



## The Hon Stuart Ayres MP

Minister for Western Sydney  
Minister for WestConnex  
Minister for Sport

CMT19/3

Mr David Blunt  
Clerk of the Parliaments  
Clerk of the Legislative Council  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Dear ~~Mr~~ Blunt *David,*

Please find attached the NSW Government Response to the Public Works Committee's Final Report following its Inquiry into the Sydney Stadiums strategy.

I would be grateful if you could arrange for the response to be tabled.

Yours sincerely

Stuart Ayres MP  
Minister for Western Sydney  
Minister for WestConnex  
Minister for Sport

24 JAN 2019

Received by me on behalf  
of the Clerk of the Parliaments  
at 11.30 am on Friday 25  
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authorised to be printed  
*B. Bluff*



# NSW Government Response to the Inquiry into the Sydney Stadiums Strategy

## NSW Government response to recommendations

| Rec # | Recommendation  | Government Response   |
|-------|---|---|
| 1     | That the NSW Government as soon as possible release the indoor arena feasibility study to the community in full, for review and public consultation.  | <p><b>Noted</b></p> <p>The Indoor Arena Feasibility Study was concluded in August 2017. The next step is for the Government to finalise the strategic business case and for Government to decide which of the options canvassed in the strategic business case it wishes to progress for inclusion in a Final Business Case. The Final Business Case would examine in more detail the project's costs, benefits and timeframes, as a basis for final, detailed investment decisions by Government.</p> <p>Like similar infrastructure projects, the NSW Government will release a summary of the strategic business case and final business case for the proposed indoor arena when completed</p> |
| 2     | That the NSW Government prioritise either the refurbishment of an existing sporting arena, or construction of a new indoor facility, with adequate capacity to meet the requirements of a wide variety of sporting codes. | <p><b>Supported</b></p> <p>The NSW Government has commenced investigations into an Indoor Arena. The Feasibility Study was completed in 2017 and a Strategic Business Case is currently being prepared for Government consideration.</p>  |
| 3     | The NSW Government ensure that hire fees for either a new indoor arena or a refurbished, existing venue are reasonable and affordable.  | <p><b>Supported</b></p> <p>This will be considered as part of the Strategic Business Case for the proposed Indoor Arena.</p>  |

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| 4 | <p>That a single governing entity be established for the Sydney Cricket Ground, Sydney Football Stadium, Stadium Australia, the new Western Sydney Stadium and other stadia identified in the Rebuilding the Major Stadia Network strategy document.</p>  | <p><b>Noted</b></p> <p>The NSW Stadia Commerciality Framework is in place for the stadia facilities operated by the Sydney Cricket and Sports Ground Trust and Venues NSW. It allows the stadia facilities to operate both individually and as part of a network in an efficient, coordinated and consistently commercial manner.</p>  |
| 5 | <p>That the NSW Government refer its approach to cost benefit analysis and its use in major government infrastructure decisions to the Public Accountability Committee to review its effectiveness and ability to meaningfully assess value of major infrastructure projects to the New South Wales community, and to consider the various options available to government for public investment.</p> | <p><b>Noted</b></p> <p>The NSW Government has established assurance process to ensure that major infrastructure projects are meaningfully assessed through business cases and cost-benefit analysis (CBA). Infrastructure NSW is the independent Gateway Assurance Authority responsible for implementing the Infrastructure Investor Assurance Framework to ensure a thorough health check of the approach to business cases, CBA and options analysis.</p> <p>There are guidelines that support this process such as the NSW Government Guide to Cost-Benefit Analysis (released in March 2017) and the NSW Government Business Case Guidelines (released in August 2018).</p> |
| 6 | <p>That the Department of Planning and Environment have due regard in its assessment of the planning proposal to knock down and rebuild the Sydney Football Stadium of the questionable assumptions that underpin the business case and the significance of local impacts that would result from an approval.</p>   | <p><b>Noted</b></p> <p>A State Significant Development Application is bound by the requirements of the <i>Environmental Planning and Assessment Act 1979</i> which includes the consideration of local environmental impacts but does not go to the assumptions of a business case.</p>  |
| 7 | <p>That the NSW Government not proceed with the redevelopment of Stadium Australia until construction of the new Sydney Football Stadium is completed.</p>  | <p><b>Noted</b></p> <p>The NSW Government has stated that it would prepare a final business case for the refurbishment (not redevelopment) of Stadium Australia for further consideration in the second quarter of 2019.</p>   |

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| 8  | <p>That the NSW Government immediately commission an independent audit of the assumptions contained in the various business cases for stadia and publish the results of the audit on the Infrastructure NSW website.</p>   | <p><b>Noted</b></p> <p>Business cases for Western Sydney Stadium, Sydney Football Stadium and Stadium Australia (strategic) have been submitted to government are already subject to an independent review. This is the gateway review and is managed by NSW Treasury.</p> <p>The Gateway process provides an opportunity for major proposals to undergo an independent peer review at key stages of a project lifecycle. The role of the Gateway is to identify risks, provide advice and to challenge project justification, delivery and benefit realisation.</p> <p>As the NSW Government’s independent infrastructure advisory agency, Infrastructure NSW routinely assesses business cases and provides advice to Government on their findings. These independent assessments prepared by Infrastructure NSW, aim to find whether there is evidence that a proposed project is economically and socially justified. Business Case Summaries are published on the Infrastructure NSW webpage.</p> |
| 9  | <p>That the NSW Government conduct a roundtable with community organisations, government agencies and other key stakeholders to review and improve the effectiveness of traffic management practices during and post redevelopment of Sydney Football Stadium.</p> | <p><b>Supported</b></p> <p>A Community Consultative Committee for the project will be established in line with Department of Planning and Environment guidelines.</p>  |
| 10 | <p>That the NSW Government fully fund the design and construction of a replacement pool for the people of Parramatta as a matter of priority.</p>  | <p><b>Supported</b></p> <p>The NSW Government has announced that government will oversee the planning and delivery of a \$30 million “like for like” replacement pool in Parramatta. Any works and associated costs beyond the scope of the “like for like” pool are the responsibility of Parramatta City Council.</p>  |