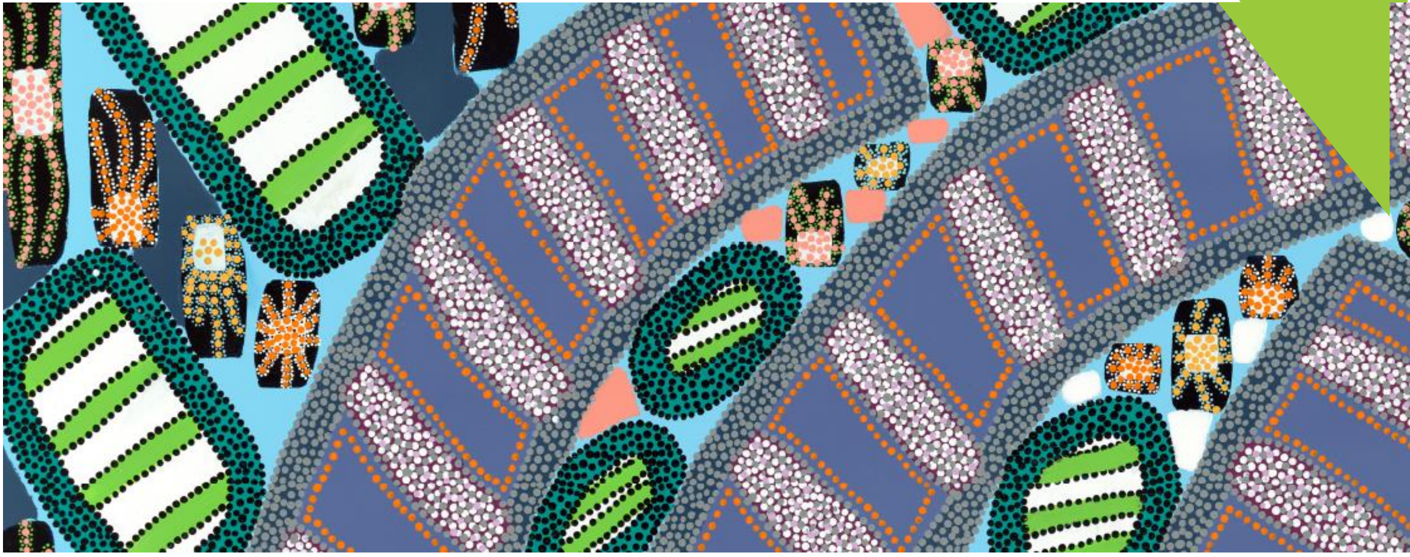
February 2022

TPG22-02

NSW Treasury Policy and Guidelines:

Ownership and Portfolio Expectations Policy



Acknowledgement of Country

NSW Treasury acknowledges that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, and the oldest continuing culture in human history.

We pay respect to Elders past and present and commit to respecting the lands we walk on, and the communities we walk with.
We celebrate the deep and enduring connection of Aboriginal and Torres Strait Islander peoples to Country and acknowledge their continuing custodianship of the land, seas and sky.

We acknowledge the ongoing stewardship of Aboriginal and Torres Strait Islander peoples, and the important contribution they make to our communities and economies.

We reflect on the continuing impact of government policies and practices, and recognise our responsibility to work together with and for Aboriginal and Torres Strait Islander peoples, families and communities, towards improved economic, social and cultural outcomes.

Artwork: 'Regeneration' by Josie Rose 2020

Key information	
Treasury Policy and Guidelines (TPG) is relevant to?	☒ Government Sector Finance Agencies ☐ General Government Sector ☒ Public non-financial corporation ☒ Public financial corporation ☒ State Owned Corporations ☐ Other
	☐ Executive agencies related to Departments
	☐ Subsidiaries of the NSW Government established under the ***Corporations Act 2001***
Date issued	1/02/2022
Review date	1/02/2027
☐ Replaces **☐ Replaced by**	Not applicable
Issuing/Publishing entity	NSW Treasury
Related instrument(s)	Policies and Guidelines under the Commercial Policy Framework
Document approver	Secretary, NSW Treasury
Contact	Commercial Policy, NSW Treasury Email: Commercialpolicy@treasury.nsw,gov.au

Revision history

Document version number	Approval Date	Author	Approver	Description

Contents

1. Ownership and Portfolio Expectations Policy

1.1. Overview

This policy outlines the ownership and portfolio expectations that the Government holds for State Owned Corporations (SOCs), and the mechanism for issuing a Statement of Expectations (SoE).

1.2. Purpose

This policy seeks to:

- articulate the Government's ownership rationale for SOCs
- provide an overview of the policy and legislative framework for SOCs
- set out the requirements for issuing an SoE.

1.3. Application of the policy

This policy is primarily intended for SOCs. However, the Government may wish to issue an SoE to other government businesses and each section under this policy can be applied on a case-by-case basis.

1.4. Summary of recommendations

The following table summarises the principles outlined in this policy relating to the issuing of an SoE.

Principle 1 – The SoE should be driven by effective consultation with key stakeholders.
Principle 2 – The SoE should complement the SOC's long term strategic planning cycle.
Principle 3 – The SoE should be outcomes-focussed.
Principle 4 – The SoE should not require SOCs to act against their commercial objectives.
Principle 5 – The SoE should be signed by both the Portfolio Minister and the Shareholding Ministers.
Principle 6 – The SoE should be made publicly available.

2. Ownership and commercial expectations for the SOCs

The SOC model was introduced in 1989 with the *State Owned Corporations Act 1989* (SOC Act) providing the legal framework for the corporatisation of government businesses. In 1995, the SOC Act was amended to create the statutory SOC model and today all SOCs are statutory SOCs.[1]

[1] Originally all SOCs were company SOCs with the key difference between company and statutory SOCs being that the Portfolio Minister has the power to issue a direction to a statutory SOC.

Corporatisation is designed to replicate within a SOC the organisational structure, commercial discipline, and accountabilities of the private sector, with significant benefits for consumers and taxpayers (Box 2.1). The SOC Act creates two shareholders of the SOC – the Treasurer, and another Minister nominated by the Premier (normally the Minister holding the Finance portfolio). The Portfolio Minister administers the enabling Act of the SOC, and unlike other comparable jurisdictions, is not normally a shareholder of the SOC. Under the SOC Act, the Portfolio Minister has a different set of powers and responsibilities to those of the Shareholding Ministers, making the NSW model distinct in separating the ownership and portfolio responsibilities of Ministers.

The clear distinction between the Shareholding and Portfolio Ministers contributes to a sharper commercial focus as government ownership is represented by the Treasurer and the second Shareholding Minister. This distinction also provides for greater clarity between shareholding and portfolio expectations, as their respective roles are well understood by the Government and SOCs alike.

Box 2.1: The SOC model continues to deliver benefits

The introduction of the SOC model, and subsequent corporatisation of the SOCs, resulted in immediate and tangible benefits for consumers and taxpayers. Within the first decade of corporatisation, returns from government businesses increased fivefold from $300 million in 1989, to $1.6 billion in 1997, workforce productivity tripled and prices for consumers of government services decreased by 20 per cent.[2]

Further, the value created by these government businesses has endured, and more recently, has been realised through a program of asset recycling. This program has resulted in gross proceeds from the sale of SOC assets totalling $59.7 billion between 2010 and 2018.

The benefits of corporatisation for consumers and taxpayers are a testament to its important role in the commercial delivery of government services.

2.1. Commercial principles of government business ownership

The SOC model is founded on five policy principles, first developed in the 1980s, that guide the regulation and operation of the SOCs. The commercial focus of the SOCs arises from internal and external incentives designed to replicate private sector best practice. Application of these incentives results in a more commercial and efficient business, lowering prices for consumers and improving their customer experience. A more commercial and efficient business also reduces the need for government funding and improves the returns to government through higher dividends and capital returns, thereby benefiting taxpayers.

These five policy principles require that the business must operate with:

- **Clear commercial objectives**, which provides for a clear focus and ensures that boards are accountable for performance. This may involve separating activities which conflict with commercial objectives, such as social or regulatory functions.

[2] Allan, P., 2020. *Reform, Retreat and Relinquishment Lessons from historic state ownership of businesses in NSW.* The Centre of Independent Studies, [Online]. No. 22 September 2019, 4. Available at: https://www.cis.org.au/app/uploads/2019/09/pp23.1.pdf [Accessed 5 October 2021].

- **Managerial autonomy**, such that key operating decisions are made by independent boards governing the business, with a strong incentive to achieve commercial and efficient outcomes (rather than allowing such decisions to be externally imposed).
- **Performance monitoring**, where the business is subjected to rigorous and independent monitoring and assessment of financial performance ensuring that the board and management are accountable.
- **Rewards and sanctions** for executives and other managers based on agreed performance targets that encourage and reward good performance and discourage and penalise poor performance
- **Competitive neutrality** measures that ensure the business is not conferred any special advantage or disadvantage resulting from Government ownership (for example, by requiring such businesses to pay tax equivalents), supporting the business to operate in a competitive environment.

These principles inform and underpin the legislative, regulatory and policy frameworks that define the SOC model.

2.2. Legislative, regulatory and policy frameworks supporting the SOC model

The Government's ownership expectations for the SOCs are enshrined in legislation and supported by policy and regulatory frameworks. These frameworks ensure the State's equity investment is being used efficiently and according to competitive and private sector best practice.

The legislative framework

The SOC Act is the legislative foundation for all the SOCs and establishes their core governance and structural arrangements. The enabling legislation for each SOC creates the entity and establishes its specific objectives and principal functions which define the parameters of a SOC's scope of operations. Some enabling Acts also allow SOCs to perform ancillary or incidental functions and to broadly conduct business or activities necessary to meet their objectives. A list of SOCs and their enabling legislation is set out in **Appendix A**.

The SOCs are required to meet additional legislative requirements related to their financial management such as the:

- ***Government Sector Finance Act 2018 (GSF Act)*** which sets out the administrative and approval arrangements for financial services, financial arrangements, financial reporting and annual reporting.
- ***Public Finance and Audit Act 1983 (PFAA Act)*** which provides for the administration and audit of public finances by the Auditor General, and the establishment of the Public Accounts Committee of Parliament.

Independent regulation and competition policy

The SOCs that are monopolistic utilities in the water and energy sector are subject to independent price regulation. This recognises the need to institute through regulation, a surrogate for the pressures and incentives found in more competitive markets, which promote efficient pricing. This has been the catalyst for the creation of independent regulatory bodies such as the Independent Pricing and Regulatory Tribunal (IPART) in NSW, and the Australian Energy Regulatory (AER) nationally. These bodies determine, among other issues, the efficient prices to be charged by the SOC, and their appropriate levels of revenue over a determined period.

Competition reforms in the 1990s led governments around Australia to enshrine the principle of competitive neutrality in nationwide agreements and policy frameworks.[3] This ensures the SOCs are not conferred any advantages or disadvantages by virtue of government ownership, and that they operate in an environment similar to their private sector peers.

Commercial Policy Framework

The Commercial Policy Framework is a suite of Treasury policies and guidelines that apply to SOCs and other significant government businesses. The Framework seeks to impose the disciplines and incentives under which private sector businesses operate, and which lead towards efficient commercial practices. It sets out the Government's ownership expectations around capital structure and distributions, governance, performance management, reporting, and risk management.

An outline of policies in the Commercial Policy Framework is included in **Appendix B.**

2.3. Governance and accountability arrangements for the SOC model

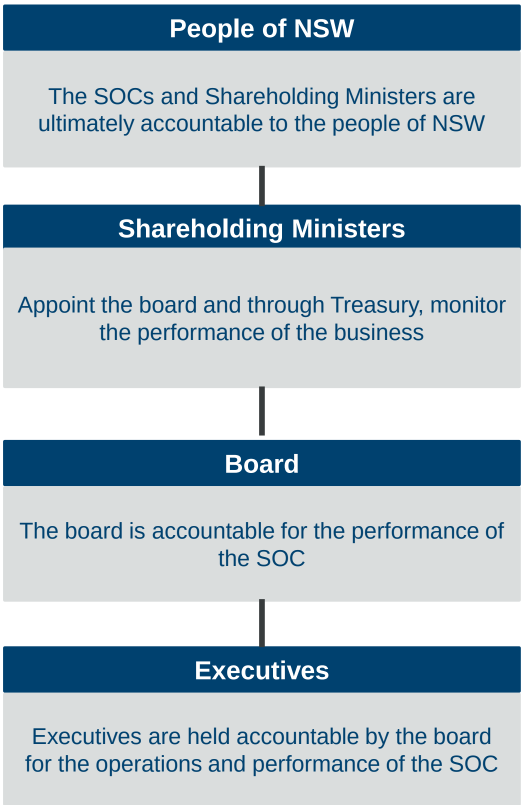
The SOCs are governed by independent boards whose directors have duties specific to their role as defined in the SOC Act. Having boards operate at arms-length from government has been crucial to the success of the SOC model. This limits outside interference and ensures governance duties are undertaken by expert and independent decision makers close to the business. The Shareholding and Portfolio Ministers can provide strategic direction to the SOCs in limited ways. However, this power is not intended to interfere with the arms-length nature of SOC governance which ultimately lies with the independent board.

Being wholly owned by the government, SOCs are accountable to the Shareholding Ministers, who in turn are accountable to the Parliament, and ultimately the people of NSW. This accountability hierarchy (Figure 2.1), combined with arms-length governance by independent boards, means ownership expectations are formed in the best interests of the people of NSW, and are delivered in a commercially viable way.

The role of the Portfolio Minister in the governance of SOCs is examined in Section 3.

[3] In 1995 the NSW Government agreed, along with the Commonwealth and other State and Territory Governments, to implement competitive neutrality principles as part of its commitment to National Competition Policy.

Figure 2.1 The accountability hierarchy of the SOC model



Role of Parliament

As representative of the people of NSW, Parliament needs to be kept informed of SOC performance. Ensuring transparency to Parliament provides accountability and confidence to the broader public. The activities a SOC engages in also has consequences for the local communities in which it operates, and for local Members of the Legislative Assembly.

The accountability framework for SOCs under the SOC Act formalises the need for Parliament to be kept informed of the SOCs' activities. Accordingly, Shareholding Ministers are required to provide Parliament with the:

- constitution of the SOCs and each of its subsidiaries, and any amendments to those constitutions, and
- Statement of Corporate Intent, half yearly reports, annual reports and Ministerial directions.

SOCs are also subject to scrutiny by Parliament through Budget Estimates Hearings, the Public Accountability Committee, and other arrangements, and can also be the subject of Parliamentary Inquiries.

3. Portfolio and policy expectations for the SOCs

While they operate at arm's-length to Government, the SOCs are still government entities. Accordingly, SOCs are expected to be effective at delivering portfolio and policy outcomes in a commercial manner. This balance is reflected in the principal objectives for the SOCs set out in the SOC Act section 20E(1), giving equal importance to:

- being a successful business by operating as efficiently as any comparable business and maximising the net worth of the State's investment
- exhibiting a sense of social responsibility
- conducting operations in compliance with the *Protection of the Environment Administration Act 1991*
- exhibiting a sense of responsibility towards regional development and decentralisation.

In addition to these objectives, the enabling legislation for each individual SOC may contain further objectives that apply to that business (**Appendix A**).

The success of the SOC model is based on its ability to deliver policy outcomes while making a commercial return (Box 3.1). For example, the provision of clean drinking water in an equitable and affordable manner, while delivering returns to government by driving operational improvements and an efficient capital structure has been a key feature of SOCs operating in the water sector.

Box 3.1 – Bringing together commercial and policy outcomes: the example of Forestry Corporation of NSW

Forestry Corporation is responsible for managing environmental sustainability, tourism and renewable timber production in NSW's State-owned commercial native and plantation forests. This requires it to balance several of the Government's priorities such as environmental conservation and community recreation, alongside commercial viability, and regional development.

In 2013-14, the first full year of its corporatisation and becoming a SOC, Forestry Corporation implemented a comprehensive restructure of its business. This led to the delivery of financial results well above expectations in terms of revenues, margins, and dividends, including a:

- 28 per cent increase in earnings before interest, overheads, and taxes from the Softwood Plantations Division
- reversal of losses in the Hardwood Forests Division
- doubling of the projected dividend to the NSW Government to $9.7 million (2014 dollars).

Forestry Corporation plays an integral part in the Government's emphasis on protecting forest values, including biodiversity, clean air and water, and public access for recreation. It is also an example of how corporatisation can deliver a more efficient enterprise, while continuing to deliver policy outcomes central to government business ownership.

3.1. The SOCs' role in delivering policy objectives

SOCs play an important role in helping the Government to deliver on its policies and priorities. Where this is done as part of a SOC's normal business operations, this does not "cost" the government from a Budget perspective because expenditure by SOCs is outside the General Government Sector.

However, there may be instances where the Government seeks to have a SOC deliver a policy objective that is non-commercial, or one which the SOC would not otherwise pursue in the normal course of its operations. There are two main avenues available to the Government to have the SOC pursue this type of non-commercial activity: a statutory direction to the SOC under the SOC Act (see Section 3.2 below), and reimbursing the SOC for undertaking a community service obligation (CSO).

CSOs are non-commercial activities requested of government businesses with a social or policy purpose. The Government may request SOCs to undertake CSOs that do not align with the SOC's commercial objectives, and which a comparable private sector business would not undertake. Pensioner rebates for water and electricity charges are one example of a CSO. SOCs are compensated for the delivery of CSOs as they are funded by the government department responsible for seeking the policy objective.[4]

A further mechanism by which Government can guide the SOC to deliver policy objectives is the SoE (described in Section 4 below). The SoE provides the Shareholding and Portfolio Ministers with a mechanism to communicate to a SOC specific outcomes they expect the SOC to support. These expectations should be consistent with the legislative objectives and commercial operation of the business.

3.2. The role of the Portfolio Minister

One of the key powers Portfolio Ministers have is to direct statutory SOCs to undertake non-commercial activities which deliver policy objectives. Under the SOC Act, the Portfolio Minister may issue a direction with the approval of the Treasurer under:

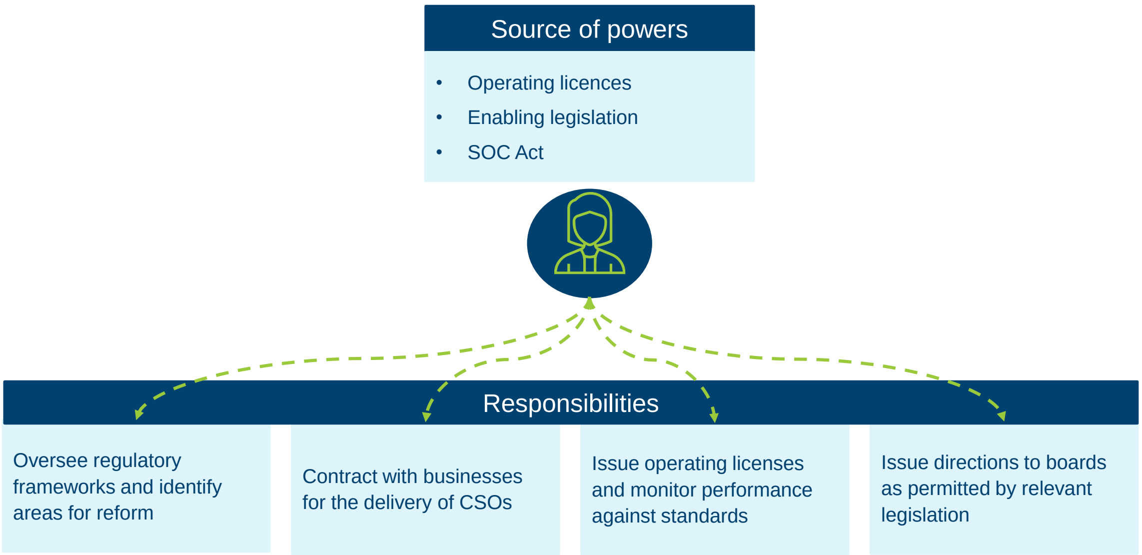
- section 20N, to pursue non-commercial activities
- section 20O, to apply public sector policies
- section 20P, where it is in the public interest

When issued with a 20N direction, SOCs are entitled to be compensated for the net cost of carrying out these activities. SOCs may also be compensated when issued directions under 20O and 20P subject to determination by the Treasurer.

Under each SOCs' enabling legislation, the Portfolio Minister may have additional powers such as, the power to appoint the Chief Executive Officer. The Portfolio Minister also issues some SOCs with their operating licenses which outline, amongst other things, minimum quality and performance standards. An outline of the general characteristics of a Portfolio Minister's powers is given in Figure 3.1.

[4] Further information on CSOs may be found in *Guidelines for Community Service Obligations* [TPP19-02].

Figure 3.1 The powers and responsibilities of the Portfolio Minister



4. Communicating ownership and portfolio expectations through the Statement of Expectations

The Statement of Expectations (SoE) formally and transparently communicates the Government expectations to each SOC.

The SoE should provide clarity to stakeholders (including regulators and other industry/sector participants), and support a coordinated approach to achieving sector outcomes. The SoE is principally a communication mechanism as opposed to a directional power – SOCs maintain independence over the operational and commercial decisions they take to achieve the expectations placed upon them.

The SoE does not replace any aspect of the relationship between the SOC and the Government that is set out in legislation.[5] The SoE should support the existing frameworks and governance arrangements that help balance ownership and portfolio expectations under the SOC model.

4.1. Developing a Statement of Expectations

To ensure the SoE successfully achieves its goals, the development process should follow these six principles:

Principle 1 – The SoE should be driven by effective consultation with key stakeholders

Principle 2 – The SoE should complement the SOC's long term strategic planning cycle

Principle 3 – The SoE should be outcomes-focused

Principle 4 – The SoE should not require SOCs to act against their commercial objectives

[5] Landcom already have a Statement of Priorities which is defined in its enabling legislation.

Principle 5 – The SoE should be signed by both the Portfolio Minister and the Shareholding Ministers

Principle 6 – The SoE should be made publicly available

An SoE that adheres to these six principles will ensure it effectively communicates appropriate government expectations to the SOCs, without compromising their commercial interests. An outline of the roles and responsibilities of key stakeholders is included in Table 4.1.

Table 4.1: Roles and responsibilities in the SoE process

Who	Role
Shareholding Ministers	• Articulate the shareholders' priorities and any relevant broader expectations of government • Agree on the content, and jointly sign the SoE with the Portfolio Minister
Portfolio Minister	• Articulate the Government's strategic and policy priorities for the SOC and/or sector in which the SOC operates • Consult with key stakeholders, contribute to drafting, and jointly sign the SoE with the Shareholding Ministers
SOC Boards	• Ensure the SOC's business plans, as set out in the Statement of Corporate Intent (SCI), reflect Ministers' expectations in the SoE • Oversee the actions of the business in support of the SoE • When setting KPIs for the business, consider including KPIs that relate to SOE expectations.
SOC Executives	• Consult with stakeholders and identify areas where Government may provide clarity on policy expectations and priorities • Participate in preparing the SoE, in consultation with Treasury and the relevant portfolio department • Respond to and report on progress toward the expectations outlined in the SoE
Treasury	• Define process for developing and issuing SoEs • Consult with the SOC on items for inclusion in the SoE • Collaborate on development of the SoE in consultation with the Shareholding Ministers, portfolio departments and the SOC
Portfolio Departments	• Support the Portfolio Minister in the identification of priorities for the SOC, and with the drafting of the SoE • Collaborate on development of the SoE in consultation with the Portfolio Minister, Treasury, and the SOC

Principle 1 – The SoE should be driven by effective consultation with key stakeholders

Broad consultation on the development of the SoE is critical to ensure it works effectively to communicate the breadth of the Government's expectations to the SOCs (Table 4.1). Consultation is also essential to ensure that both the expectations of Government and the capacity of the business to meet these expectations are jointly understood and accepted.

Accordingly, it is expected that the Portfolio Minister and their Department will actively engage with the business, the Shareholding Ministers and Treasury in the development of the SoE's content.

Principle 2 – The SoE should complement the SOC's long term strategic planning cycle

The SoE should complement the medium to long-term strategic forward planning processes for the SOC. This is so it may inform the upcoming long-term strategy for the business. Therefore, the SoEs should be updated every three to five years. For regulated SOCs, the timing of the issuance of the SoE should complement the regulatory determination cycle.

The SoE may be issued or updated outside of this timeframe in response to significant changes in government priorities. In this case, consideration should be given to minimising disruption to the business' long-term strategic plan.

Principle 3 – The SoE should be outcomes-focussed

The content should focus on outcomes, highlighting government priorities for the SOC. Recognising the independence and commercial operation of the SOCs, the SoEs should explain what government expects, not how this should be achieved. There may also be some overlap in the outcomes expected in the SoE and those required by the regulatory and legislative arrangements. Specific things the SoE should or should not include are outlined in Figure 4.1.

Principle 4 – The SoE should not require SOCs to act against their commercial objectives

The SOC Act requires that SOCs be successful businesses, operating at least as efficiently as comparable businesses and maximising the net worth of the State's investment as outlined in section 20E(1)(a). It is not appropriate for the SoE to require a SOC to act contrary to this requirement.

The SoE should not request a SOC to undertake an activity that should more appropriately be the subject of a direction under sections 20N, 20O or 20P of the SOC Act (see section 3.2 above).

Figure 4.1: Content of a Statement of Expectations

What the SoE **should** include	What the SoE **should not** include
• The Government's key priorities relevant to the SOC while it continues to operate its business in a commercial manner. • How the SOCs should work with the Government and other industry players to achieve common goals, and identify potential synergies and opportunities.	• Requests that should appropriately be issued using the Portfolio Minister's directional powers under the SOC Act. • Requirements for SOCs to perform non-commercial activities or specific projects. • Requests that have the effect of putting the government in a position where, for accounting purposes, it assumes control over a SOC's operational and commercial decisions.

Principle 5 – The SoE should be signed by both the Portfolio Minister and the Shareholding Ministers

The SoE is to be jointly signed and issued by the Portfolio Minister and the Shareholding Ministers. This ensures the SoE represents an aligned government position where both the Shareholding Ministers and the Portfolio Minister agree on the expectations for the SOC.

Principle 6 – The SoE should be made publicly available

The SoE should be made publicly available, thereby encouraging stakeholders to coordinate in support of the Government's policy agenda. In the case of price regulated entities, the publication of the SoE also signals to the regulator expectations of the Government that may have cost implications for these businesses. Publication also provides the broader public with transparency on what the Government has asked of the SOCs.

Where content in the SoE is commercial-in-confidence or Cabinet-confidential, this may be redacted in the published version.

4.2. SOC response and monitoring of outcomes

SOCs should respond to the SoE in their annual SCI and business plan. The strategies and business plans of the SOC articulated in the SCI should demonstrate the board's understanding of, and commitment to, meeting the Government's expectations. When setting KPIs for the business, the boards should consider including KPIs that relate to SOE expectations.

In reviewing the SCIs and business plan, Treasury will seek to understand what activities the business will undertake to meet the expectations of the SoE. Boards should consider including measures that demonstrate the business's progress towards supporting the expectations in the SoE. These measures may be updated annually to facilitate ongoing monitoring by Treasury.

No other formal communication or response is expected.

Glossary

Term	Definition
Board	The governing board as provided in the business's enabling legislation of the *State Owned Corporations Act 1989* or for a non-SOC in their enabling legislation. Certain government businesses do not have a governing board. 'Board' for these businesses refers to the accountable authority under the *Government Sector Finance Act 2018*, who is generally the head of the agency.
Government Businesses	In New South Wales, these include: • Public non-Financial Corporations (PNFC) under ABS classifications • Public Financial Corporations (PFC) under ABS classifications • General government (under ABS classifications) businesses or part of a general government agency that support market goods and services, do not receive significant Budget funding and have been identified by Treasury as a government business. A list of all NSW Government entities, including the classification of the entities by sector ABS classification, is available in the Classification of Agencies appendix to the annual NSW Budget Statement.
GSF Act	*Government Sector Finance Act 2018*
PFAA Act	*Public Finance and Audit Act 1983*
Shareholding Minister(s)	The term Shareholding Minister means the same thing as the term "voting shareholder" as defined in the SOC Act, and is used interchangeably with the term "shareholders" in this policy. For statutory SOCs, the Shareholding Ministers are the Treasurer and another Minister nominated by the Premier as a voting shareholders under section 20H of the SOC Act. The Premier can be nominated as a voting shareholder.
SOC Act	*State Owned Corporations Act 1989*
SoE	Statement of Expectations
Statement of Corporate Intent (SCI)	An agreement under the *State Owned Corporations Act 1989* between the SOC board and voting shareholders that holds the board accountable for performance to the voting shareholders and Parliament. The Statement of Corporate Intent is supported by a Business Plan.
Statutory State Owned Corporations (SOCs)	State Owned Corporations listed in Schedule 5 of the *State Owned Corporations Act 1989*.

Appendix A – SOCs and their enabling legislations

Business	Enabling Legislation
Essential Energy	*Energy Services Corporations Act 1995*
Forestry Corporation of NSW	*Forestry Act 2012*
Hunter Water	*Hunter Water Act 1991*
Landcom	*Landcom Corporation Act 2001*
Port Authority of NSW	*Ports and Maritime Administration Act 1995*
Sydney Water	*Sydney Water Act 1994*
Transport Asset Holding Entity of NSW (TAHE)	*Transport Administration Act 1988 Part 2 Transport Asset Holding Entity*
WaterNSW	*Water NSW Act 2014*

Appendix B – The Commercial Policy Framework

Function	Title	Description	Policy
Governance	Ownership and Portfolio Expectations	Outlines the Government's ownership roles, responsibilities, and expectations for the SOCs, and introduces the SoE.	TPP22-02
	Guidelines for Governing Boards of Government Businesses	Outlines the government's expectations for standards of corporate governance to be adopted by all governing boards.	TPP17-10
	Board Appointments for SOCs and Other Commercial Government Businesses	Provides a framework for the board appointment process to support the merit-based selection of board directors.	TPP18-08
	Directors and Officers Indemnity Policy for State Owned Corporations	Guidance on shareholder approval to requests by SOCs to indemnify their officers under the SOC Act.	TPP18-04
	CEO Appointment Guidelines for Government Businesses	Provides guidance in relation to the appointment and contractual terms, including remuneration, for CEOs or managing directors.	TPP17-11
Performance	Performance Reporting and Monitoring Policy for Government Businesses	Focuses on reporting and monitoring from a shareholder perspective. Provides for annual Statement of Corporate or Business Intents and quarterly reporting.	TPP18-02
	Capital Structure and Financial Distribution Policy for Government Businesses	Outlines the requirements for a government business to maintain a capital structure that meets the Government's expectations while providing an appropriate return on Government's equity investment	TPP21-10
Risk management	Major Projects Policy for Government Businesses	Sets out the notification, assurance, approval and reporting requirements for government businesses planning to undertake a major project.	TPP18-05
Competitive Neutrality	Guidelines for Community Service Obligations	Sets out the framework for the commissioning, funding and delivery of CSOs by government businesses.	TPP19-02
	Tax equivalent regime for Government Businesses	Outlines the obligations for certain government businesses to pay income tax equivalents to comply with National Competition Policy requirements.	TPP21-04
	Government Guarantee Fee Policy for Government Businesses	Requires SOCs and nominated government businesses to borrow at a cost reflective of their individual credit worthiness.	TPP14-03