

SPORT AND RECREATION — PERTH STADIUM — DEFERRAL OF LIFECYCLE SERVICES

5728. Mr W.J. Johnston to the Minister for Sport and Recreation:

I refer to Clause 27 – Deferral of Lifecycle Services of “The New Perth Stadium DBFM Project Design, Build Finance and Maintain (DBFM) Project Agreement”, tabled by the Treasurer on 28 June 2016, and ask:

- (a) if the State provides an approval in accordance with Clause 27 (b) of the Agreement, will Project Co:
 - (i) be obliged to provide a rebate to the State; or;
 - (ii) be obliged to discount the State’s financial obligations; or; and
 - (iii) will financial settlement be a matter for negotiations between Project Co and the State?

Ms M.J. Davies replied:

- (a) (i)–(iii) No; this mechanism operates such that the risk and converse benefit rests with Project Co, with no cost impact on the State.

If the Perth Stadium and Sports Precinct require lifecycle maintenance services prior to the dates set out in the Estate Services Plan, then Project Co must fund these services without an increase in payments from the State. Should the State provide approval in accordance with Clause 27(b), Project Co must continue to ensure that the Perth Stadium and Sports Precinct is fit for purpose or monthly service payments will be abated. At the expiry date, Project Co must also ensure the Perth Stadium and Sports Precinct satisfies a suite of handover conditions and carry out any refurbishment works required to meet these handover conditions without any additional payments from the State.