

**Submission
No 3**

**EXAMINATION OF SELECTED AUDITOR-GENERAL'S FINANCIAL
AUDIT REPORTS 2020**

Organisation: Wentworth Park Sporting Complex Land Manager

Date Received: 4 June 2021



Wentworth Park
Sporting Complex Land Manager
ABN 24 468 901 017

4 June 2021
Mr Greg Piper MP
Chair, Public Accounts Committee

Dear Mr Piper

RE: WENTWORTH PARK SPORTING COMPLEX LAND MANAGER

I refer to your letter of 13 May 2021 concerning a "loan" from Greyhound Racing NSW.

The history of the "loan" on which you are seeking additional information dates from the 1980's. So far as I am aware there is no documentary evidence of its creation or its terms. The Land Manager (previously Trust) has never admitted liability for its repayment.

When it was transferred from the Racecourse Development Fund to the Greyhound Racing Industry Development Fund on 25 June 1998 (see the proclamation of that date under the Totalizator Act 1997) it was described as a "Repayable Loan" but that Proclamation was not a matter on which the Land Manager was consulted or its views sought, and it has never been accepted by the Land Manager that the "loan" was repayable.

You will see from the attached letter dated 13 March 2007 from the then Minister for Gaming and Racing (the Hon Grant Mc Bride) to the then Minister to Lands (the Hon Tony Kelly) that:

"Loans of this nature are normally Interest Free Interminable Loans (IFIL) which are not called in unless racing ceases at the particular venue".

To our knowledge no such loan has ever been called in, even in those circumstances (racing having ceased).

The Land Manager is of the view that the "loan" is not repayable and this has been communicated to Greyhound Racing NSW on a number of occasions.

I have also attached a letter dated 3 June 2021 from Melanie Hawyes, Deputy Secretary, Crown Lands as the Department of Planning Industry and Environment – Crown Lands is the agency responsible for the administration of the Crown Land Management Act 2016.

Yours sincerely



Rod Gilmour
Administrator
Wentworth Park Sporting Complex Land Manager



Mr Rod Gilmour
Administrator
Wentworth Park Sporting Complex Land Manager
PO Box 225
GLEBE NSW 2037
reingilm@bigpond.net.au

Dear Mr Gilmour

I am writing to provide information in support of the Wentworth Park Sporting Complex Land Manager (WPSC) response to the correspondence of the Public Accounts Committee (PAC). On 13 May 2021 the PAC requested commentary on the unresolved issue of a loan between the WPSC and Greyhound Racing NSW.

As the appointed statutory land manager of Wentworth Park Sporting Complex, comprising Crown reserve 500010, WPSC are authorised to manage the land under the *Crown Land Management Act 2016* (CLM Act).

As the agency responsible for the administration of the CLM Act, the Department of Planning Industry and Environment - Crown Lands is aware of the unresolved loan between WSPC and Greyhound Racing NSW and the position of WPSC that the loan is not repayable.

Crown Lands is working closely with Racing NSW and the WPSC to resolve this matter as part of broader consideration of the future of greyhound racing at Wentworth Park.

If you have any further questions, please contact [REDACTED] Manager, Strategic Projects, Greater Sydney and Commercial at Crown Lands, on [REDACTED]

Yours sincerely

[REDACTED]
Melanie Hawyes
Deputy Secretary, Crown Lands
03/06/2021

CC: Anne Lloyd – [REDACTED]

Grant McBride MP

MINISTER FOR GAMING AND RACING • MINISTER FOR THE CENTRAL COAST

The Hon T Kelly MLC
Minister for Lands
Level 34
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

RML07/0103

27/4/07

13 MAR 2007

Dear Minister 

I refer to your letter dated 18 January 2007 regarding the \$6,477,874 loan from the greyhound racing industry to the Wentworth Park Trust, and in which you seek my intervention in the dispute.

My advice on the circumstances of the loan is as follows:

- The loan is presently an asset of Greyhound Racing NSW as part of its portfolio of racecourse development fund loans. The loan was originally made by the TAB administered Racecourse Development Fund which is funded from TAB distribution (ie not budget funds).
- At the time of the TAB privatisation in 1998, the former Racecourse Development Fund administered by the 'statutory' TAB was wound up and its assets were transferred, as appropriate, to the three codes of racing.
- The schedule prepared for this purpose pursuant to the *Totalizator Act 1997* records a repayable loan of \$6,477,874 to the Wentworth Park Trust.
- Loans of this nature are usually Interest Free Interminable Loans (IFIL) which are not called in unless racing ceases at the particular venue.
- The practice is based on the principle that a racecourse development fund administered by a racing controlling body (such as Greyhound Racing NSW) is funded from TAB distribution provided as a result of wagering on racing, and that – in the event of a scenario requiring a loan to be repaid – any such industry funds are returned to the fund for future distribution.
- The purpose of the particular loan(s) in question was to address problems with construction of the grandstand at Wentworth Park which at the time was having a severe detrimental impact on the NSW greyhound racing industry.
- It is my understanding that a number of loans were made but that the consolidated amount is \$6,477,874.
- No repayment schedule appears to have been agreed between the parties. This may be because the loan has always been treated as an IFIL and income streams would not support a repayment schedule.

- Any such income has been used to maintain Wentworth Park, the costs of which relate to greyhound racing would have normally been met from the Racecourse Development Fund.

As you would be aware, the racing industry is essentially self funded from TAB distribution payments. Similar arrangements apply to Racecourse Development Funds administered by Greyhound Racing NSW.

Greyhound Racing NSW is established by the *Greyhound Racing Act 2002* as an independent body which does not represent the Crown, and which is not subject to Ministerial direction.

However, I am concerned that Greyhound Racing NSW has chosen, after a number of years, to unilaterally press for the repayment of the loan against the Wentworth Park Trust.

I have expressed my concern on this matter to the Chairperson of Greyhound Racing NSW (copy attached). I have asked him to put to his Board that this matter – including the issue of interest – be held in abeyance pending further discussion.

I will write to you again when I have received advice from the Chairperson of Greyhound Racing NSW.

Yours sincerely

A large black rectangular redaction box covering the signature of Grant McBride.

Grant McBride MP
Minister for Gaming and Racing