	Noted	SC	clause 7(1)(b) (i)(ii)(A)(B)
3.9	<u>Revised - Scoping Study Working Group - Terms of Reference – effective 13 March 2019</u>			
	<ul style="list-style-type: none"> The SC noted the 'Revised – Scoping Study Working Group Terms of Reference – effective 13 March 2019'. 	Noted	SC	
4.	Communications			
4.1	<ul style="list-style-type: none"> The SC noted the Communications Register. 	Noted	SC	
4.2	<ul style="list-style-type: none"> The SC noted the media monitoring. 	Noted	SC	
	<ul style="list-style-type: none"> [Redacted] 			
	<ul style="list-style-type: none"> DPTI-WB confirmed that DPTI will provide an update on the Offensive Slogans Bill at the next SC meeting. 	Noted	SC	
4.3	<u>Correspondence/Freedom of Information (FOI) Requests</u>			
	<ul style="list-style-type: none"> CEB-DD advised that the MVR Project Team has received a FOI Request from the Shadow Treasurer, regarding correspondence related to Service SA. 	Noted	SC	
5.	Other Business			
	<ul style="list-style-type: none"> The Chair requested SC approval to cancel the meeting on 15 April 2019. 	Noted	SC	
	<ul style="list-style-type: none"> The SC endorsed the cancellation of the SC meeting on 15 April 2019. 	Endorsed	SC	
6.	Next Meeting			
	Wednesday, 24 April 2019 – 2:00pm to 3:30pm			

clause 10(1)

MINUTE

19/3/19
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Government
of South Australia
Department of Treasury
and Finance

MINUTES forming ENCLOSURE

File T&F18/0597

Doc No A1071148

To The Treasurer

**MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT – STEERING
COMMITTEE MEETING UPDATE: 14 MARCH 2019**

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee (SC) – Agenda (Attachment A) for the meeting held on 14 March 2019.
- Note the draft MVR Project SC – Minutes (Attachment B) of the meeting held on 14 March 2019.

Noted

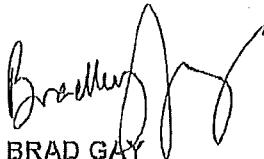
Hon Rob Lucas MLC
Treasurer

23/3/19

Key Points:

- The SC met for the sixth time on 14 March 2019 and matters for discussion included:
 - MVR Project – Preliminary Valuation Analysis, and
 - Transport Regulation User Management Processing System (TRUMPS) Options Analysis.
- The draft SC Minutes (Attachment B) are expected to be endorsed by the SC in session on 28 March 2019. These are submitted to you for information purposes and do not constitute a final record until endorsed by the SC.
- On 27 February 2019, the SC was requested to endorse and note a number of items out of session (rather than hold a meeting on 28 February 2019). The items endorsed and noted included:


1. Minutes from MVR Steering Committee meeting on 14 February 2019: Endorsed
 3. Minute – PwC Process Simplification Report: Endorsed
 4. Steering Committee Action Items as at 21 February 2019: Noted
 5. High Level Risk Register Report as at 21 February 2019: Noted
 7. Investec – ERN Timeline Advice: Noted
- The Department for Planning, Transport and Infrastructure (DPTI) Member (Tony Braxton-Smith) advised that Items 2 and 6 required further review prior to receiving DPTI endorsement/noting.
2. MVR Project – PwC As-Is Report – Executive Summary
 6. MVR Project – PwC As-Is Report
- Based on this advice, these documents will remain partially endorsed / noted, (awaiting DPTI Member confirmation), with the final versions to be recirculated (for information only) to SC Members following endorsement by DPTI.
 - The next meeting of the SC is scheduled on 28 March 2019, and the SC is expected to discuss and consider the draft MVR Project – Scoping Study.



BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS BRANCH

15 / 03 / 2019

Contact Officer:	David Penov, Project Manager
Telephone:	8429 3696
Email address:	David.Penov@sa.gov.au

Supported / Not Supported
 Stuart Hooking
DEPUTY CHIEF EXECUTIVE
Department of Treasury and Finance
Date..18.1.3.1.19.

List of Attachments

Attachment A: MVR Project –Steering Committee Agenda – 14 March 2019

Attachment B: MVR Project – Final Draft Steering Committee Minutes – 14 March 2019



AGENDA

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project - Steering Committee

Time and date: 14 March 2019 - 1:00PM to 2:30PM

Location: Conference Room - Level 8 - State Admin Centre
200 Victoria Square, Adelaide SA 5000
☎ Dial in details: Telephone 1800 062 923 - Passcode 7850 3749 2014 then #

Attending:

Stuart Hocking	Deputy Chief Executive - DTF	Chair
Brad Gay (CEB-BG)	Executive Director	Member
Andrew Cadd (CEB-AC)	Project Director	Member
Tony Braxton-Smith (DPTI-TB)	Chief Executive - DPTI	Member
Ben Wilson (DPC-BW) (<i>Proxy</i>)	Director	Member
Kate Guy (AGD-KG)	Senior Solicitor	Member
David Penov	Project Manager	Secretariat
Ken Patterson (Probity)	Probity Advisor	Probity
Terry McKenna (CEB-TM)	Project Director - ICT	Attendee
Simon Crotti (CEB-SC)	Manager	Attendee
☎ Priyanka Garg (Inv-PG)	Associate - Investec	Attendee

Apologies: Jim McDowell (DPC-JM) Chief Executive - DPC Member

Item	Items for discussion	By who
1.	Welcome and preliminary business	
	1.1. Declaration of Conflict of Interest	Chair
	1.2. Action Items ☐	Chair
2.	Key Issues at Hand	
	2.1. Investec - Valuation Report ☐	Inv-PL / Inv-PG
	2.2. ICT - TRUMPS Options Analysis - Interim Update ☐	CEB-TM
	For Endorsement	
	2.3. Revised MVR Steering Committee Terms of Reference - Effective 6 March 2019 ☐	Chair
3.	Items for Noting	
	3.1. Project Update - MVR Project Timeline Review - as at 8 March 2019 ☐	Chair
	3.2. Project Update - Risk Report ☐	Chair



AGENDA

4.	Communications 4.1. Communications Register ④ 4.2. Media Monitoring ④ 4.3. Correspondence/FOI ④	Chair Chair Chair
5.	Other Business	Chair
6.	Next Meeting - Thursday, 28 March 2019 - 1:00pm to 2:30pm	All

Attachment B: MVR Project – Final Draft Steering Committee Minutes – 14 March 2019



Minutes

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee

Time and date: 1:00pm - 2:30pm, 14 March 2019

Location: Conference Room, Level 8, State Administration Centre, 200 State Administration Centre, Adelaide

Attending:	Stuart Hocking Brad Gay (CEB-BG) <i>(Arrived: 1:23PM)</i> Andrew Cadd (CEB-AC) Ben Wilson (DPC-BW) <i>(Proxy)</i> Tony Braxton-Smith (DPTI-TBS) David Penov Ken Patterson Kate Guy (AGD-KG) Terry McKenna (CEB-TM) Simon Crotti (CEB-SC) Peng Ly (Inv-PL) ☎ <i>(Arrived: 1:19PM)</i> Priyanka Garg (Inv-PG) ☎	Deputy Chief Executive Executive Director Project Director Director, Economic Advice Chief Executive Project Manager BDO - Probity Advisor Senior Solicitor Project Director - ICT Manager Investec - Managing Director Investec - Associate	Chair Member Member Member Member Secretariat Probity Attendee Attendee Attendee Attendee Attendee
Apologies:	Chris Gray (CSO-CG) Jim McDowell (DPC-JM)	Chief Commercial Counsel Chief Executive	

Item	Items for discussion	Outcome	Responsibility
1.	Welcome and preliminary business		
1.1	<ul style="list-style-type: none"> No conflicts of interest were declared. AGD-KG advised that her role on the MVR Project Steering Committee (SC) is as a regular attendee. AGD-KG advised that the Chief Commercial Counsel role (previous AGD SC Member) has been formally abolished. 	Noted Noted Noted	SC SC SC
1.2	<ul style="list-style-type: none"> The SC noted the action items, including the following updates: <ul style="list-style-type: none"> Action 145: Revised Due Date: 12 April 2019, Action 147: Revised Due Date: 22 March 2019, Action 146: Revised Due Date: 22 March 2019, 	Noted	SC
2.	Key Issues at Hand		
2.1	<ul style="list-style-type: none"> The SC treated the MVR Project Preliminary Valuation Analysis (PVA) as read and determined to address questions arising by exception. DPTI-TBS sought advice on the Treasury Indexation Rate (TIR) adopted in the PVA. [REDACTED] 	Noted Endorsed	SC SC clause 1(1)(e)



Minutes

Item	Items for discussion	Outcome	Responsibility
	[REDACTED]		
	<ul style="list-style-type: none"> Chair sought advice from Inv-PG on the allocation of dis-synergies over the 40 year (prescribed) commercialisation period. 	Noted	SC
	<ul style="list-style-type: none"> Inv-PG advised that dis-synergies in the PVA assumed over the prescribed commercialisation period are \$3m p.a. for the first 10 years and reduced to \$1m p.a. for the remaining 30 years. 	Noted	SC
	<ul style="list-style-type: none"> Chair sought advice from Inv-PG on the included Capex investment of \$30m included in the PVA to build Application Programming Interfaces (APIs) to connect to Transport Regulation User Management Processing System (TRUMPS), given the potential for increased costs of APIs. 		
	<ul style="list-style-type: none"> DPTI-TBS sought advice from CEB-TM on the benchmarking that has been undertaken in developing a preliminary view of API investment required, particularly given that TRUMPS is a complex legacy system that will need to accommodate an intricate security environment, with data being imported in real-time into the system. 		
	<ul style="list-style-type: none"> CEB-TM confirmed that API costs are being identified based on a refined bottom up cost estimate approach, including informed stakeholders. 	Noted	SC
	<ul style="list-style-type: none"> DPTI-TBS advised that regular changes to fields within the TRUMPS in a dynamic policy environment is likely to increase the cost of API investment required. 	Noted	SC
	<ul style="list-style-type: none"> CEB-TM advised that the TRUMPS is partly monolithic, however organic change to APIs has already commenced within the Department for Planning, Transport and Infrastructure and that the MVR Project would serve to increase the transition of this advancement. 	Noted	SC
	<ul style="list-style-type: none"> Inv-PG suggested and the SC endorsed Capex and maintenance (dis-synergies) being factored into the PVA as a total cost rather than treated separately. 	Endorsed	SC
	<ul style="list-style-type: none"> The Chair asked that Investec consider operator Capex investment to achieve efficiencies in both execution risk scenarios, and provide further advice to SC. 		
	<ul style="list-style-type: none"> Inv-PL advised the reason the Capex investment decreases is due to a private operator benefitting from the State's investment/reform required for DPTI to enter into the proposed New Service Delivery Partner Model (NSDPM) that is assumed to be implemented. 	Noted	SC



Minutes

Item	Items for discussion	Outcome	Responsibility
	<ul style="list-style-type: none"> DPTI-TBS confirmed there is no allocation of funds for investment in the NSDPM. 	Noted	SC
	<ul style="list-style-type: none"> Inv-PL advised that the incremental cost of savings for a private operator was reduced as the technology development has been assumed complete by the State in the base case by DPTI. 	Noted	SC
	<ul style="list-style-type: none"> DPTI-TBS advised there are only two options, DPTI achieving its savings assumed in the base case and/or DPTI doesn't achieve its savings assumed in the base case. 	Noted	SC
	<ul style="list-style-type: none"> Inv-PG reiterated that the SC had previously endorsed the base PVA assuming DPTI cash flow savings achievement. The risk premium for the low execution risk scenario assumes that the savings have been achieved in full and the risk premium for the high execution risk scenario assumes DPTI have not achieved the budgeted savings targets. 	Noted	SC
	<ul style="list-style-type: none"> CEB-SC sought advice on the SC's position on the Operator Capex. 		
	<ul style="list-style-type: none"> The Chair and DPTI-TBS proposed and SC endorsed removing the advice on the Operator Capex in the PVA. 	Endorsed	SC
	<ul style="list-style-type: none"> The Chair requested advice from Inv-PG on the additional operator synergies of \$5m (particularly advice on the FTE and number of shopfront impacts). 	Noted	SC
	<ul style="list-style-type: none"> Inv-PL agreed to provide this advice in a revised version of the PVA. 	Noted	SC
	<ul style="list-style-type: none"> DPTI-TBS sought advice on the comparison of retention value to market value and particularly the 30 to 50 year projection. 		
	<ul style="list-style-type: none"> Inv-PG provided an overview of the drivers of the market value vs. retention value curve and advised that a private operator will be investing more in increased dis-synergies in the initial years of engagement, which is why a shorter term agreement would not meet the needs of a private operator. 	Noted	SC
	<ul style="list-style-type: none"> Inv-PL advised that comparing the MVR Project profile and cash rate to the Land Services Commercialisation (LSC) Project is not possible due to disparate volumes of transactions. 	Noted	SC
	<ul style="list-style-type: none"> DPTI-TBS proposed seeking a preliminary indication of value from Land Services SA Pty Ltd (LSSA) at incremental values 30, 40 and 50 years. 	Noted	SC
	<ul style="list-style-type: none"> The Chair advised that seeking a preliminary indication of value from LSSA will be informed by his upcoming engagement with the Treasurer and dependent upon the Treasurer's advice. 	Endorsed	SC
	<ul style="list-style-type: none"> DPTI-TBS, sought advice on comparative data from recent 		



Minutes

Item	Items for discussion	Outcome	Responsibility
	<p>commercialisation transactions as a basis to benchmark the Weighted Average Cost of Capital (WACC) proposed in the PVA.</p> <ul style="list-style-type: none"> • Inv-PG advised that the capital structure and the resulting WACC on other transactions is confidential and unable to be disclosed due to confidentiality arrangements with other clients (jurisdictions). • DPTI-TBS suggested Investec consider providing benchmark advice to provide the State, for assurance that the WACC developed is a reasonable starting point. • Inv-PL advised that the only unknown input in the WACC calculation is the cost of equity range (being 8 to 10%), and that Investec's observations are that the types of returns being bid by pension funds across equivalent asset sales are 8 to 10%. • Inv-PG advised that the most comparable benchmark is the Land Services Commercialisation Transaction. Therefore, proving that the asset is the same quality (i.e. as an infrastructure-like asset) as the Land Services Commercialisation is the key factor (to enable bidders to assume the same risk profile around cash flows). • DPTI-TBS reiterated that the MVR Project is a unique transaction without precedent and is an asset of an underlying quality that it is difficult to compare to the Land Services Commercialisation Project due to the unique risk profile. • Inv-PL concurred with DPTI-TBS that it would be preferable to seek a preliminary Indication of value from LSSA prior to developing a recommendation to proceed with commercialisation to the State Cabinet. • DPTI-TBS sought advice on the State Net Operating Balance (NOB) impact of the transaction. • The Chair provided advice to DPTI-TBS on the NOB impact and Highways Fund implications, and that further advice on the latter would be brought back to SC. 	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>	<p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p>
2.2	<ul style="list-style-type: none"> • CEB-TM provided an update on the ICT TRUMPS Options Analysis. Overview and the two work-streams established, being work-streams considering: <ul style="list-style-type: none"> ◦ The commercialisation optionality for TRUMPS with the minimum option being the API solution (based on current Service SA Service Provision) with additional extra functionality, and the maximum option being a fully commercialised TRUMPS, and to develop a deeper 	Noted	SC



Minutes

Item	Items for discussion	Outcome	Responsibility
	<ul style="list-style-type: none"> understanding of the API approach <ul style="list-style-type: none"> The regulatory ramifications in respect of options to be explored. Including improved understanding of the functions performed to which TRUMPS and its data are essential, such as those undertaken by the South Australian Police (SAPOL) and other agencies. CEB-TM advised that a meeting has been scheduled on 20 March 2019 to discuss potential approaches to transitioning TRUMPS from the State to a private operator, with this to inform the viability of options being considered. [REDACTED] The Chair sought advice on functionality and impacts on Government customers outside of the standard registration and licensing functions. [REDACTED] 	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>	<p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p>
2.3	<ul style="list-style-type: none"> [REDACTED] 	Endorsed	SC
3.	Items for Noting		
3.1	<ul style="list-style-type: none"> The SC noted the MVR Project Timeline as at 8 March 2019. The Chair advised that the timeline is being pushed by emergent considerations and deliverables. [REDACTED] Investec confirmed a draft MVR Project Scoping Study excluding valuation and market strategy components, will be delivered for the MVR Project Scoping Study Working Group's consideration on 14 March 2019 (Today). Inv-PG advised that a draft MVR Project Scoping Study is scheduled for submission to the State on 21 March 2019 for the SC's consideration. 	<p>Noted</p> <p>Noted</p> <p>clause 10(1)</p> <p>Noted</p> <p>Noted</p>	<p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p> <p>SC</p>
3.2	<ul style="list-style-type: none"> The Secretariat provided an overview of the risk report which was 	Noted	SC



Minutes

Item	Items for discussion	Outcome	Responsibility
	noted by the SC.		
4.	Communications		
4.1	<ul style="list-style-type: none"> The SC discussed and noted the Communications Register. Inv-PG advised that the Investec facilitated TRUMPS Options Workshop will be held in Adelaide on 20 March 2019 and that appropriate Probity approvals will be sought from the Probity Advisor throughout the engagement process. The Probity Advisor agreed to confirm that the agenda and any additional documentation to be issued is suitable for provision. 	Noted Noted	SC SC
4.2	<ul style="list-style-type: none"> The SC discussed and noted the media monitoring. 	Noted	SC
4.3	<ul style="list-style-type: none"> The SC discussed and noted the Correspondence/FOI. 	Noted	SC
5.	Other Business		
clause 7(1)(a)	<ul style="list-style-type: none"> [Redacted] 	Noted	SC
clause 10(1)	<ul style="list-style-type: none"> [Redacted] 	Noted	SC
	<ul style="list-style-type: none"> [Redacted] 	Endorsed	SC
6.	Next Meeting Thursday, 28 March 2019 – 1:00pm to 2:30pm		

MINUTE

25/2/19
 19/017
 TRS19D04B3



MINUTES forming ENCLOSURE

File T&F18/0597

Doc No A1042551

To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT - STEERING COMMITTEE MEETING UPDATE: 14 FEBRUARY 2019

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee (SC) – Agenda (Attachment A) for the meeting held on 14 February 2019.
- Note the draft MVR Project SC – Minutes (Attachment B) of the meeting held on 14 February 2019.

Noted

Rob Lucas

Hon Rob Lucas MLC
Treasurer

21/3/19

Key Points:

- The SC met for the fifth time on 14 February 2019 and discussion included:
 - The SC reviewing and refining the draft Market Value and Retention Value developed by Investec for the MVR Project.
 - The SC considering the Transport Regulation User Management Processing System (TRUMPS) and the State's ability to transfer control of TRUMPS to a proposed private operator as requested by the SC on 4 February 2019.
- The draft SC Minutes (Attachment B) are expected to be endorsed by the SC in session on 28 February 2019. These are submitted to you for information purposes and do not constitute a final record until endorsed by the SC.



- The draft SC Minutes of 4 February 2019 submitted to you as an attachment to the MVR Project - SC Meeting Update: 4 February 2019 (A1018738) were endorsed without amendments in session on 14 February 2019.
- The next meeting of the SC is scheduled on 28 February 2019, and the SC is expected to consider the final draft PricewaterhouseCooper's (PwC) - Commercialisation of the Motor Vehicle Registry, As-Is systems and process analysis report (As-Is Report).
- The PwC As-Is Report is a critical document informing the development of the MVR Project Scoping Study.



BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS BRANCH

27/02/2019

Contact Officer:	David Penov, Project Manager
Telephone:	0429 3596
Email address:	david.penov@sa.gov.au



AGENDA

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project – Steering Committee

Time and date: 14 February 2019 – 12:30PM to 2:30PM

Location: Conference Room Level 8 State Admin Centre 200 Victoria Square, Adelaide SA 5000

☎ Dial In details: Telephone 1800 062 923 – Passcode 7850 3749 2014 then #

Attending:	Stuart Hocking	Deputy Chief Executive - DTF	Chair
	Brad Gay (CEB-BG)	Executive Director	Member
	Andrew Cadd (CEB-AC)	Project Director	Member
	Chris Gray (CSO-CG)	Chief Commercial Counsel	Member
	Tony Braxton-Smith (DPTI-TB)	Chief Executive – DPTI	Member
	Jlm McDowell (DPC-JM)	Chief Executive - DPC	Member
	David Penov	Project Manager	Secretariat
	Ken Patterson (Probity)	Probity Advisor	Probity
	Terry McKenna (CEB-TM)	Project Director – ICT	Attendee
	Simon Crotti (CEB-SC)	Manager	Attendee
	Ben Wilson (CEB-BW)	Director	Attendee
	Peng Ly (Inv-PL)	Managing Director – Investec	Attendee
	Priyanka Garg (Inv-PG)	Associate - Investec	Attendee
	Richard Hill (DPTI-RH) <i>(to arrive at 1:15pm)</i>	Chief Technology Officer	Attendee

Apologies:

Item	Items for discussion	By who
1.	Welcome and preliminary business	
	1.1. Declaration of Conflict of Interest	Chair
	1.2. Review and confirmation of previous minutes – 4 February 2019 ☞	Chair
	1.3. Action Items ☞	Chair
2.	Key Issues at Hand	
	2.1. Investec – Valuation Report ☞	Inv-PL / Inv-PG
	2.2. ICT - TRUMPS – Private Operator Control - Proposal ☞	CEB-TM / DPTI-RH
	2.3. [REDACTED]	CSO-CG
	For Endorsement	
	2.4. MVR Project - Scope Development Tool ☞	CEB-BW

clause 1(1)(e)



AGENDA

3.	Items for Noting 3.1. Project Update - MVR Project Timeline Review – as at 8 February 2019 📄 3.2. Project Update - Risk Report 📄 3.3. Scoping Study Working Group – Terms of Reference (Revised) 📄	Chair Chair Chair
4.	Communications 4.1. Communications Register (<i>Nil Report</i>) 4.2. Media Monitoring 📄 4.3. Correspondence/FOI (<i>Nil Report</i>)	Chair Chair Chair
5.	Other Business	Chair
6.	Next Meeting – Thursday, 28 February 2019 – 1:00pm to 2:30pm	All



Minutes

Meeting: Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee

Time and date: 12:30pm - 2:25pm (Closed), 14 February 2019

Location: Conference Room, Level 8, State Administration Centre, 200 State Administration Centre, Adelaide

Attending:	Stuart Hocking Brad Gay (CEB-BG) Andrew Cadd (CEB-AC) Chris Gray (CSO-CG)	Deputy Chief Executive Executive Director Project Director Chief Commercial Counsel	Chair Member Member Member & Probity Member Secretariat
	Tony Braxton-Smith (DPTI-TBS) David Penov Terry McKenna (CEB-TM) Simon Crotti (CEB-SC) Ben Wilson (CEB-BW) Peng Ly (Inv-PL) Priyanka Garg (Inv-PG) Richard Hill (DPTI-RH) (<i>Entered: 1:40PM</i>)	Chief Executive Project Manager Project Director – ICT Manager Director Investec – Managing Director Investec – Associate Chief Technology Officer	Attendee Attendee Attendee Attendee Attendee Attendee

Apologies: Ken Patterson BDO - Probity Advisor
Jim McDowell (DPC-JM) Chief Executive

Item	Items for discussion	Outcome	Responsibility
1.	Welcome and preliminary business		
1.1	• No conflicts of interest were declared.	Noted	SC
1.2	• The MVR Project Steering Committee (SC) reviewed and accepted the minutes of 4 February 2019.	Accepted	SC
1.3	• The SC noted the action items.	Noted	SC
2.	Key Issues at Hand		
2.1	<ul style="list-style-type: none"> Inv-PL advised that the Market Value and Retention Value Report had been developed based on the transaction structure and revenue model presented to the SC on 20 December 2018 and to the extent possible as contractually required, adopts the structure and terms of the Land Services Commercialisation (LSC) Project transaction. The SC determined that rather than a presentation from Investec, members would speak to matters identified for clarification or revision. █ 	Noted	SC

clause 10(1)



Minutes

Item	Items for discussion	Outcome	Responsibility
	<div style="background-color: black; height: 40px; width: 100%; margin-bottom: 10px;"></div> <ul style="list-style-type: none"> • The SC endorsed the MVR Project Scoping Study Including an annual Treasury Indexation Rate fee Increase (rather than the current five year compound annual growth rate approach) • DPTI-TBS sought advice from Inv-PL on the estimated \$6,9 million net synergies for a proposed private operator and how this amount had been determined. • Inv-PG advised that the synergies were developed based on benchmarking from the LSC Project Transaction. • DPTI-TBS sought further advice from Inv-PL and Inv-PG on Land Services SA's (LSSA) achievement of synergies following the LSC Project Transaction. • Inv-PG advised that It is understood that LSSA have successfully progressed in implementing their business plan including the realisation of synergies. • DPTI-TBS sought advice on the retained costs proposed for the Regulation Directorate, Department of Planning, Transport and Infrastructure (DPTI) being \$55.3 million post transaction. • Inv-PG advised that in the absence of a defined To-Be state processes and interfaces and further detail on the DPTI Business Optimisation Model (to achieve State Budget Savings allocated to DPTI) for the Regulation Directorate, Investec have assumed that DPTI will retain all costs for the Regulation Directorate as services and functions are currently undertaken within positions and across teams in the current state. • DPTI-TBS offered to provide Investec a detailed overview of the DPTI Business Optimisation Model and based on this overview that Investec review the retained cost for the Regulation Directorate and revise the cost base to be transferred to the provider. • Inv-PL confirmed that Investec will attempt to amend the costs proposed to be retained by the State in a To-Be state, following DPTI's provision of the requisite data and detail. • DPTI-TBS sought advice on the allocation of funding for a To-Be state contract management function. • Inv-PG advised that funding for contract management and compliance 	Endorsed	SC

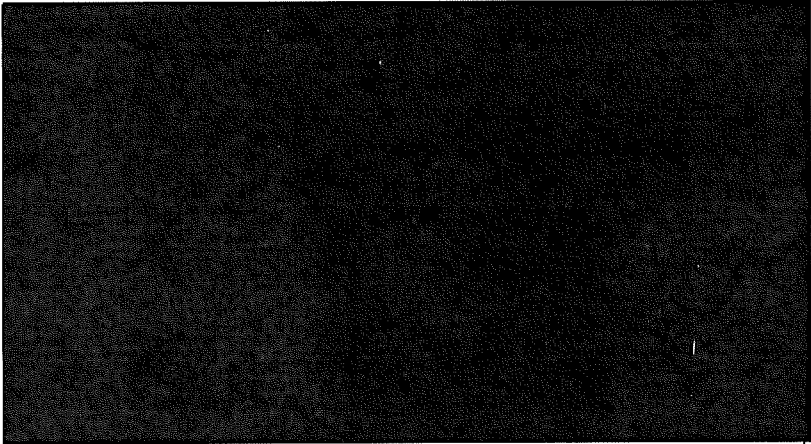




Minutes

Item	Items for discussion	Outcome	Responsibility
clause 10(1)	<p>activities has been factored into the valuation model based on related Initiative benchmark analysis.</p> <ul style="list-style-type: none"> DPTI-TBS sought advice on the cost drivers for Service SA and the cost synergy opportunities available to a service provider (that result in cost reduction further than the current DPTI Business Optimisation Model, assumed successfully completed in the Market Valuation). [REDACTED] Inv-PL and Inv-PG provided an overview of the development of the WACC. The Chair sought further advice on the differential between the State and Private Sector WACC advising that this required further consideration. The SC discussed risk associated with WACC calculations for the State (retaining all risk) and the Private Sector (sharing only part of the risk associated with the business) and how this can be most appropriately reflected. The SC endorsed the MVR Project Team arranging a WACC Workshop to further consider the development of the WACC. DPTI-TBS suggested Inv-PL consider the quantification of State retained risk in the proposed outsourcing model. [REDACTED] 	<p>Endorsed</p> <p>Noted</p>	<p>clause 10(1)</p> <p>SC</p> <p>Inv-PL / Inv-PG</p>
	<p>2.2</p> <ul style="list-style-type: none"> The Chair confirmed that the accounting is expected to be in alignment with the treatment applied to the LSC Project Transaction. The SC discussed opportunities to be considered for the State to mitigate any negative Net Operating Balance impact. The SC discussed the escalation rate of the proposed fee payable to the State and escalation arrangements for a proposed private operator. CEB-TM provided an overview of the preliminary findings identified in considering the proposed private operator control of the Transport Regulation User Management Processing System (TRUMPS) as requested by the SC on 4 February 2019. CEB-TM advised that the proposal would require a significant amount of further discovery to be undertaken to develop an approach for implementation. DPTI-RH advised that CEB-TM has consulted with DPTI ICT staff and that data sensitivities will impact on any future proposal for TRUMPS to 	<p>Noted</p>	<p>SC</p>



Minutes

Item	Items for discussion	Outcome	Responsibility
	<p>transition to private operator control under a commercialisation arrangement.</p> <ul style="list-style-type: none">DPTI-RH provided an overview of the type of data included in TRUMPS and advised that the separation of critical sensitive data is not a feasible option.DPTI-TBS confirmed that TRUMPS is unable to partition sensitive data due to linkages to unique citizen records.  <ul style="list-style-type: none">DPTI-TBS suggested that a proposed future model for TRUMPS should, at a minimum, be based on current Service SA service delivery with some additional functionality.  <ul style="list-style-type: none">The Chair advised that it is clear that should the MVR Project Scoping Study proceed, there will be a significant CAPEX spend required by the State or proposed private operator.The SC endorsed further analysis by CEB-TM and DPTI-RH, including the establishment of a number of workshops, to enable the development of a high level concept for TRUMPS in a proposed commercialised state for the SC's consideration by mid-March 2019.	<p>clause 10(1)</p> <p>Endorsed</p> <p>Noted</p>	<p>SC</p> <p>SC</p> <p>SC</p>
2.3			



Minutes

Item	Items for discussion	Outcome	Responsibility
2.4	[Redacted]	clause 1(1)(e)	
	<ul style="list-style-type: none"> [Redacted] The SC endorsed the MVR Project - Scope Development Tool and acknowledged it being the basis for commercial model development. 	Endorsed	SC
3.	Items for Noting		
3.1	<ul style="list-style-type: none"> The SC noted the MVR Project Timeline as at 8 February 2019. 	Noted	SC
3.2	<ul style="list-style-type: none"> The SC noted the Risk Report. 	Noted	SC
3.3	<ul style="list-style-type: none"> The SC noted the Scoping Study Working Group - Terms of Reference. 	Noted	SC
4.	Communications		
4.1	<ul style="list-style-type: none"> <i>Nil record.</i> 		
4.2	<ul style="list-style-type: none"> The SC discussed and noted the media monitoring. 	Noted	SC
4.3	<ul style="list-style-type: none"> <i>Nil record.</i> 		
5.	Other Business		
	<ul style="list-style-type: none"> CEB-BG requested the Secretariat input a record on the Communications Register, based on CEB-BG's engagement with LSSA [Redacted] 	Noted	SC
	[Redacted]	clause 1(1)(e)	
6.	Next Meeting Thursday, 28 February 2019 - 1:00pm to 2:30pm		

MINUTE

19/2/19
T19/017
TR519D0326



MINUTES forming ENCLOSURE

File T&F18/0597

Doc No A1018738

To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION PROJECT - STEERING COMMITTEE MEETING UPDATE: 4 FEBRUARY 2019

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note the Motor Vehicle Registry Commercialisation (MVR) Project Steering Committee (SC) – Agenda (Attachment A) for the meeting held on 4 February 2019.
- Note the draft MVR Project SC – Minutes (Attachment B) of the meeting held on 4 February 2019.

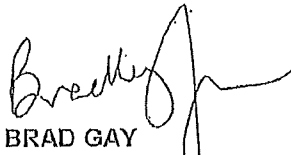
Noted
Rob Lucas
Hon Rob Lucas MLC
Treasurer
18/2/19

Key Points:

- The SC met for the fourth time on 4 February 2019 and discussion Included:
 - A Progress update on business process mapping by PricewaterhouseCoopers, which will be an input to the commercial model to be prepared by Investec;
 - Transport Regulation User Management Processing System (TRUMPS) proposed commercialisation options for consideration, with a view to investigating further the feasibility of including the transfer control of TRUMPS to a private operator as part of the proposed commercial model;
- The draft SC Minutes (Attachment B) are expected to be endorsed by the SC in session on 14 February 2019. These are submitted to you for information purposes and do not constitute a final record until endorsed by the SC.



- The next meeting of the SC is scheduled on 14 February 2019, and the SC is expected to endorse the in-scope services that will be considered for inclusion in the proposed commercial model.
- The commercial model and Investec's indicative market valuation will inform the MVR Project Scoping Study.




BRAD GAY
EXECUTIVE DIRECTOR
COMMERCIAL AND ECONOMICS BRANCH

12 / 02 / 2019

Contact Officer:	David Penov, Project Manager
Telephone:	0429 3595
Email address:	david.penov@sa.gov.au

Supported / Not Supported



David Reynolds
CHIEF EXECUTIVE
Department of Treasury and Finance
Date.....14.2.19.....



AGENDA

Meeting:

Time and date:

Location:




Attending:

Apologies:

Item	Items for discussion	By who
1.	Welcome and preliminary business 1.1. Declaration of Conflict of Interest 1.2. Action Items	Chair Chair
2.	Key Issues at Hand 2.1. PwC – Update (<i>Arriving at 12:45 pm and to leave following the presentation</i>) 2.2. Update – TRUMPS ICT considerations 2.3. [REDACTED] clause 1(1)(f) 2.4. Update – Investec facilitated presentation by Macquarie Infrastructure and Real Assets 2.5. Update – Heavy Vehicles Inspection Scheme – Procurement Progress - DPTI	PwC-MC CEB-TM Chair Inv-PL DPTI-TB
3.	Items for Noting 3.1. Project Update - MVR Project Timeline Review – as at 29 January 2019 3.2. Project Update - Risk Report	Chair Chair



AGENDA

4.	Communications 4.1. Communications Register  4.2. Media Monitoring  4.3. Correspondence/FOI 	Chair Chair Chair
5.	Other Business	Chair
6.	Next Meeting - Thursday, 14 February 2019 - 1:00pm to 2:30pm	All



Minutes

Meeting:

Time and date:

Location:

Attending:

Apologies:

Item	Items for discussion	Outcome	Responsibility
1.	Welcome and preliminary business		
1.1	<ul style="list-style-type: none"> No conflicts of interest were declared. 	Noted	SC
1.2	<ul style="list-style-type: none"> The MVR Project Steering Committee (SC) noted the action items, including the following updates: <ul style="list-style-type: none"> Action 108: Editing amendment - Amend EBIDDA to EBITDA [Redacted] [Redacted] [Redacted] 	Noted	SC

clause 10(1)

clause 1(1)(e)



Minutes

Item	Items for discussion	Outcome	Responsibility
<p>2. 2.1</p>	<p>Key issues at hand</p> <ul style="list-style-type: none"> • PwC-MC and PwC-BG joined the SC Meeting at 12:47PM. • PwC-MC provided an overview of PricewaterhouseCoopers (PwC) completed activities, including reviewing and mapping the current (AS-IS) systems and processes and the identification of effort and complexity associated with the proposed commercialisation of the Motor Vehicle Registry services and functions. • PwC-MC advised that fifty-two process maps have been drafted, to be issued to the State at a sufficient level of detail to allow for commercialisation consideration. • DPTI-TBS sought confirmation from PwC-MC that the process maps include the identification of interfaces between processes that will form a basis for consideration of a potential future (TO-BE) commercialised state including associated implications identification. This was confirmed by PwC-MC. • PwC-MC advised that PwC have considered key impact categories including: <ul style="list-style-type: none"> ○ ICT; ○ Data; ○ Business Process; ○ Customer Service; ○ Legal/Policy/Governance; and ○ Contractual. • PwC-MC advised that based on PwC's analysis of AS-IS processes and systems PwC are developing a rating on the expected effort and complexity of changes in a TO-BE state. • DPTI-TBS sought advice from PwC-MC on the basis for determining effort and complexity. • PwC-MC advised that the rating will be based on advice from DPTI contributor's and PwC's past equivalent experience. 	<p>Noted</p>	<p>SC</p>

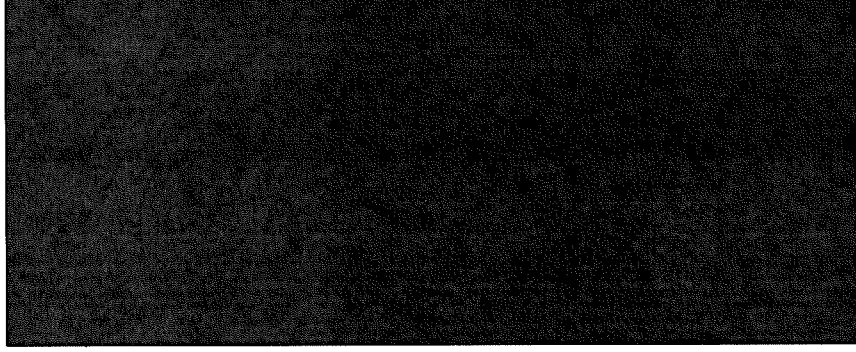
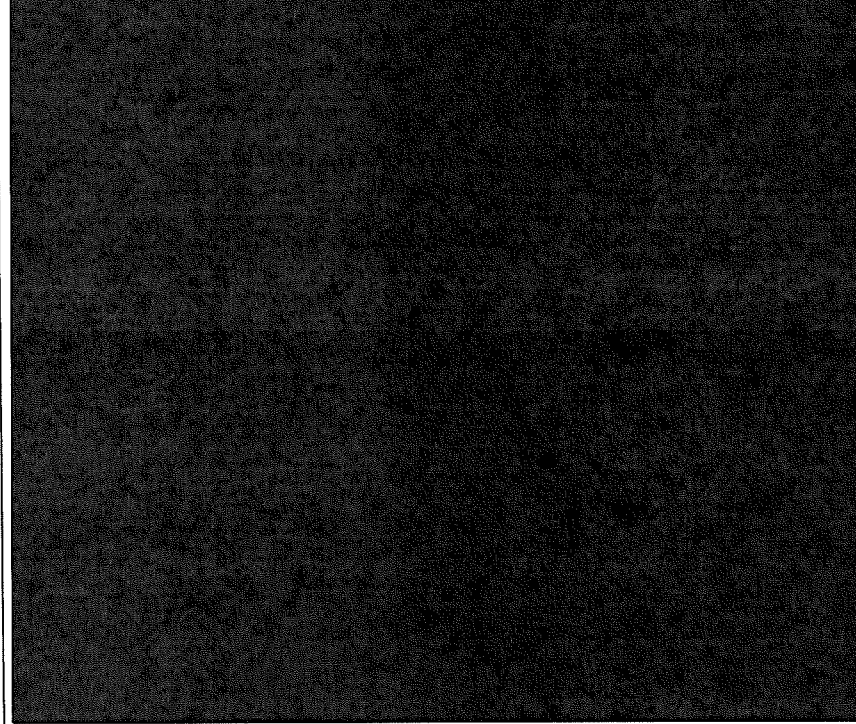


Minutes

Item	Items for discussion	Outcome	Responsibility
2.2	<ul style="list-style-type: none"> • [REDACTED] • PwC accepted this position. • PwC-BG advised that the review undertaken by PwC will become a tool for separation of the business in a TO-BE state should the MVR Project progress. • DPTI-TBS suggested PwC also consider data privacy and usage, including the State's rights in maintaining data ownership. • DPTI-TBS commended the PwC's identification of the implications to inform the structuring of a potential contract for commercialisation. • CEB-TM provided an overview of the TRUMPS scope including outlining that the system stores data on citizens which is not directly related to the core function as a Motor and Driver Vehicle Register. • CEB-TM provided an overview of the review and analysis completed, to determine the effort required to reengineer TRUMPS to enable an Application Programming Interface (API) based architecture, including cost estimates. • DPTI-TBS sought advice from CEB-TM on the rates adopted in costing the effort required to reengineer TRUMPS to enable API based architecture and suggested that based on experience, resources to undertake API development would be more expensive. • CEB-TM advised that it would be reasonable to expect that eighty percent of the source code of TRUMPS would require revision to enable API based architecture for a TO-BE service provider. 	<p>clause 10(1)</p> <p>Noted</p>	<p>10(1)</p> <p>SC</p>
	<ul style="list-style-type: none"> • [REDACTED] • CEB-TM provided an overview of the Macquarie Infrastructure and Real Assets (MIRA) suggested options (provided at the Investec facilitated meeting) for the treatment of TRUMPS in a proposed commercialised state and the sensitive data requirement concerns: <ul style="list-style-type: none"> ○ Service Provider Control (ISMF Compliant) ○ State Management of the Production Data Base; and ○ State Retains Licencing. 	<p>clause 10(1)</p>	



Minutes

Item	Items for discussion	Outcome	Responsibility
		clause 4(2)(a)(v)	
2.3	<ul style="list-style-type: none"> The SC endorsed the MVR Project Team undertaking further analysis on MIRA Option 1 - Service Provider Control (ISMF Compliant) with an update to be provided at the SC Meeting on 14 February 2019. 	Endorsed	SC
		Noted	SC
2.4	<ul style="list-style-type: none"> The Chair provided an overview of the Investec facilitated meeting with MIRA attended by State representatives. The Chair advised that the key matter of interest for MIRA in a proposed MVR Project transaction is the State's proposed treatment of TRUMPS. The Chair advised that MIRA's preference is that the commercialisation be structured similarly to the LSC Project transaction. 	Noted	SC

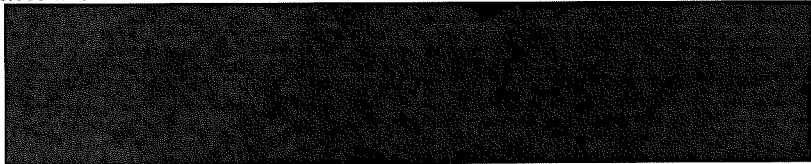


Minutes

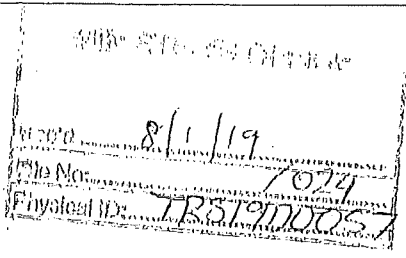
Item	Items for discussion	Outcome	Responsibility
	<ul style="list-style-type: none"> Inv-PL advised that MIRA had indicated that their ICT team is experienced in separation within the South Australian ICT network and that MIRA had offered their ICT resource support to the State, for the State to develop a mutually acceptable potential separation solution. [REDACTED] [REDACTED] Inv-PL advised that it is MIRA's preference for a commercialisation model requiring the deployment of equity allowing longer term investment, dedicated resources and value to updating systems. DPTI-TBS suggested that the State may receive a premium in being the first State to commercialise the Motor Vehicle Registry and suggested that the MVR Project Team consider a value share with the future service provider if they expand into an alternative market with the South Australian system. 	clause 10(1)	
2.5	<ul style="list-style-type: none"> DPTI-TBS provided an update on the Heavy Vehicles Inspection Scheme procurement and advised that DPTI are proceeding with the negotiation of the contract. DPTI-TBS confirmed that the negotiation team have been directed to negotiate to optimise financial outcomes with regards to the term of the service provider appointment to allow for synergies with the MVR Project. 	Noted	SC
3.	Items for Noting		
3.1	<ul style="list-style-type: none"> The SC noted the MVR Project Timeline Review – as at 29 January 2019. The SC endorsed the Chair reviewing the timelines with the MVR Project Team with a view to extending the due date of the draft MVR Project Scoping Study report. 	Noted Endorsed	SC SC
3.2	<ul style="list-style-type: none"> The SC noted the Risk Report. 	Noted	SC
4.	Communications		
4.1	<ul style="list-style-type: none"> The SC noted the Communications Register. 	Noted	SC
4.2	<ul style="list-style-type: none"> The SC noted and discussed the media monitoring. 	Noted	SC
4.3	<ul style="list-style-type: none"> The SC noted and discussed the MVR Project correspondence. 	Noted	SC



Minutes

Item	Items for discussion	Outcome	Responsibility
5.	Other Business • 	Noted clause 6(1)	SC
6.	Next Meeting 1:00PM - 2:30PM, Thursday, 14 February 2019		

MINUTE



MINUTES forming ENCLOSURE

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Doc No A981900

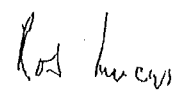
To The Treasurer

MOTOR VEHICLE REGISTRY COMMERCIALISATION (MVR) PROJECT – STATUS UPDATE AND PRELIMINARY TRANSACTION CONSIDERATIONS

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- Note that the Department of Treasury and Finance (DTF) is progressing the State's contractual obligations arising from the Land Services Commercialisation Implementation Deed (LSC-ID), related to the Motor Vehicle Registry, by having:
 - established a MVR Project Team (PT) in the Commercial and Economics Branch;
 - established a MVR Scoping Study Working Group (SSWG);
 - established a MVR Project Steering Committee (SC); and
 - procured Investec Australia Limited (Investec) as Scoping Study Advisor and PricewaterhouseCoopers (PwC) as AS-IS Business Process Mapping Advisor.
- Note the SC's work to date including identification of further work deemed necessary to understand the existing and emergent risks related to Motor Vehicle Registry functions and services subject to potential commercialisation.
- Note that Treasury officials and Investec are available to brief you directly on the emerging issues associated with the MVR project.

Noted

 Hon Rob Lucas MLC
 Treasurer
 13/1/19

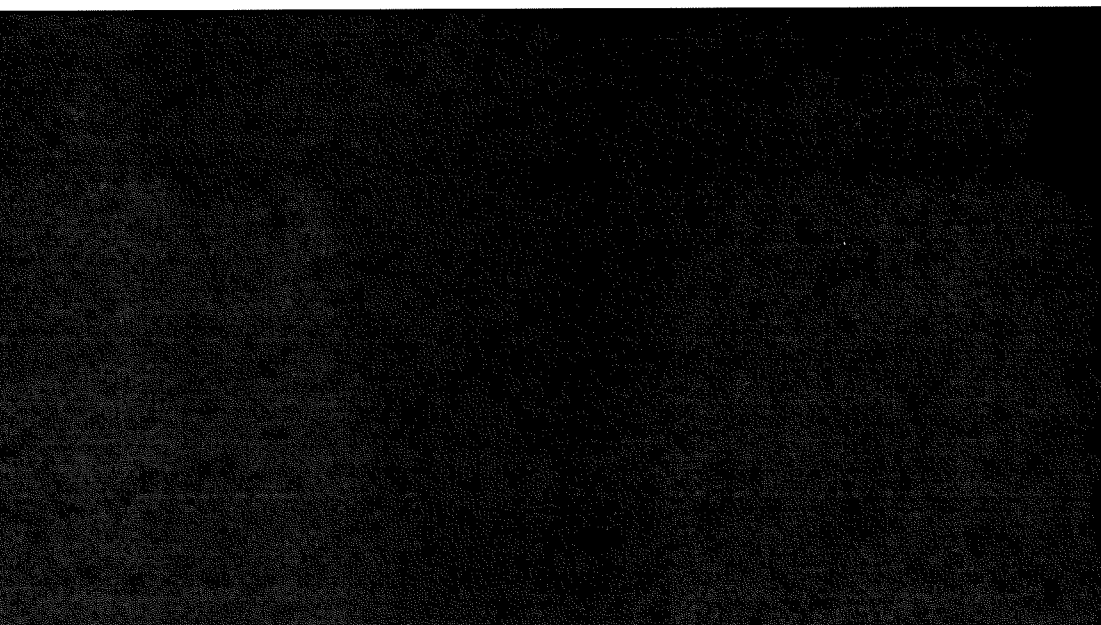


Key Points:

Contractual obligations on the State

- The Land Services Agreement, entered into by the former government on behalf of the State and Land Services SA Pty. Ltd. (LSSA) (owned by Macquarie Infrastructure & Real Assets and its managed funds, the Public Sector Pension Investment Board (Canada) and Sunsuper Superannuation Fund), included an \$80 million payment to the state for an Exclusive Right to Negotiate.
- The \$80 million payment effectively represents a prepayment of part of the consideration payable to the State for the commercialisation of the Motor Vehicle Registry, or any other registry, by 12 October 2020.

clause 7(1)
(b)(i)(ii)(A)
(B)



- The written notice from the State is required to outline (to the extent known) the:
 - service provision requirements;
 - proposed service fee;
 - financial information including historical and forecast financial information; and
 - proposed timetable for the negotiation process.
- Should the State determine that it will not commercialise the Motor Vehicle Registry, or enter into any Other State Registry Agreement with LSSA by 12 October 2020, the State is required to either:
 - Refund the remaining balance of the Exclusive Right to Negotiate (ERN) Consideration (currently \$80 million) with a notional interest component (calculated at 10% p.a.) accrued on a daily basis from 13 October 2017 (Land Services Commercialisation Completion Date) until the date of repayment; or
 - Extend the Land Services Agreement (LSA) for a period of seven years in accordance with Clause 9.7 of the LSC-ID., via a formal notice to Land Services SA Pty. Ltd. informing of agreement extension.

- Previous modelling undertaken for the Land Services Commercialisation project indicated a lower net present value cost to the state from extending the contract than returning the ERN Consideration plus Interest. Separate advice can be provided on this issue.
- There are no circumstances where the ERN Consideration is to be held by the State beyond 13 April 2021, being six months following the third anniversary of the Completion Date.
- A MVR PT, SSWG and SC have been established to fulfill the State's commitment arising from the Land Services Commercialisation Implementation Deed (LSC-ID) (Clause 9), to use reasonable endeavours to complete a scoping study contemplating the commercialisation of the MVR.
- It is necessary for the MVR Scoping Study to be concluded well ahead of 12 October 2020 so that there is sufficient time for the State to proceed with a commercialisation if Cabinet elects to do so.
- A set of recommended options including commercialisation models for your consideration (see Attachment A project outline) will be submitted together with the MVR Project Scoping Study, and business process maps.
- Once the proposed scope and commercialisation model options are developed (currently forecast for completion in late March 2019), a Cabinet Submission will be written seeking Cabinet's determination:

clause 1(1)(e)

MVR SC progress

- The MVR SC is chaired by the Deputy Chief Executive of DTF and includes the Chief Executives of DPTI (CE-DPTI) and DPC (CE-DPC) as well as the Chief Commercial Counsel. The Steering Committee has now met three times. DTF will brief you following each SC meeting.
- On 20 December 2018, the SC considered a range of functions and services, endorsing a number as being in scope for further investigation regarding commercialisation.
- In scope functions being investigated relate largely to motor vehicle registry transactions undertaken by Service SA, EzyReg, RiderSafe, standard and personalised plates.
- Other functions currently remain subject to further work to examine whether they could be brought in-scope, including vehicle inspection and examination which is currently subject

to a separate market process, and a range of functions administering acts, policy and regulation, audit and compliance.

- The CE-DPTI has discussed the need for a focus on the risks associated with third party service provision, noting that there are no current known examples of this having been done in other jurisdictions. The SC has endorsed the draft Terms of Reference at Attachment B.
- The project is at a stage where there would be benefit in a verbal brief to you early/mid-January 2019, to discuss:
 - value drivers for MVR commercialisation
 - state priorities in developing commercialisation models
 - the current and proposed approach to the project.

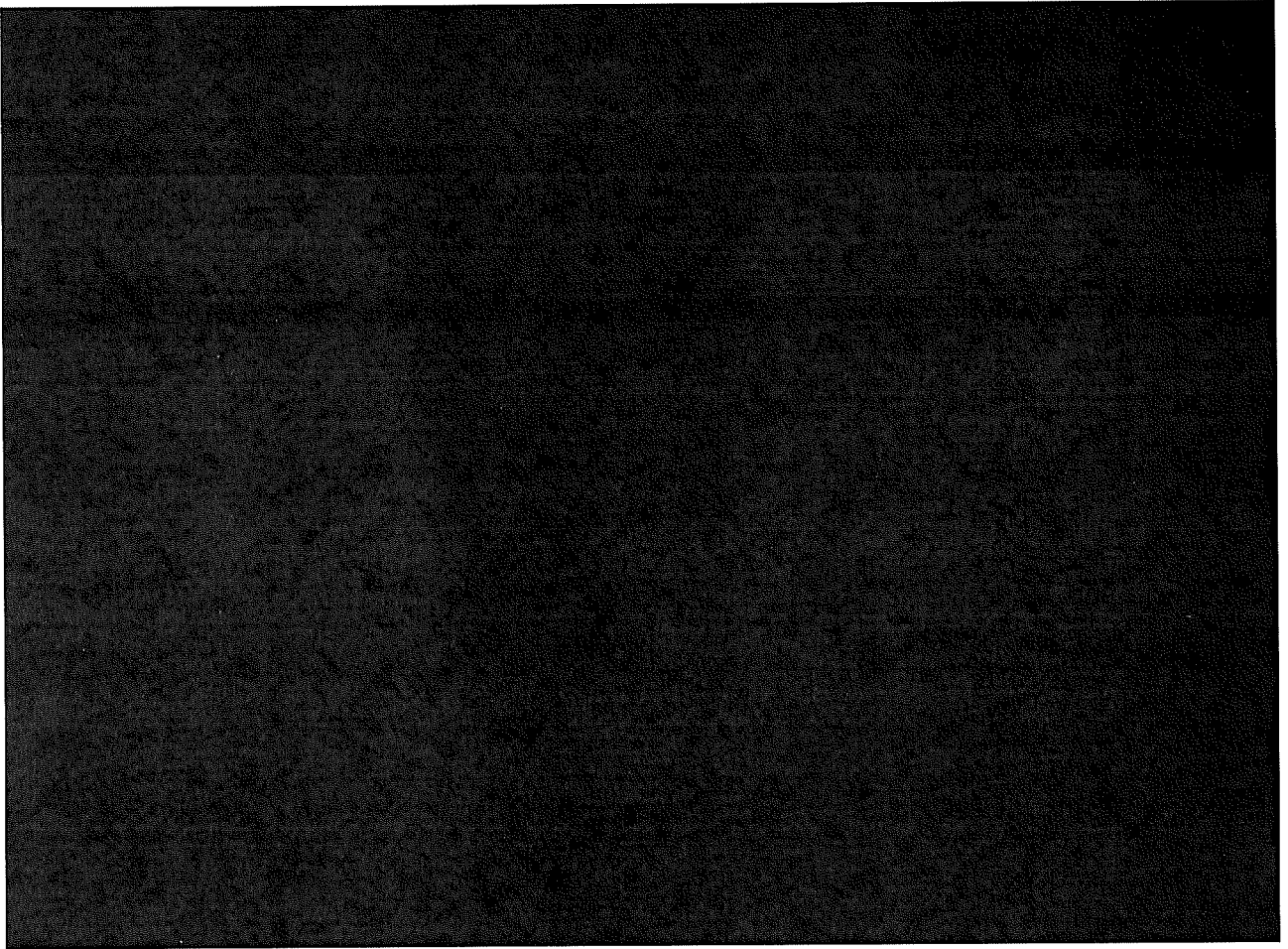


STUART HOCKING
DEPUTY CHIEF EXECUTIVE

8 / 1 / 2019

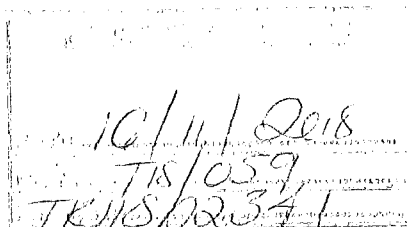
Contact Officer:	Ben Wilson, Director
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ATTACHMENT B



clause 7(1)(b)(i)(ii)(A)
(B)

MINUTE



Government
of South Australia
Department of Treasury
and Finance

MINUTES forming ENCLOSURE

File T&F18/0748

Doc No A964412

To The Treasurer

MOTOR VEHICLE REGISTRY

Timing: ROUTINE — Speaking Notes

Recommendations/Issues: It is recommended that you note the attached Parliamentary Briefing Note on the recent appointment of advisors for the scoping study for the commercialisation of the Motor Vehicle Registry.

Noted

Hon Rob Lucas MLC
Treasurer

18/11/18

Key Points:

- As requested through your office, please refer to the attached Note on DTF's recent appointment of advisors to assist the Scoping Study for the commercialisation of the Motor Vehicle Registry.

Andrew Cadd
DIRECTOR, COMMERCIAL PROJECTS

15 November 2018

Contact Officer:	Andrew Cadd
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Email address:	andrew.cadd@sa.gov.au



List of Attachments

Attachment A: Parliamentary Briefing Note on the appointment of advisors to the Scoping Study for the Commercialisation of the Motor Vehicle Registry

Attachment A