

REPORT ON PROCEEDINGS BEFORE

PUBLIC WORKS COMMITTEE

SYDNEY STADIUMS STRATEGY

CORRECTED PROOF

At Macquarie Room, Parliament House, Sydney, on Friday 29 June 2018

The Committee met at 9.00 a.m.

PRESENT

The Hon. Robert Brown (Chair)

Mr Justin Field

The Hon. John Graham

The Hon. Trevor Khan

Mr Scot MacDonald

The Hon. Taylor Martin

The Hon. Lynda Voltz

The CHAIR: Good morning, ladies and gentlemen. Welcome to the second hearing of the Public Works Committee inquiry into the Sydney stadiums strategy. Before I commence, I acknowledge the Gadigal people who are the traditional custodians of this land. I also pay my respects to the elders past and present of the Eora nation and extend that respect to other Aboriginal people present. Today is the second of three hearings we plan to hold for this inquiry. We will hear today from the Office of Sport, Saving Moore Park, Keep Sydney Beautiful, KPMG, Blackett Maguire and Goldsmith, MI Associates, Mr John Brogden, Netball NSW and Basketball NSW.

Today's hearing is open to the public and is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing. I urge witnesses to be careful about any comments they may make to the media or others either before or after they complete their evidence as such comments may not be protected by parliamentary privilege if another person decided to take action for defamation. Guidelines for the broadcasting of proceedings are available from the secretariat.

There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days of receipt of the question. Witnesses are advised that any messages should be delivered to Committee members through the Committee staff. To aid the audibility of the hearing, I remind both Committee members and witnesses to speak into the microphones. In addition, several seats have been reserved near the loudspeakers for persons in the public gallery who may have hearing difficulties. I ask everyone to turn off their mobile phones or put them on silent for the duration of the hearing.

MATT MILLER, Chief Executive Officer, Office of Sport, on former oath

KAREN JONES, Executive Director, Sport Infrastructure Group, Office of Sport, affirmed and examined

The CHAIR: Before we start with questions, would either of you like to make a brief opening statement?

Mr MILLER: I would like to make some opening remarks. Thank you for the opportunity to appear again at the inquiry. Sport and active recreation is important to all Australians. It contributes significantly to our productivity, health and wellbeing, our economy, social inclusion, and the livability of our communities and cities. Whether it be participating in the local netball game on a Saturday morning through to attending blockbuster events such as the recent State of Origin, a match at ANZ or the Wallabies-Ireland match at Allianz Stadium last weekend, involvement in sport and active recreation clearly touches a broad cross-section of the community and generates passion, loyalty and pride.

An active community is a healthy and more productive community. Regular physical activity improves our physical and mental health, improves performance at school and work and reduces the risk of obesity and lifestyle illnesses. Sport and active recreation is a growing industry sector that creates jobs and opportunities for investment and innovation. Sport and active recreation events attract visitors to our cities and communities and are significant drivers of the visitor economy across New South Wales. Sport also brings people and communities together, thereby contributing to a stronger, more socially cohesive and inclusive society.

At the Office of Sport we are focused on creating a vibrant, valued sport and active recreation sector that realises greater value for the people of New South Wales. We work together with the sector, other government agencies and non-government partners to deliver four strategic priorities. The first is enhanced sector performance. The second is increased participation in sport and active recreation. The third is increased sporting success for New South Wales and contribution to Australia's sporting success and, finally, well-managed infrastructure and facilities that meet the needs of both users and investors.

We deliver these priorities through the Sport Development Group, Sport and Recreation Services and the Sport Infrastructure Group for which Ms Jones is the executive director. Sport development builds sector capability and drives increased participation through initiatives such as the Active Kids program. Sport and Recreation Services leads regulatory activities and regional planning for sport and active recreation as well as providing services to the community via sport and recreation centres and Olympic venues. Sport Infrastructure leads the planning and funding programs across the entire spectrum of sport and active recreation facilities and infrastructure; firstly, at a community sport facilities level—and I draw the Committee's attention to \$300 million of funding in that area for Stronger Country Communities, Regional Sport Infrastructure and Greater Sydney Facility Sports funds.

The second area in which the Sport Infrastructure Group leads is high performance sport facilities. This includes centres of excellence, national high-performance centres and training centres. The third and final area is in relation to stadia. In relation to stadia, the Office of Sport has led the initial development and ongoing refinement of the New South Wales Stadia Strategy. We have also led or contributed to strategy implementation activities, including feasibility and scoping studies, and work on business cases to assist the Government's decision-making. The 2012 Stadia Strategy is the foundation on which further development has been undertaken since that time.

From my perspective, it is important to note that the Stadia Strategy has effectively remained unchanged and that it continues to be consistent with the State Infrastructure Strategy. The strategy scope has included major stadia redevelopment, a recognition of the need to align with Sydney's growth and the importance of other facilities such as a new indoor arena. The strategy's objectives have also remained consistent. Investment order and plans have evolved, and adapted in response to the findings of further investigations, community views, stakeholder requirements, and broader government decisions. Put simply, the Stadia Strategy continues to focus on providing the best stadiums for the best events and with the best spectator and fan experience in Australia. It provides a framework for the New South Wales Government investment, and aims to achieve an optimal mix of venues to meet community needs, as well as ensuring New South Wales continues to be the leader in Australia's major event market. In so doing it drives strong successes in the visitor economy and the broader New South Wales economy.

Today I am joined by Ms Karen Jones, Executive Director of the Sport Infrastructure Group in the Office of Sport. Ms Jones joined the office in August 2017 and, as you have heard, has carriage of the New South Wales Sport Infrastructure Strategy which, as I noted earlier, includes community sport, high-performance facilities and stadia. Ms Jones will assist me in providing the Committee with the information it needs. To conclude, I reiterate that the office is committed to realising the inarguable value proposition that sport and active recreation can deliver both in the terms of economic and social benefit to the people of New South Wales. Work on the Stadia Strategy is a part of the office's very broad agenda to build a vibrant and valued sport and active recreation sector.

The CHAIR: In plain speak, what is really meant by your first priority? It sounded very nice but when it is compared to the other priorities they were more substantive and objective. What is meant by the first priority?

Mr MILLER: I assume you are referring to "enhanced sector performance"?

The CHAIR: Yes. What does that mean?

Mr MILLER: Our focus is to have a vibrant and valued sport and active recreation sector. The office could be focused just on delivering programs that relate to participation, high performance or infrastructure. In our strategic plan and in our positioning to realise the provision of a vibrant and valued sector that actually contributes greatly to the people of New South Wales, we see the importance of bringing the sector together to help it perform better and build its capability and through grant funding and capability building initiatives such as training on governance, financial management and monitoring of performance. We are trying to build the capability and sustainability of the sector so that it is not mendicant and dependent on government.

The CHAIR: Do you provide programs for training, say, committees of community-based clubs on how to manage so that they do not get into problem?

Mr MILLER: That is one example but we are doing a range of, I guess, whole-of-sector views. We have recently, for example, been out doing organisational health surveys of sports, sporting organisations, and provided that information back to them so that their governance and governing bodies can take action in the areas of governance, financial management, business planning and those sorts of indices of organisational health. That is premised on the fact that if we have got strong and effective State sporting organisations leading their sports and those organisations are aligned with their national counterparts—because in Australian sport, as we all understand, we work in a federated system and it is really important to have highly effective, healthy State sporting organisations and, I add, active recreational organisations as well to enable the Government to partner with the sector partners to deliver the sorts of outcomes that everybody wants for the community.

The CHAIR: Ms Jones, you are responsible for the total infrastructure package that comes within the Office of Sport. Can you advise the Committee of the total dollar breakdown between sports infrastructure in the Sydney basin and regional New South Wales?

Ms JONES: No, I would have to take that question on notice to give you the figure.

The CHAIR: Will you take it on notice?

Ms JONES: Yes. It is in the interest of the Office of Sport that we do take a statewide approach. As Mr Miller outlined in his opening statement, we do have current grant programs so not only for the Regional Sports Infrastructure Fund but we have also got the Greater Sydney Sports Facility Fund.

The Hon. JOHN GRAHAM: I refer to the final business case for the Sydney Football Stadium. I draw your attention to page 14 of that report and a table that compares the existing stadium with option one with 45,000 seats and option two with 40,000 seats. Looking at that table, will you confirm that in its current state the stadium has 33,500 general admission seats?

Mr MILLER: Based on what is contained in the report, that would seem to be the situation. Confirmation, however, needs to be provided by the venue management.

The Hon. JOHN GRAHAM: But the report states 33,500.

Mr MILLER: Correct.

The Hon. JOHN GRAHAM: Can you confirm that in this table that falls to 33,203 under option one and 29,264 under option two?

Mr MILLER: I can.

The Hon. JOHN GRAHAM: Can you confirm that currently there are 6,695 seats for members of the Sydney Cricket Ground?

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: And that will increase to 8,000 seats under option one?

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: That is an increase of about 20 per cent. Can you confirm that there are currently 2,905 premium seats in corporate boxes?

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: This will increase to 3,797 under option one?

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: That is an increase of about 30 per cent, just for your knowledge. I will not ask you to do that maths. After spending \$729 million on a new stadium will you confirm for the Committee that members of the public will actually have fewer seats than are now available?

Mr MILLER: Members of the public include members and people who attend—

The Hon. JOHN GRAHAM: I am asking about general admission seats for members of the public.

Mr MILLER: Well, I am answering the question. You said will members of the public have fewer seats. They will have under option one more seats than currently are there. Under option two they would have slightly less. The mix of—

The Hon. JOHN GRAHAM: Sorry, I am asking the questions. Can you confirm after spending \$729 million there will be less general admission seating for the public?

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: That is correct, is it not?

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: Also there will be an increase in the number of seats reserved for corporates and for members?

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: Do you really think it is fair to spend \$729 million and end up with less general admission seating for the public?

Mr MILLER: The decision on the mix for major stadia looks to the business case and what drives economic return from the investment.

The Hon. JOHN GRAHAM: I am not asking about economic return, I am asking you if it is fair to spend \$729 million and there is less seating for the public.

Mr SCOT MacDONALD: Point of order: I think the Hon. John Graham is asking for a value opinion, which I do not think is fair.

The CHAIR: I uphold the point of order. Witnesses are not obliged to give value opinions, as Mr Scot MacDonald said. Would you redirect your question, Mr Graham?

The Hon. JOHN GRAHAM: I am happy to defer to my colleague.

The Hon. LYNDA VOLTZ: Mr Miller, on page 97 of the final business case of the National Rugby League [NRL] it states that the games will likely come from Brookvale and Leichhardt ovals. Have you surveyed sports fans about how they feel about losing those NRL games from those suburban grounds?

Mr MILLER: My response to the honourable member's question is that that sort of consultation would have been undertaken as part of the development of the business case.

The Hon. LYNDA VOLTZ: The business case that you commissioned. Have you surveyed sports fans about how they feel about losing those NRL games from those suburban grounds?

Mr MILLER: The Office of Sport has engaged KPMG to undertake the development of the business case. In developing the business case it consults with the major hirers including the codes. The codes would be the primary point of consultation with the clubs, as your question—

The Hon. LYNDA VOLTZ: Right.

Mr MILLER: It is not a role for the Office of Sport to go out and consult members of football clubs around their opinions on the Government's strategy.

The Hon. LYNDA VOLTZ: You commissioned a business case for stadia. That business case removes suburban games from suburban grounds. It was your office that commissioned that report, and you have no opinion about how that commissioned report was undertaken.

Mr MILLER: I respectfully disagree with that proposition. In fact, the decision to shift content from suburban grounds into the broader stadia network ultimately lies with the clubs and codes. I would draw the

member's attention to the 2012 stadia strategy, which is predicated on consolidation of content. There was extensive consultation on that document back in 2012. I repeat that it is not the primary role of the office to undertake direct consultation with club members and the community in relation to that. We are activating and providing advice to Government, building on the Government's clearly intended objectives as set out in the 2012 stadia strategy—one of consolidation, with, however, as I have indicated, an ultimate choice by the codes and clubs as to the extent to which those clubs and codes move their content into the Government's major stadia network.

The Hon. LYNDA VOLTZ: How does that impact your BCR if they do not move it?

Mr MILLER: The BCR includes a range of event and attendance assumptions, which you would be familiar with—

The Hon. LYNDA VOLTZ: Which is based on NRL—

The Hon. TREVOR KHAN: Point of order: The witness is still answering. He seems to be answering relevantly. He is entitled to answer the question.

The CHAIR: I uphold the point of order. Please continue, Mr Miller, with your answer.

Mr MILLER: Thank you, Chair. The business case relies on a range of scenarios that contemplate increased matches and, based on evidence of international backing, sees uplift in attendance at these stadia following redevelopment. That uplift varies depending on whether it is full redevelopment or refurbishment. But the business cases are very clear—that there is uplift. Those figures are carried through into the business cases and into the cost benefit analysis that the member is referring to.

The Hon. LYNDA VOLTZ: The events for the business case also state that St George is likely to play more games at the Sydney Football Stadium. Have you had any conversations with St George Dragons regarding them permanently moving from Kogarah Oval?

Mr MILLER: As I indicated earlier, the Office of Sport does not see its role to have direct conversations with the clubs. Our role is to work with the venue managers—in this case Venues NSW and the Sydney Cricket and Sports Ground Trust—to bring a network coherence to the assumptions that are in the business case. The primary responsibility for content allocation rests with the codes and the clubs. The Government strategy necessarily takes on board what the codes and clubs are saying but ultimately it is my view that the strategy is predicated on providing best standard venues which will be highly attractive to the clubs and codes to voluntarily shift their content allocation into the network over time, when they see the quality of the stadiums and what the higher benefits are arising from those stadiums. They will make the choice. It is not for the Office of Sport to go out and ask them about those issues. Our role, I repeat, is in relation to ensuring network coherence and leaving it to the clubs and codes to make those choices.

The Hon. LYNDA VOLTZ: I will ask the question again. Have you had any conversations with St George Dragons regarding them permanently moving to Kogarah Oval?

Mr MILLER: No.

The Hon. LYNDA VOLTZ: On page 99 of the final business case it states, "The Stadium Australia business case is yet to be finalised, and it is expected that the number of NRL club matches will be reduced." You are essentially cannibalising not only suburban grounds but Homebush as well.

The Hon. TREVOR KHAN: Is that a question or a statement?

The Hon. LYNDA VOLTZ: Yes, it is a question.

Mr MILLER: Could you repeat the question?

The Hon. LYNDA VOLTZ: On page 99 of the final business case it notes, "The Stadium Australia business case is yet to be finalised, and it is expected that the number of NRL club matches will be reduced." Essentially, you are not only cannibalising suburban grounds for games; you are also cannibalising Homebush as well.

The CHAIR: Is the question, "Are you?"

The Hon. LYNDA VOLTZ: Yes.

Mr MILLER: If the question is whether we are I would simply point to the analysis which is congruent between both business cases—the strategic business case for Stadium Australia and the final business case for the Sydney Football Stadium. Our role has been to ensure that the totality of content allocated across those stadiums is not double counted or cannibalising. If the question is asking, "Does the business case contemplate, under

scenarios, clubs voluntarily shifting some of their content into the stadia network?" clearly under options one and two it does. Under option three it contemplates that to a lesser extent.

The Hon. LYNDA VOLTZ: But it actually says they are moving out. It says Stadium Australia is expected to lose NRL club matches. On page 99 that is what the business case says.

Mr MILLER: I would direct the question to KPMG as to the basis of the assumption.

The Hon. JOHN GRAHAM: I would like to go to page 10 of the same report. Do you have that table in front of you, Mr Miller?

Mr MILLER: Yes. I do.

The Hon. JOHN GRAHAM: I want to look at the comparison between the base case and option one. There are 16 extra events here that are assumed in this comparison between the base case and option one. You do not disagree with that, do you, Mr Miller?

Mr MILLER: Could you direct me to where you are looking?

The Hon. JOHN GRAHAM: I am looking at the number of events—36 in the base case and 52 in option one.

Mr MILLER: Yes, there are 16 extra events.

The Hon. JOHN GRAHAM: The total attendance jumps. I want to come to that. It jumps by 561,325. Do not feel the need to confirm that. That is made up of two things. Part of it is the 15 per cent assumption about the jump in attendances. That is correct, is it not?

Mr MILLER: For redevelopment.

The Hon. JOHN GRAHAM: Yes, for option one.

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: Part of it, though, comes from the increased events. There are 16 more events.

Mr MILLER: Yes.

The Hon. JOHN GRAHAM: Of that 561,000, if you take out the 15 per cent jump, it leaves 453,000 extra attendees because of these events. Those two groups are about 453,000. The average attendance at each of these 16 events is about 28,000. I am telling you that. Do not feel the need to do the maths yourself. How realistic is that number? Give us an idea about the sorts of events that are held. What is the average attendance at, say, an NRL game at the football stadium for a club match?

Mr MILLER: Our response to one of the questions on notice from the first hearing provided significant detail in this respect. As I refer to that—

The Hon. JOHN GRAHAM: I have seen the significant detail. I am asking you a specific question. What is the average attendance at an NRL club match?

Mr MILLER: For a club game?

The Hon. JOHN GRAHAM: Yes, for a club game.

Mr MILLER: Around 16,000 to 17,000.

The Hon. JOHN GRAHAM: I think the assumption is that it is around 15,000. We are assuming 28,000, around, let us say, 16,000 to 17,000. What about for an NRL final?

Mr MILLER: It varies, as you would know from the response to the question on notice, from 88,000 to 52,000.

The Hon. JOHN GRAHAM: The NRL final series, I am saying, in the lead-up to a—

Mr MILLER: Yes, that is what I am reading from the question on notice.

The Hon. JOHN GRAHAM: That is multiple matches that you are referring to. The alternative assumption in this report is that it is 25,000 for an individual NRL game.

Mr MILLER: It is 86,250.

The Hon. LYNDA VOLTZ: Not for one match?

The Hon. JOHN GRAHAM: For one match.

The Hon. LYNDA VOLTZ: What is the average attendance?

Mr MILLER: Depending on the number of matches, it would be 86,000 divided by the number of matches.

The Hon. JOHN GRAHAM: Yes, and I can tell you the assumption is 25,000, which is less than 28,000. What about when the Soccerroos turn up? What is the assumption in this report for the number of people who come?

Mr MILLER: It is 28,750 according to the report.

The Hon. JOHN GRAHAM: I can tell you in the report that the assumption is 25,000. My question is, how many times have we met this 28,000 benchmark? Give us an idea of, say, in 2015 when holding major events, how many times have we hit the number that you are assuming that we will be able to do 16 extra times in any one year?

Mr MILLER: Again, I believe that Mr Barclay, in a response to a question on notice, has provided significant detail in respect to that and highlighted a number of events where the stadium operates at full capacity or near-full capacity. I would direct any further detail in respect of your question to Mr Barclay or to KPMG.

The Hon. JOHN GRAHAM: Please refer to page 37 of this report and the box on the left that says "2015 major event profile". When I look at that, I can only see one event in 2015 that is over that 28,000 mark. Can you direct me to any more?

Mr MILLER: No, I cannot.

The Hon. JOHN GRAHAM: When you look at the 2017 major event profile for the stadium, I can see one event that is sitting over that 28,000 assumption. Can you direct me to any more?

Mr MILLER: I would direct you to Mr Barclay at the Sydney Cricket and Sports Ground Trust.

The Hon. JOHN GRAHAM: I am asking you to look at the report in front of you. On page 37, under "2017 event profile", I can see one event that meets the number that you are assuming will happen 16 extra times. In that report in front of you, can you see more than one event in 2017?

Mr MILLER: In the 2016-17—

The Hon. JOHN GRAHAM: No, I am not asking you about 2016-17; I am asking about the 2017 major event profile.

Mr MILLER: My response to your question is, in 2016-17, the following events—

The Hon. JOHN GRAHAM: You are moving to a financial year; I am asking about the events that happened in calendar year 2017. There is only one of those that goes over this benchmark that you are assuming. The whole business case rests on 16 extra events with more than 28,000 people. You are saying that happened once in 2015. I am asking you did it only happen once in 2017, according to that report in front of you?

Mr MILLER: I am saying that the business case has been developed with the assistance of KPMG.

The Hon. JOHN GRAHAM: I am asking you what that business case says. It is sitting in front of you. Is there any more than one? You have confirmed for 2015. For 2017—

Mr MILLER: No, I have not confirmed for 2015 or 2016. There are numerous events in all those years that exceed 28,000.

The Hon. JOHN GRAHAM: Well, tell me what events.

Mr MILLER: In 2016-17—

The Hon. JOHN GRAHAM: Importantly, I am not asking about 2016-17. I am looking at the report which divides it into calendar years.

Mr MILLER: I do not have the breakdown into calendar years in front of me.

The Hon. JOHN GRAHAM: The report contains the breakdown.

Mr MILLER: But I would like to provide the Committee a response which indicates or give some scope to your questioning. In 2016-17, the following matches—

The Hon. JOHN GRAHAM: Can you name a single event?

The CHAIR: Order! Allow the witness to answer the question. If the witness feels that he would need time to break down the financial year data into calendar years, he can take that on notice.

Mr MILLER: Thank you, Chair. In 2016-17 the NRL Anzac Day Cup, Roosters versus Dragons, attracted 34,482; Coldplay concert, 97,822; Sydney Football Club versus Western Sydney Wanderers, 40,143; the NRL preliminary final, Sharks versus Cowboys, 36,717; the international Sydney Sevens, 75,412; the Wallabies versus England, 44,063.

The Hon. JOHN GRAHAM: Chair, I will indicate, because our time is up, that a number of those events that Mr Miller indicated are over multiple days and are multiple events, and a number of them are not in the calendar years that this report indicates.

The CHAIR: We have agreed: Mr Graham can put his question on notice to the witness in a different format.

Mr JUSTIN FIELD: Thank you, Mr Miller and Ms Jones, for being here. Following our last hearing I put a question on notice about information that you provided to support the business case, or the Office of Sport provided to support the business case. The answer was:

The Office of Sport provided information on the interim scheduling of events during the anticipated stadia construction period from 2018 to 2021. No other information was provided by Office of Sport to inform the Business Case assumptions.

To confirm what this means, in the assumptions in the business case about the number of new events that would be hosted at the Sydney Football Stadium, under each of those scenarios, what information did you provide to those who were constructing the business case to support those assumptions?

Mr MILLER: Could the member refer me to the question on notice that he is referring to?

Mr JUSTIN FIELD: It is question 21.

Mr MILLER: Thank you. Your question is do we stand by our response in the question on notice?

Mr JUSTIN FIELD: Let us start with that.

Mr MILLER: Yes.

Mr JUSTIN FIELD: Did you have any engagement with KPMG in the construction of the business case around the assumptions for additional events? You have said here that no other information was provided. Did they ask you any questions through that process, or is it fair for the Committee to assume that all of the assumptions about the additional events that would happen at this stadium under the different scenarios were determined without engagement through the Office of Sport?

Mr MILLER: The Office of Sport role, as I have indicated in our opening statement, is one of oversight and management of steering committees, et cetera. I think your question, if I understand it, is going to if we provided information in relation to content. Clearly, the answer, as stated, is no.

Mr JUSTIN FIELD: What information would KPMG have relied on to make assumptions about additional events that might happen at those stadiums? Given the majority of the additional events are sporting events, surely you, as the entity coordinating the way in which sports are being developed in this State, would have had some input into that process?

Mr MILLER: Our input, as I indicated, is one of coordination and oversight. In developing a business case, KPMG were directed appropriately to the venues and clubs and codes that have primary carriage for content allocation.

The Hon. TREVOR KHAN: If they fiddled with it you would be complaining about that.

Mr JUSTIN FIELD: I am not complaining about anything at the moment.

The CHAIR: Order!

The Hon. LYNDA VOLTZ: I think you will find that is not the case.

Mr JUSTIN FIELD: Would it be normal if the venues were assuming that they were going to be able to attract additional events over periods of time that that would be something they would talk to you about? If they are going to assume six additional NRL games that obviously has an impact on other stadiums that are in your network of concern. Is that not something they would talk to you about? How would those venues arrive at those assumptions?

Mr MILLER: The venues would arrive at the assumptions based on their business modelling and their discussions with other government agencies that help them attract events and in discussion with the clubs and

codes. If I go back to the opening statement that I made, the role we play here is one of ensuring network coherence. In our role on steering committees and working parties obviously we are acquainted with the views of the other government agencies involved in this process. We are also acquainted with the views of the clubs and codes and KPMG was asked to bring a professional opinion in developing the match and attendance data that you see presented in the business cases.

Mr JUSTIN FIELD: How would you provide network coherence if you are not aware that between the venues and the codes they are talking about moving events around, potentially out of the government-controlled stadium network and into the Sydney Football Stadium? How would you not be aware of that?

Mr MILLER: We are aware of it. That is our core role, to make sure that when Venues NSW is looking at their event and match attendance data and when the Sydney Football Stadium is citing its data that, in fact, it gels and there is no double counting. That is our core contribution. The consultant—KPMG—that we engaged would raise those matters if it felt there was some non-coherence in the data that is being provided by the relevant venues. I go back to the point you asked. The primary source, be it reallocation of matches into specific venues by the clubs and codes or the attraction of non-sport events into those venues, rests with the venue managers, the clubs and the codes.

Mr JUSTIN FIELD: With regards to the primary assumption around the future events calendar for the Sydney Football Stadium, which assumes four additional events than what happened in 2017 under option one and option two; you are aware of what those assumed events are and you are supportive of those events moving to the Sydney Football Stadium?

Mr MILLER: I am supportive that it is a reasonable assumption in a business case. The business case, as I understand it, does not nominate specific events. It assumes that there will be a move, that clubs and codes will voluntarily shift some of their matches to a new best-in-class facility. It did not go, as I recall it—certainly my understanding of the business case would not go to the granularity of which matches would be shifted. However, I preface my comments with "it is my understanding". The further detail of that matter could be confirmed by KPMG. I understand its representatives are going to be appearing before the Committee later today.

Mr JUSTIN FIELD: How far out does your event calendar go? It says in answer to the question on notice you provided the interim event scheduling to support the development of the business case. How far out does your event calendar go?

Mr MILLER: Would you direct me to the question on notice?

Mr JUSTIN FIELD: Question 21, which states, "The Office of Sport provided information on the interim scheduling of events during the anticipated stadia construction period 2018 to 2021."

Mr MILLER: Ms Jones will answer that question.

Ms JONES: The interim schedule of events was for the anticipated construction period. Particularly when Sydney Football Stadium and potentially Stadium Australia were under construction at the same time. Obviously the Government is interested in maintaining as much content within its network as possible, so the Office of Sport assumed the role at that stage to see how we could distribute the disrupted events throughout the network.

Mr JUSTIN FIELD: Was the document or that information constructed specifically to support the development of the business case?

Ms JONES: Yes, it was. It was constructed so there was essentially a plan should both stadiums be out of action at the same time, so the events could be distributed through other venues within the New South Wales government network.

Mr JUSTIN FIELD: Is that information available? Are you able to provide it to the Committee?

Ms JONES: My understanding is that it is Cabinet-in-confidence, it was information that did feed into the business case. I am happy to take that on notice.

Mr JUSTIN FIELD: My next question relates to the answer to question 20 on notice, which relates to the Future Needs of Sport Infrastructure Study. I was surprised to read that the results of the Future Needs of Sport Infrastructure Study will be communicated to those organisations that participated and that it is not a publicly available document. Given that part of this inquiry is built on an understanding that there is an opportunity cost—great investment in the city potentially means less investment in other sports infrastructure—it would seem that is useful information for the public and the Committee to be aware of. Are you able to provide what reporting has gone out to the stakeholders?

Ms JONES: The latest version of the Future Needs of Sport Infrastructure Study is the second iteration. It is a study that is done every two years. We are looking at continuing that study in 2019 and moving towards a version that is publicly available. The reason we have not made previous versions publicly available is because there is some level of sensitivity about the information that is provided, in particular, that sporting organisations and councils are giving us their top 20 priorities in terms of their own sport investment priorities for their local government areas. In compiling the recent version of the Future Needs of Sport Infrastructure Study, we have provided summaries and we are also providing feedback, as it says in the answer to the question on notice, to the individuals that did participate. We are looking to move towards a more public version.

Mr MILLER: I might just add to Ms Jones's comment. The Future Needs of Sport Infrastructure Study is primarily directed to community sport infrastructure not to major stadia.

Mr JUSTIN FIELD: I appreciate that. There was discussion in the earlier hearing about the sporting infrastructure needs in and around the city and obviously the focus has been the investment on the stadia, which is where the question came from. With regards to the reporting that has gone back is that only going back to local government?

Ms JONES: It is mainly to the participants. Sport also did participate in that study. We are providing information to assist in the future planning of sport infrastructure particularly across Greater Sydney. As you might be aware, the Office of Sport is currently undertaking district sport facility plans for each of the five districts across Greater Sydney and the information provided as part of the Future Needs of Sport Infrastructure Study has assisted us greatly in preparing those plans.

Mr JUSTIN FIELD: I assume that some of the facilities that might be considered under the Future Needs of Sport Infrastructure Study might be community venues in suburban areas that may potentially lose events as a result of changes in the major stadiums, would that be fair to assume? Or are you talking about infrastructure smaller than that again?

Ms JONES: I am happy to take that question on notice, but my understanding is that it is more around the local and neighbourhood type facilities that have been indicated and not the district or regional facilities you are referring to.

Mr JUSTIN FIELD: Could you take that on notice?

Ms JONES: Sure.

Mr JUSTIN FIELD: The Office of Sport could consider if there are any summaries of that reporting that would be available to the Committee.

Ms JONES: Yes.

The Hon. TREVOR KHAN: Point of order: Mr Chair, you indicated it is 20, 20, 20. If one of the parties has not used up their time, and I do not know how much the Government is going to use because I will not be asking any questions, I suggest it the time should go to the Government and the remaining time should be divided between the parties again rather than a gang-up.

The CHAIR: That is a valid point but I have already made my decision. I will let it stand. I will your take your point of view into consideration in future.

The Hon. LYNDA VOLTZ: Mr Miller, you have now been asked to provide the Rider Levett Bucknall safety reports for the Sydney Football Stadium under the Government Information (Public Access) or GIPA Act, by an order of the House under Standing Order 52, and by a request of this Committee, and yet you still have not provided that report that your Minister states is the document on which the decision on Sydney Football Stadium was based. Why the secrecy around this document?

Mr SCOT MacDONALD: Point of order: The member is asking for an opinion in asking the witness to respond agreeing to the word "secrecy". Again, to me, that sounds like an opinion.

The Hon. LYNDA VOLTZ: Why have you failed to provide the document?

The CHAIR: I do not uphold that point of order because I am not sure that the member is asking for an opinion. But I will remind members that public servants generally are not allowed to comment on policy. I will allow the question and I will allow the witness to answer as he sees fit.

Mr MILLER: My understanding is that the Rider Levett Bucknall report was commissioned by the Sydney Cricket and Sports Ground Trust and that, as an agency of government, has made its determination on the release of that material. In relation to the specifics, again I think it may be caught in Cabinet-in-confidence given

it has informed a range of the decisions around investment in relation to the Stadia Strategy, but I am happy to take it on notice and follow up for the Committee.

The Hon. LYNDA VOLTZ: Further to that question, the Sydney Cricket and Sports Ground Trust released the Rider Levett Bucknall final business case, base case P90 estimate. That is not a safety report, is it?

Mr MILLER: You had best direct that to the Sydney Cricket and Sports Ground Trust.

The Hon. LYNDA VOLTZ: That is a document for which the migrating officer was Ms Jones and it was requested, as I understand.

Mr MILLER: When you say "the migrating officer", I am not familiar with that language.

The Hon. LYNDA VOLTZ: Perhaps Ms Jones could—

Ms JONES: I would ask you to clarify what you mean by "migrating officer".

The Hon. LYNDA VOLTZ: If you go to the business case and look at the risk assessment, there is a high risk of the cost of the stadiums exceeding what has actually been allocated, and there is a request for a P90 on a base case. You understand the statistical requirement of a P90.

Ms JONES: Yes, I do. I think you will find that the P90 costings were eventually done by KPMG in terms of the final business case. The report that you are referring to there was commissioned by the trust and was information that they had pre the business case.

The Hon. LYNDA VOLTZ: Is there a safety audit by Rider Levett Bucknall?

Mr MILLER: My understanding is there is, and I thought in respect of the question on notice response that it is in an attachment provided.

The Hon. LYNDA VOLTZ: Yes, and the attachment is the base case P90 estimate; it is not a safety audit. Has a safety audit been undertaken by Rider Levett Bucknall? Have you ever satisfied yourself at the Office of Sport that the document that your Minister says fundamentally underlines the entire case of Sydney Football Stadium—

The Hon. TREVOR KHAN: Point of order: The member has asked a question and then she has launched into another. The witness should be entitled to answer the question before the member launches into a further question.

The Hon. LYNDA VOLTZ: To the point of order: My question was one question. My question was: Have you satisfied yourself that there is actually a safety audit that your Minister has referred to as a fundamental document that underlines the case for the Sydney Football Stadium. I do not think that is two separate questions; that is one distinct question.

The CHAIR: The member has asked the witness is the witness aware that a safety audit was done. That is the question I would like you to answer, Mr Miller.

Mr MILLER: My understanding is that the province of RLB is in costing, not in providing safety certification. The safety certification, as I understand it, is derived from a multiple number of sources, including Blackett Maguire and Goldsmith, who is an expert building certifier, and the trust used a range of other important people to provide the totality of the material needed for the trust as the responsible agency to manage the health, safety and security and compliance issues at the Sydney Football Stadium. So the question can either be taken on notice or it can be appropriately directed to the Sydney Cricket and Sports Ground Trust.

The CHAIR: I think we have gone far enough now. We will now restart the clock and we will go over to Mr Martin, who has the lead on this, I believe.

The Hon. TAYLOR MARTIN: Thank you for your time here this morning, and thank you, Mr Miller, for reappearing. What was the role of the Office of Sport in developing a business case and would you be able to give us a bit of an idea on why it was that Infrastructure NSW took charge of the business case?

Mr MILLER: The role of the Office of Sport, as I indicated in my opening remarks, goes to providing some oversight and coordination in relation to the Stadia Strategy and some of the subordinate documentation that necessarily follows in the range of investigations, feasibility studies, business cases going forward. Our role was, up until December 2017, to oversight and coordinate a range of processes, including cross-government steering committees that looked into the options and the development of various scenarios that would inform ultimately the final business case and the strategic business case work that was undertaken under the stewardship of Infrastructure NSW post December 2017.

That work by the Office of Sport is entirely consistent with the mandate and remit expected of the Sport Infrastructure group within the Office of Sport and, as I have indicated, went to bringing together the various parties both within government and consulting with clubs' codes and hirers to form a body of information which was able to be used and transmitted to various consultants to help inform the development of the various feasibility studies, reports, options, analyses, et cetera, ahead of Infrastructure NSW taking carriage of the strategic and final business case work post December 2017.

The basis of the decision—I think you asked around why Infrastructure NSW took the lead in December 2017. In relation to Infrastructure NSW taking carriage from December 2017, that was a decision by Government. Clearly, Infrastructure NSW, as a primary adviser to the Premier on all matters infrastructure and as a body that has extensive expertise in relation to infrastructure matters, was chosen to continue the work that the office had been previously undertaking over the course of the previous 18 or so months.

Mr SCOT MacDONALD: I think most of my questions are to you, Ms Jones. The Government's submission goes to some of the community standards about the Sydney Football Stadium. Can you just talk to us a little bit about meeting modern building standards? There is a description about not meeting the building code, the Disability Discrimination Act—those sorts of things. Can you give us a little bit of an outline on that?

Ms JONES: Typically, those questions would be better directed to and better answered by the trust. If you read through the transcript of the last date of hearing I think you will find that the trust answered a lot of those types of questions. But, in general, the stadium is going to be a public building and it is in the interest that the building meet contemporary building standards, and that does not just mean the Building Code of Australia, particularly in terms of fire safety and egress, but also goes to disability access and the provision of amenities. Given that it is a public building that is often attended by more than 40,000 people, I think it would be in the Government's interest to make sure that that building meets the contemporary building standards.

Mr SCOT MacDONALD: Are you able to speak to the cost-benefit analysis of the strategy?

Ms JONES: Of a general nature. Any technical questions I prefer you refer to KPMG.

Mr SCOT MacDONALD: In the Government's submission 1 (b) at page 6, it talks about meeting the Infrastructure Investment Assurance Framework, getting it through Infrastructure NSW to comment, and those sorts of things. Are you able to comment on that in general terms?

Ms JONES: Yes, I can. Like with most business cases, they do have to go through a rigorous process. They are overseen by steering committees. In this instance the steering committee was chaired by Infrastructure NSW and attended by the Office of Sport and the operators, as well as Treasury. There was also a gateway review process that was undertaken. Sydney Football Stadium has gone through two gateway processes where the gateway panel consists of three independent members who go through and actually test the assumptions of the business case, and then ultimately make recommendations through to Treasury.

Mr SCOT MacDONALD: If you took \$300 million out of the strategy, what would that do to the Sydney Football Stadium and/or Stadium Australia commitment of \$729 million? The Western Sydney Stadium is already underway.

Ms JONES: Correct.

Mr SCOT MacDONALD: I am assuming you could not do anything about that.

The Hon. TREVOR KHAN: Truly underway.

Mr SCOT MacDONALD: Truly underway. I will take that interjection. We are talking about the Sydney Football Stadium and Stadium Australia. What would ripping out \$300 million—on my calculations about 20 per cent—do to the benefit-cost ratios?

Ms JONES: If you are talking about taking \$300 million out of the Sydney Football Stadium redevelopment, for instance, I would argue that you could not proceed with the development.

Mr SCOT MacDONALD: With one or both?

Ms JONES: Correct. You would have insufficient funds.

Mr SCOT MacDONALD: Given that BCR, you could not proceed. What would you end up with? If you took \$150 million out of the Sydney Football Stadium or Stadium Australia—the Opposition has talked about taking \$300 million out—what would the final product look like?

Mr MILLER: I might attempt to answer the question. I think the point we need to make is that reducing the expenditure on stadiums that you are alluding to would improve the benefit-cost ratio, that is for certain. But,

the point that Ms Jones is making is the efficacy of the development or redevelopment or refurbishment of those various stadia would come under question. Clearly, in analysing through the business cases the raft of options and in the pre-work that was done in the lead up, particularly in relation to the Stadium Australia project, probably upwards of 12 or 14 options were looked at. It seems to me that you get to a point where driving costs down means that the project is no longer possible, notwithstanding the fact you might increase the benefit-cost ratio because the overall cost of the project has been reduced.

Mr SCOT MacDONALD: But the project would not be viable.

Mr MILLER: That is right. The base case in each of the business cases gives you the floor against which all those analyses can be undertaken. You would see in relation to the Sydney Football Stadium the refurbishment option is one option that looks at a cheaper solution. Then you look at 45,000 seats and 40,000 seats in full redevelopment as other options and you can see the impact of the various cost impacts, but it is not just a cost issue, it is what is the impact on the benefits that flow from a 45,000-seat stadium versus a 40,000-seat stadium.

Mr SCOT MacDONALD: If we went down that path and ripped \$300 million, or 20 per cent, out of the capital expenditure, would you have to go back to square one of the gateway and planning process?

Ms JONES: I would assume so, because it would be a very different project.

Mr SCOT MacDONALD: Can you give me a time factor, a year or a couple of years?

Ms JONES: It would require a complete reanalysis through the business case process as well as redesign process for any sort of planning process going forward.

Mr SCOT MacDONALD: A couple of years you would think?

Ms JONES: Potentially.

The Hon. TAYLOR MARTIN: I want to ask a rather broad question: Why is the Government investing in stadia?

The Hon. LYNDA VOLTZ: Point of order: Is that an opinion the Hon. Taylor Martin is seeking?

The CHAIR: I did not hear the question.

The Hon. TAYLOR MARTIN: Why is the Government investing in stadia? What is the strategy?

The CHAIR: I do not think that is asking for an opinion. That is asking for a statement from the Office of Sport. Are you asking the question: Why is the Government investing in four stadia all at the same time?

The Hon. TAYLOR MARTIN: That is not my question, Mr Chair, with respect.

The CHAIR: Ask your question.

The Hon. TAYLOR MARTIN: Why is the Government investing in stadia?

Mr MILLER: I will provide an answer to that. I think it goes to the rationale for investment, which, for me, has a number of elements to it. The first is the general proposition that applies in any jurisdiction, and that is that stadia are really important social infrastructure. They generate very significant economic and social benefits for the community. In fact, I think the Stadium Australia strategic business case provides you a really good summary of some of those benefits: economic benefits in terms of visitor attraction, increased economic activity from things like ticket sales, broadcast rights, merchandise sales, advertising and sponsorships. The business case draws out improved amenity of local surrounding areas.

But it is not all about the economic benefits. As I indicated in my opening remarks, stadia drive strong social benefits. I am sure there are many that derived a lot of increased pride from the State of Origin result last Sunday night. Stadia also drive social cohesion, social inclusion and contribute to improved livability of communities, as the business case points to, an ability to attract and retain businesses, industry and population. Investment in stadia is like investment in parks and arts facilities; none would be built anywhere if you relied simply on economic grounds. I repeat: they are important social infrastructure. We do not, and nor should we, consider the validity of public investment in community assets, which includes stadia, cultural centres, art galleries, museums, opera houses, solely on the basis of economics. They are part of an overall amenity of a city and as a collective set of assets they affect the overall level of attraction, vibrancy and economic growth of a city.

For these reasons, I would contend governments across Australia continue to invest heavily in stadia and infrastructure, despite the lack of commercially acceptable returns and more often benefit-cost ratios that are less than one. If you move from the general reason for investment, I think in the case of New South Wales there are a

couple of other reasons why the Government would want to invest heavily in its stadia strategy. First, Sydney aims to be a global city—arguably is—but against any indices for a global city some of our major facilities simply do not stack up. Secondly, we have got a legacy of underinvestment in sport infrastructure. That underinvestment sees our stock ageing—which does not cater for current market needs nor the sectors needs—and despite a full house at the Allianz Stadium last weekend, all reports indicate a very poor spectator experience.

The ageing stock also, as the literature would confirm, results in very poor yields for hirers and inefficiencies in operational overlays for the venue managers. Another reason I think that it is important for the Government to invest in stadia in New South Wales—and this is probably the biggest one—is that it is a key enabler of the New South Wales major event strategy and we know that that major event strategy delivers significant economic benefit for the people of New South Wales.

Investment in stadia is needed, not only to attract new events but to retain the current calendar of major sport events. I was reading Destination NSW's recent commentary on this and it is very clear that without real investment, New South Wales, like other jurisdictions, would be under significant threat of loss of current events, so we should not be caught in just a focus of attracting new events; it is about retaining current events. There was media reporting this week about Queensland losing, for example, test matches, to other jurisdictions, particularly to Perth and to the Metricon Stadium for T20 matches because the Government had invested in fact in that Metricon Stadium as part of its Commonwealth Games investment.

One should not diminish the significance of the potential loss of events if in fact we continue to do nothing and that is a really key point. Doing nothing, in my view, is not an option. Failure to invest in Sydney's key stadia will reduce the competitiveness in bidding for interstate and inarguably internationally mobile events. Further, the residents of New South Wales will be denied access to a range of events that they would either hope or expect that they would have access to. As I have indicated, the new Perth Optus Stadium has recently won the right to host State of Origin game two and the Bledisloe Cup in 2019, so these are real examples—they are not theory and they are not speculation—of why we need to make the very significant investments in stadia. If we do not, we also risk damaging our reputation as a global city. Finally, inaction in this space will obviously result in the continuing degradation of stadia and that will drive further down the path of the lack of attendance by local people because the fan experience is so poor. For me, they are sort of key reasons as to why we need to make these sorts of investments that the Committee is inquiring into.

The Hon. TAYLOR MARTIN: Would you be able to outline the evolution of the Stadia Strategy and the role of the Office of Sport within that strategy development? In your opening statement you said that the strategy remains unchanged?

Mr MILLER: Yes.

The Hon. TAYLOR MARTIN: But this has been an ongoing process?

Mr MILLER: If I go back to that statement, the Stadia Strategy 2012 is the foundation of all of the work that has been done on the strategy since that point. What has happened since then at a very high level is that Infrastructure NSW in 2014 recommended reservation of \$600 million to support that strategy. It contemplated investment in the upgrade of the Sydney Football Stadium and Parramatta. In 2015 the office facilitated the Stadia Strategy Steering Group and that provided a very critical piece of input to the government deliberations, which manifested itself in a September 2015 announcement rebuilding the major stadia network strategy, which contemplated a rectangular stadium at Parramatta with 30,000 seats, a new stadium at Moore Park with 50,000 to 55,000 seats, the redevelopment of Stadium Australia which may include a retractable roof, a new indoor arena, a new outer Western Sydney sporting venue and the completion of the SCG upgrade. All of those projects that were listed in the September 2015 announcement remain consistent with the objectives of the 2012 Stadia Strategy and in fact are a further development of the thinking and an expression of the Government's intentions going forward over an investment pipeline spanning more than 10 years.

The CHAIR: Before Ms Voltz asks questions—we will have roughly five minutes each—I ask Mr Miller about the Office of Sport's involvement in those strategies primarily as the centrepiece or agency that has its finger on everything in terms of what is happening around the State. You may well say that this is not a question for you but is a question of government policy. Why does the Office of Sport support a strategy that says you are going to build all of these things in roughly the same time period—take Parramatta out as it is already half done—when in fact it may mean you have a shutdown of those two major sporting facilities at the same time? Why would you not do one, then do the next, then do the next, then the next?

Mr MILLER: Chair, as you have indicated, that is a matter for government to determine. What we have done is provided the information to the Government in respect of the impacts of the individual developments and the sequencing impacts that flow, depending on the choices that they might wish to follow, but, as I say, ultimately

that is a matter for the Government to make its choice around how it chooses to invest and what level of money it chooses to invest in the strategy as well. What you have seen over time—and to go to the previous question—the strategy has remained intact. What has moved over the period is in fact government choice around where and how much it will invest.

The CHAIR: And timing?

Mr MILLER: And timing.

The Hon. LYNDA VOLTZ: Mr Miller, how many conversations have you had with Tony Shepherd regarding the building of the Sydney Football Stadium?

Mr MILLER: Many.

The Hon. LYNDA VOLTZ: How many of those conversations was the Minister for Sport present at?

Mr MILLER: A few but not many.

The Hon. LYNDA VOLTZ: Has the Minister for Sport ever informed you that he has met or had private conversations with Tony Shepherd that you were not present for?

Mr SCOT MacDONALD: Point of order: I do not think it is appropriate to ask this witness about other meetings and conversations that he may not have been present at.

The Hon. JOHN GRAHAM: To the point of order: That was not the question.

Mr MILLER: Could someone repeat the question?

The Hon. LYNDA VOLTZ: Did the Minister for Sport ever inform you that he had met or had private conversations with Tony Shepherd?

Mr SCOT MacDONALD: I stand by my point of order.

The CHAIR: I override the point of order. That is a reasonable question. I would expect the witness would answer given his knowledge or lack of knowledge. Mr Miller, just a simple yes or no in this case would probably suffice.

Mr MILLER: Yes.

The Hon. LYNDA VOLTZ: How much of the money is being set aside for the reconstruction of Cricket NSW and, following on from that, has it been included in the overall \$729 million cost for the stadium or will it be allocated from Consolidated Revenue?

Mr MILLER: As reported earlier this week in the media, the Minister has made it very clear that we have received no formal application from Cricket NSW for funding. As a member of the steering committee on the redevelopment for the Sydney Football Stadium, I am aware that there are significant disruption issues facing not just Cricket NSW but in fact the other tenants, which include more than sports, at and around the Sydney Football Stadium. It is also the situation that the Government has determined that the most appropriate way to manage disruption costs, as opposed to the capital cost of \$729 million for the stadium construction, is to allow the Sydney Cricket and Sports Ground Trust to manage appropriately the tenants with which it has a contractual relationship within its precincts. To repeat: the answer to the question is disruption costs are not a part of the \$729 million and the Government's position is that the trust will work with its tenants and the trust will manage the costs of dislocation.

The Hon. LYNDA VOLTZ: I can take it from that if Cricket NSW has to move to another site off the Sydney Cricket Ground land because of the demolition of its building, the State Government will not be contributing to that rebuilding?

Mr MILLER: I did not say that. I said that, in fact, the trust will work with Cricket NSW to find a solution. It is still open, however, to Cricket NSW to separately apply to government, as it is for any sport, through some of the national training centre and high-performance facility programs such as the NRL Centres of Excellence, for example, or investments that government has made in the National Training Centre for rowing out on the Nepean River. It is open to any sport to put a request to government for funding to support those sorts of facilities, outside of any conversation or decision or negotiation that they may be having, in this case, between the trust and themselves.

The Hon. LYNDA VOLTZ: Have you had a conversation with Cricket NSW regarding funding if it has to shift off the Sydney Cricket Ground Trust lands?

Mr MILLER: I have had a number of conversations with not just Cricket NSW but with the Sydney Roosters, with Sydney FC, the Waratahs in relation to the impacts of the stadium redevelopment. As I have indicated, the Government has determined that in the first instance the best way to manage the disruption impact is for those tenants to work with the trust to find the right solution.

Mr JUSTIN FIELD: As you mentioned earlier, the Sydney Football Stadium experienced the biggest all time venue record very recently with the Wallabies versus Ireland game with a 44,000 plus attendance. When did the venue make an agreement, I assume with Australia Rugby Union, to hold that match there?

Mr MILLER: My understanding is that that is a contractual arrangement between Destination NSW and the Australia Rugby Union.

Mr JUSTIN FIELD: Do you have any idea when that agreement was reached?

Mr MILLER: I would have to take that on notice.

Mr JUSTIN FIELD: That would be great. The business case obviously assumes a pretty dramatic downturn should nothing happen at these stadiums. The base case assumes a fall of venue attendance yet it has had the largest all-time record, and the largest crowd for the NRL Anzac Day Cup since 2002. That was in answer to questions on notice. You have stressed user experience as being the key concern. I cannot imagine Australia Rugby Union would sign an agreement to hold a big international match at a venue with a terrible user experience. Do you agree with the assumptions made in the business base case about the downturn in attendance and matches, given those facts?

Mr MILLER: I do. As I indicated earlier, there is quite extensive recent evidence of significant shifts in blockbuster and mega event content in the sporting landscape across the country as a result of poor standards of stadia. I absolutely agree with, and support, what is reflected in the business case work by KPMG. I also get comfort from the fact that KPMG has extensive experience and has drawn on international research in formulating that view.

Mr JUSTIN FIELD: Football attendance at the stadium has increased by about 80,000 over the past 12 months. That does not really bear out that evidence, does it?

Mr MILLER: Attendance at stadia events is driven by a number of factors, and Australians are pretty fair weather sailors, so team performance, for example, is a major driver of attendance at matches. If you are alluding to the Sydney FC attendance numbers—is that what you are alluding to?

Mr JUSTIN FIELD: I am alluding to the total figures.

Mr MILLER: You said "football". I am just clarifying soccer football or Australian football?

Mr JUSTIN FIELD: It is listed as football. I am assuming it means soccer football.

Mr MILLER: Yes. I would suggest to you one of the reasons that you have seen that increase in soccer football attendance is built very strongly on the outstanding success of Sydney FC over recent seasons.

Mr JUSTIN FIELD: Does that mean KPMG has assumed the great success of New South Wales sporting clubs in some of their bolstered figures in the business case?

Mr MILLER: You should direct that question to KPMG because they are the experts but my understanding is that is why we have used a long-term five-year average and used the 15 or 5 per cent uplift across that five-year average attendance. We have not taken the most recent seasons; we have taken a five-year average.

Mr JUSTIN FIELD: The reality is that the biggest factor in attendance has to do with where the population base is. The large concerts and sports will not go where people do not live. Sydney is the biggest city in the country and they will come here anyway. That assumption about investment from other States and internationally is not the key driver of attendance, is it?

Mr MILLER: Will you re-present the question?

The CHAIR: It was not really a question, it was a very long statement and time is up.

The Hon. TAYLOR MARTIN: I am conscious of the time. Is the Stadia Strategy about abandoning local grounds, as some assert, to move content to government-owned stadia?

Mr MILLER: The 2012 Stadia Strategy, I believe, is quite explicit in that it makes a very strong case for government no longer investing in what is referred to in that document, as tier two facilities. A foundational piece, I believe, in the Government's Stadia Strategy is to see consolidation of content around its major stadia. It is doing that for very sound reasons, not the least of which is there are large amounts of public money being

invested in these social assets and it is only appropriate that one would encourage an investment strategy that would see those local sporting grounds being used for other purposes. I am aware that the strategy is predicated—

The Hon. TAYLOR MARTIN: "Other sporting purposes"?

Mr MILLER: Yes, other sporting and community purposes. For example, those local sporting grounds are contemplated for training facilities and community facilities. I have certainly been informed by, in a previous role, visiting some of those sorts of facilities at the North Melbourne Australian Football Club, for example, in Melbourne where community and the club have access to those facilities—the community for a raft of things, not sport related and obviously the North Melbourne Football Club using it as its training hub. That strategy also assumes that the Government is signalling to councils and private owners of any of those facilities that its investment in this sort of infrastructure will be directed and concentrated around the major stadia, not the tier two stadia.

The Hon. TAYLOR MARTIN: It will give clubs and codes options, basically?

Mr MILLER: As I said in an earlier answer, ultimately the strategy is predicated on providing world-class facilities that are highly attractive not only to clubs and codes but to promoters of major events being "sport and other" to actually use those stadiums.

The Hon. TAYLOR MARTIN: Beautiful.

Mr SCOT MacDONALD: I have a quick question. You alluded a couple of times to the legacy problem that we are facing. Could you expand a little bit about the legacy and the underinvestment that you have been talking about?

Mr MILLER: The legacy manifests itself, for example, in relation to the Sydney Football Stadium in the larger than sustainable operational overlay that the trust is currently incurring to keep that stadium open. It manifests itself, as I indicated to an earlier question, with respect to very poor fan experience. Whilst people turned up at record numbers at the Wallabies-Ireland game, all reports are that people left the stadium happy with the content on the field but very dissatisfied with the standard of facilities.

Mr SCOT MacDONALD: Can you expand on that a little bit, please?

Mr MILLER: The queues for food and beverage, the total lack of appropriate numbers of women's facilities at that stadium and, I guess, an overarching concern should there be any safety and security issues in terms of having to evacuate that stadium, lead to a situation where the public starts to lose confidence in attending events at that sort of stadium.

The Hon. TAYLOR MARTIN: Can I ask a question on notice?

The Hon. LYNDA VOLTZ: You can write it.

The CHAIR: Yes, you can write it. Thank you very much for agreeing to appear again, Mr Miller, and Ms Jones for the first time. Some of the members will have questions for you on notice. They will be sent to you through the secretariat. We would like responses to those questions on notice within 21 days.

(The witnesses withdrew)

(Short adjournment)

MICHAEL WATERHOUSE, Member, Saving Moore Park, affirmed and examined

JASON DOWNING, Member, Saving Moore Park, affirmed and examined

VIVIENNE SKINNER, Member, Saving Moore Park, affirmed and examined

The CHAIR: Thank you. I note that you, as a group, have presented the Committee with an opening statement this morning. Because we only have half an hour with you, I will take the opening statement as tabled and the Committee members will proceed to questions. Are you happy with that?

Mr WATERHOUSE: Yes, that will be fine.¹

The Hon. LYNDA VOLTZ: I should note that we have met previously; I know some of the witnesses before us. Mr Waterhouse, you are also a member of the Sydney Cricket Ground and Sports Ground Trust Advisory Group. Is that correct?

Mr WATERHOUSE: That is correct.

The Hon. LYNDA VOLTZ: For the benefit of the Committee, could you explain what your role is?

Mr WATERHOUSE: I am a community member of the Trust Advisory Group, which was established by the Sydney Cricket Ground and Sports Ground Trust a couple of years ago to facilitate communications between the trust and the community. This was after the problems that emerged with the proposal to build a stadium on Kippax Lake, and they realised that perhaps it was about time to start communicating more openly with the community.

The Hon. LYNDA VOLTZ: Would it be fair to say that it came as surprise to the community that a proposal had been put forward to build a 55,000-seat stadium on Moore Park?

Mr WATERHOUSE: Yes, that certainly was a surprise to everybody. It was the catalyst for us to incorporate—I am talking about a couple of years ago now.

The Hon. LYNDA VOLTZ: How often does the advisory group meet?

Mr WATERHOUSE: About every three months.

The Hon. LYNDA VOLTZ: Roughly how many meetings have you had over the last couple of years?

Mr WATERHOUSE: There have been nine. I have missed the last one, but I have been to eight others.

The Hon. LYNDA VOLTZ: When were you first presented with plans for the new stadium on Moore Park?

Mr WATERHOUSE: The first time we became familiar with them was a briefing that we received from Infrastructure NSW. The Trust Advisory Group was not presented with any detailed plans. We knew that there were proposals around but we were not presented with anything.

The Hon. LYNDA VOLTZ: When was the briefing from Infrastructure NSW?

Mr WATERHOUSE: The briefing from Infrastructure NSW was given to Saving Moore Park. We had a meeting with them. The Trust Advisory Group, in fact, was not briefed by Infrastructure NSW until 20 June. That was the meeting that I was unable to attend.

The Hon. LYNDA VOLTZ: That was 20 June this year?

Mr WATERHOUSE: Yes, it was the first time that the Trust Advisory Group was informed by Infrastructure NSW of the details of the proposal.

The Hon. LYNDA VOLTZ: What about the previous meetings with the trust itself? Were you given any details of those proposals? Were you, for example, informed that the Cricket NSW building would need to be demolished?

Mr WATERHOUSE: No. We were aware that the Waratahs building and the Roosters building would probably go in any redevelopment, though the Cricket NSW building was certainly not expected. The short answer

¹ Opening statements tabled by witnesses at the public hearing can be viewed in the ['Other documents'](#) section of the committee's website.

is no. We were not given a detailed briefing on what was proposed, what eventually came out in the consultations with Infrastructure NSW—we were given none of this.

The Hon. TREVOR KHAN: By the trust?

Mr WATERHOUSE: By the trust.

Mr DOWNING: A number of us are members of the stadium and user facilities as well. We were not told by the trust, and I can tell you that some of the stadium staff had told me that those things were planned a little bit before we were told in any meeting with Infrastructure NSW.

The Hon. LYNDA VOLTZ: Mr Downing, are you a member of Allianz Stadium?

Mr DOWNING: I am, as is Mr Waterhouse.

The Hon. LYNDA VOLTZ: I have received a complaint from somebody who said that they were being told that they had to pay their \$1,700 by September even though the stadium would not be there, and that if they wanted to complain, they should ring the office of the Minister for Sport. Have you had any other complaints similar to that?

Mr DOWNING: No. I know the annual dues will come up in about October, and I am sure they will still charge us notwithstanding what is going on with the stadium. But, I have not heard anything specifically about that.

The Hon. LYNDA VOLTZ: All the members will still be charged, even though the stadium will not be there?

Mr DOWNING: They will. I have been told, informally through speaking to stadium staff, that they are looking at trying to come up with temporary alternatives, both a gym facility and reciprocal rights to a pool somewhere.

The Hon. LYNDA VOLTZ: Reciprocal rights to a local community pool?

Mr WATERHOUSE: The Ian Thorpe pool I believe is likely to be the pool.

The Hon. LYNDA VOLTZ: The one over the other side at Ultimo?

Mr WATERHOUSE: Yes.

Mr DOWNING: They are looking at setting up a temporary gym somewhere.

The Hon. LYNDA VOLTZ: That would be in the Entertainment Quarter, I assume?

Mr DOWNING: I have heard a particular location but it is speculation, I do not know exactly where.

The Hon. LYNDA VOLTZ: They have made a request to change the arrangements at the Entertainment Quarter so that they can—

The Hon. TREVOR KHAN: Who is "they"? Is that the trust?

The Hon. LYNDA VOLTZ: The trust itself because they cannot lease the land there. Would you expect those type of complaints to go through the advisory group to the trust?

Mr WATERHOUSE: No. There is a Members Advisory Group. Our focus and the Trust Advisory Group, as it is called, is very much the broader community. There is a Members Advisory Group and I would expect complaints to go through to those groups to the extent that members know who is on them. There are details on the SCG Trust website, membership of both committees, but they are actually quite difficult to find unless you know what you are looking for.

The Hon. LYNDA VOLTZ: So issues such as the letter from the Minister for Sport and the Minister for Counter Terrorism that was sent to the Minister for the Environment regarding the closure of Driver Avenue, did that ever come through the advisory group?

Mr WATERHOUSE: No, it did not.

The Hon. LYNDA VOLTZ: Has there ever been any information put forward to the advisory group regarding any proposals?

Mr WATERHOUSE: No, it has not. I have raised the issue, but got a noncommittal response, with the SCG members of the Trust Advisory Group because we also understood that it was the desire of the SCG Trust to close Driver Avenue, or a large part of it, so that they could extend Brewongle Stand out into Moore Park and that would mean rerouting Driver Avenue or closing it altogether.

The Hon. LYNDA VOLTZ: The Brewongle Stand is certainly one that the Sydney Cricket Ground and Sports Ground Trust has earmarked as one that needs to be redeveloped?

Mr WATERHOUSE: That is correct.

The Hon. LYNDA VOLTZ: The stadium is being built within the trust lands but the business case makes clear to integrate with the parklands. Have you seen any plans come through regarding footpaths through the parklands or access routes? The light rail is going in so that will change the routes that people use to walk across the park if they are using the light rail.

Mr WATERHOUSE: We have seen no plans in that respect. I have not gone into the environmental impact statement in any detail. There may be material in there, but I would be surprised. I think the integration issues will come out later in the second stage of the process. That is what I would expect. I am unaware. I can guess where they might be, but I am unaware of any specific proposals.

The Hon. LYNDA VOLTZ: One thing that surprised me about the environmental impact statement was that it did not have the removal of the car parks on Moore Park land at the front of the cricket ground where they currently have parking, but given the response we had from the chair of the parklands I am not surprised it was not in there. The traffic management has not considered that the light rail starts at Circular Quay and will go to Wynyard and Town Hall before it picks people up in Centennial Park. Has the advisory committee been presented with any detail as to what that capacity will be, particularly on a week day when you have peak hour and events running at the same time?

Mr WATERHOUSE: No.

The Hon. JOHN GRAHAM: It is clear from evidence to the Committee that this process, particularly the demolition part of the process, is going to break records for how quickly it is going to be done. Have you got concerns about what that means with your ability to engage with the process?

Mr DOWNING: Which process?

The Hon. LYNDA VOLTZ: The demolition of the stadium.

The Hon. JOHN GRAHAM: To engage with the consultation process.

Mr DOWNING: The speed with which both the environmental impact statement [EIS] has been put up for review and the time frame that they are looking at for demolition gives us real concerns about how genuine the interest in community consultation will be.

The Hon. JOHN GRAHAM: What does that mean for the people on the ground that you are talking to? Have they had any real chance to express their view through the process today?

Mr DOWNING: We all live somewhere in the vicinity of the park and we have received recent letters telling us that the EIS was available for review.

The Hon. LYNDA VOLTZ: That was the little card?

Mr DOWNING: We got correspondence. We got a card that stated: We visited and you were not here. Then we got correspondence with more detail that stated that you could go to the website and look at it. Beyond that, I do not think people have a real sense, unless they read it in the papers, of the time frame that Infrastructure NSW is looking at to get things ripped out and the demolition underway. It is going to be a big undertaking. We know from the briefing we had with them that they are looking at trucks through Paddington Lane and Driver Avenue and they are looking at recycling a significant per cent of both concrete and steel.

There are going to be significant impacts. We have been told the parkland will not be used as a holding pen for equipment or truck parking. I did notice in some of the documents that there was a reference to that not being the plan at the moment, so I have concern that it might be subject to change if the reality of the job becomes bigger or there are more demands to get it done quickly. The people we have spoken to have little idea about what is actually planned at the moment.

Mr WATERHOUSE: I have an additional comment. There were various information sessions held by Infrastructure NSW for members by the Sydney Cricket Ground and Sports Ground Trust where certain information like that was disclosed and that was useful information.

The Hon. TREVOR KHAN: When was that?

Mr WATERHOUSE: That was done in May and early June.

The Hon. LYNDA VOLTZ: May 12.

Mr WATERHOUSE: There were a few of them. In our submission to you we raised the issue of community consultative committees. We believe it is highly desirable that one be established. This would provide an opportunity for structured feedback, as distinct from anecdotal feedback that they get at the information sessions, to the decision-makers in the context of the environmental impact statement and the like. Our concern is that it has been put off. There is a proposal to have one, but it is only in relation to the stage two process which means that opportunity is lost. We see this as a matter of administrative or political convenience rather than having regard for the needs of the community for meaningful consultation.

Mr JUSTIN FIELD: Just to extend on that, Mr Waterhouse. Obviously, phase one, the demolition, is going to have pretty significant impacts on the local community. Can you outline the sorts of issues that you think would be important to have a consultative body advising Infrastructure NSW and the trust on in that process?

Mr WATERHOUSE: Our particular focus, as I indicated in the page you have got of my opening comments, is, of course, Moore Park. That is not to say we are indifferent to the wider implications, because obviously we are not. We have had an assurance that Moore Park will not be directly affected, but we were also given an assurance by Infrastructure NSW that we would be given 42 days to have a look at the environmental impact statement. That has been reduced to 28 days. So having been given that assurance the question is: Can we rely on an assurance being given to us about Moore Park? We hope so, but we obviously need to ensure that we monitor things very closely, and the only way of doing that, I believe, is not relying on what information they decide to filter or drip out to us, but to be part of a structured process. We see that as particularly important.

We are talking here about direct impacts in terms of the truck movements. Whilst everybody is being told that there are not going to be any storage areas on Moore Park itself, we do not know for sure that that is the case. We hope so—that is certainly what we have been told—but we need to monitor that particularly closely. The other side of the coin is the issue of the integration and understanding exactly what means—the impact on traffic flows, the impact on parking on Moore Park, which is at the top of our list of priorities and it is something that has got to shift because the large areas are used for something like 3,000 cars on major event days. It is simply incapable of being used by the community—there are chunks of concrete coming through. Kim Ellis I am sure has told you that it is not worth doing anything about remediating the ground—it is appalling. But I am diverting from the core of your question. I do think that there is a need for this specific communication.

Mr JUSTIN FIELD: Without asking you to enter into completely unfounded conjecture, I take your point that you have been given assurances that there will not be impacts on Moore Park as a result of phase one, but what are the things that you could foresee the Government coming back and asking for permission to do to support that process that might impact on Moore Park?

Mr WATERHOUSE: The most obvious one is to use chunks of Moore Park as a holding paddock. Sydney Water have previously used an area there on the corner of Driver Avenue and Moore Park Road for an extended period. That is an example of the sort of thing we would be concerned about. The other concern is that the members' car park MP1 is going to be used, we are told, for storing all the equipment and machinery and everything else to do with the construction. So there could well be pressure that will come on to use Moore Park more or less permanently during construction for members' car parking, visitor car parking of one sort or another because, for the life of me, I do not know where else they are going to park.

Mr JUSTIN FIELD: In this most recent meeting—I appreciate that you were not able to be there—of the TAG, I think it is called, is that where you sought further assurances or were further assurances sought in that meeting as to potential uses of Moore Park during phase one?

The CHAIR: TAG being the Trust Advisory Group, is that correct?

Mr JUSTIN FIELD: That is correct.

Mr WATERHOUSE: I have in fact raised that issue and the importance of the parking issue on several occasions with the Trust Advisory Group. They are under no illusions about our views on that matter.

Mr JUSTIN FIELD: Just to the matters of integration, and I appreciate you say it is on Infrastructure NSW's radar, you mention in your submission that your understanding is that the budget that has been put forward through this process for the new stadium does not include funds for that integration. What is the basis for that claim in the submission?

Mr WATERHOUSE: I believe I am right in saying that Infrastructure NSW have told us that, that there is no budget. I have certainly heard that from within the Trust Advisory Group, they have certainly told us that.

Mr JUSTIN FIELD: Obviously there would need to be integration works to make a new stadium work, particularly if they are going to continue to use it for parking—and let us hope that they work out an alternative means. Integration would have been an issue up until now as well, I guess, the way patrons attend the stadium and

engage with that precinct generally. Has any work been done by the Sydney Cricket and Sports Ground Trust as to integration? Has there been any mention previously about how this might be done?

Ms SKINNER: There has been \$38 million for the Tibby Cotter Bridge, but, apart from that, not that I know of.

Mr WATERHOUSE: I do not believe so. Do bear in mind that the land we are talking about in Moore Park is not the responsibility of the Sydney Cricket and Sports Ground Trust, and there are sensitivities between the respective trusts regarding Moore Park. I think it is a matter of sitting back and waiting.

Mr DOWNING: But that is why we are also particularly keen that there be a developer contribution, because it is Moore Park land. Assuming the "if we build it they will come" sort of philosophy of more people using the stadium bears out, there is going to be more demand on services and infrastructure and it is the Centennial Park and Moore Park Trust that will bear that. That is why we are very keen that there be a contribution paid to the actual body that is responsible for the park. This is an unusual situation in that the consent authority is not the body that will bear the cost if more people were using it. So we have certainly been pushing and we are hopeful that we can maintain some pressure so that there is a developer contribution that is given to the park.

Ms SKINNER: There are extremely good plans in place to enhance the park. The Centennial Park and Moore Park Trust did an extensive process of master planning. Thousands of people contributed ideas to that and that came out, I think, a couple of years ago, yet no funds have been forthcoming of any sort to help the trust fund those proposals to beautify that park. If you have some time, have a wander along that park and you will see that it is very degraded and it also sits on the edge of the fastest growing urban development area in Sydney.

The CHAIR: Being Green Square.

Ms SKINNER: The Zetland, Green Square area.

Mr WATERHOUSE: May I just add one further point? We understand from earlier evidence before this Committee that the Sydney Cricket and Sports Ground Trust received \$5.8 million from the Government to proceed with the concept design for a new stadium—Jamie Barkley made that comment to you. An amount of \$5.8 million would go a long way towards sorting out a lot of Moore Park's problems, but nothing has been forthcoming at any stage towards the Moore Park Master Plan, there has been no announcement whatever. This is why, as Mr Downing said, the developer contribution thing is so important—it is an opportunity. We do not like the stadium, we do not support the stadium, but, nevertheless, we recognise that it does provide an opportunity for developer contributions for some funding to find its way into finally doing something about Moore Park after so many years of degradation and neglect.

Mr JUSTIN FIELD: Are you aware whether or not the Moore Park Trust has made any applications to government recently to fund elements of the master plan, particularly around the integration works?

Mr WATERHOUSE: No, I am unaware of that.

Ms SKINNER: Were you asking about the Centennial and Moore Park Trust?

Mr JUSTIN FIELD: Yes.

Ms SKINNER: No. There is capacity just to do basic maintenance, but to actually put the master plan into existence requires government funding, which has not been forthcoming. The trust self-funds.

The Hon. TREVOR KHAN: Thanks for the statement, it is very helpful. There is another document that was handed up in the bundle. There is the actual statement, which is one page, and there are also issues of concern to Saving Moore Park.

Mr WATERHOUSE: That was attached to our submission; it is part of the submission. We just thought it may help the Committee if they understood where our main priorities are.

The Hon. TREVOR KHAN: Those six items remain your priority items in terms of—and I will be frank—something coming out of this Committee inquiry relevant to your concerns.

Mr WATERHOUSE: That is correct, and the event parking one is far and away the most significant one that is there.

The Hon. TREVOR KHAN: Is it?

Mr WATERHOUSE: Yes because it is two very large chunks of Moore Park east, which take up to 3,000 cars when there is a major event on, such as last weekend. As we know, there is no point remediating the ground surface.

The Hon. TREVOR KHAN: It is compacted.

Mr WATERHOUSE: We had a Sydney councillor out the other day, talking to her about it. She looked at the ground, and it was appalling. She said, "There is nothing you can do." It was in the middle of the week. She said, "Nobody is using the park." I said, "They can't." Apart from people walking their dogs, yes, they can do that, and they do, but there is really no way you can have cricket played—there is a cricket pitch there. They never schedule community games there; it is too dangerous. It is too dangerous for anybody playing cricket on that area. I am talking about the area closest to Moore Park Road.

Mr DOWNING: It also means you cannot build anything that would be a permanent facility that would make people want to use it. There are lots of things you could build to make it attractive for people to use, but because cars come and go—

The CHAIR: Yes, that is true.

The Hon. TREVOR KHAN: You spoke in terms of \$5.6 million, was it?

Mr WATERHOUSE: \$5.8 million, that was what the Sydney Cricket Ground and Sports Ground Trust were given by the Government purely to develop a concept plan. The Centennial Park and Moore Park Trust got nothing to develop their Moore Park Master Plan and nothing towards implementing it.

The Hon. TREVOR KHAN: Is that the level of developer contribution you are talking about?

Mr DOWNING: We would like more, to be honest. Whether that is realistic or not, I do not know.

The Hon. TREVOR KHAN: I do not know what is realistic.

Mr DOWNING: Make us an offer.

Mr WATERHOUSE: If pushed, I would say \$10 million, but some people might say more. To give you an example, I have talked to the Centennial Park and Moore Park Trust about Kippax Lake where the filtration system takes all the water running off the streets into Kippax Lake.

The Hon. TREVOR KHAN: This is off Moore Park Road and the like?

Mr WATERHOUSE: Yes, and the filtration system is very old. I am told it will take about \$4 million to fix so that you will then have a pristine lake. I do not know where \$4 million comes from, I have no idea whether there is substance to that, but clearly it is a fair bit of money and it is not going to happen without a specific contribution from the Government.

Mr DOWNING: The concern is because the park is self-funding, in order to try and even just maintain it, to do upkeep, it means there is more and more pressure for them to hold paid private events. The occasional concert or the occasional garden show or something is fine, but when they have to come up with those sorts of events on a regular basis just to maintain themselves means the chances of doing big-scale remediation or repair work or now work to integrate a stadium, it is not there.

The Hon. TREVOR KHAN: Is one of the major sources of funding event car parking?

Ms SKINNER: That is a little bit of it, but events, a whole variety of events throughout the year, that is the way that the park funds itself. It does not get recurrent funding from the New South Wales Government. It has to fund itself. It gets specific funding sometimes for projects, for infrastructure projects, but it does not get any recurrent funding, so it is completely dependent on what it can earn itself.

The Hon. TREVOR KHAN: That can lead to, dare I say, degradation of the amenity by having to overload the available space?

Ms SKINNER: Yes, that is the case.

The CHAIR: Thank you for giving us your time. A bit more time would have been beneficial. The Committee may have questions to put on notice to you. I ask that you respond to those questions within 21 days of receiving them. Any questions that are asked will come to you in writing.

(The witnesses withdrew)

MARIA BRADLEY, Representative, Keep Sydney Beautiful, sworn and examined

JANE GRUSOVIN, Representative, Keep Sydney Beautiful, affirmed and examined

KATEY GRUSOVIN, Representative, Keep Sydney Beautiful, affirmed and examined

The CHAIR: The Committee notes that you have made a submission, which is No. 279. Before we begin, would one of you like to make a brief opening statement?

Ms BRADLEY: Yes, I have an opening statement. Keep Sydney Beautiful was founded by a group of eastern suburbs Sydney residents. In short, we support sensitively managed development that respects and enhances Sydney's natural environment and rich cultural history. Keep Sydney Beautiful does not believe the New South Wales Government's stadium strategy represents best value for money or is in the best interests of the people of New South Wales. We believe the strategy lacks a well-considered economic and social benefit rationale, lacks a public mandate to proceed, fails to take into account the impacts and implications of commercialisation and privatisation on much-needed public parks, particularly Moore Park, but also the spill on to suburban parks, including Astrolabe Park in Daceyville. It is based on the Stadia Strategy 2012 whose focus on tier one Sydney stadiums appears flawed, fails to implement the recommendation of the Brogden report calling for one governing body of stadia to ensure commercial neutrality, and appears overly influenced by the Sydney Cricket Ground and Sports Ground Trust.

Keep Sydney Beautiful recommends all approvals, including the demolition of the Sydney Football Stadium, be postponed until the next State election so that the New South Wales Government can seek a mandate from the people of New South Wales for its stadium pre-development strategy. We call for inquiries to be conducted into both the Sydney Cricket Ground and Sports Ground Trust and the Centennial and Moore Park Trust, including the Centennial and Moore Park Trust's failure to follow their charter that Centennial, Moore and Queens parks are nominated for national heritage protection. We note the three parks were on the Register of the National Estate until 2007 when that register closed. We hope that the New South Wales Government looks into different funding options for public parklands to ensure their long-term protection. Finally, we recommend that the Independent Commission Against Corruption [ICAC] investigate whether appropriate anticorruption safeguards are in place to protect the planning and delivery of the State's infrastructure projects, including State-significant projects. Thank you.

The Hon. LYNDA VOLTZ: In 2015 there was an announcement by the Government about building a 55,000-seat stadium on Moore Park. Was Keep Sydney Beautiful in existence before that announcement, or have you been set up subsequently?

Ms BRADLEY: We were set up when the light rail came, so that was after that time.

The Hon. LYNDA VOLTZ: So the Government ran some community consultation forums over a week in May—I think one was on a Saturday and one was on a Wednesday or Thursday; I cannot remember the exact dates?

Ms BRADLEY: Yes.

The Hon. LYNDA VOLTZ: Can you run through the process of what the community consultation has been and what those events were?

Ms BRADLEY: Yes, I attended the Saturday session. You enter the building and record your name and email address. When we got there, there was quite a lot of staff with name badges. I think there were representatives there from Infrastructure NSW, if I remember correctly. In the building we had stands and they had images and information, so really it was more an information session. We did not get our feedback recorded; we were not asked for our feedback. When we asked questions about the traffic studies, we were told that they would be conducted later. They had the image of the stadium and we said, "Where is the design?" and they said, "Oh, this is just a concept design". It was hard really to get more information than face value. We were there for probably half an hour to an hour. You would just walk around to the different stations.

The Hon. LYNDA VOLTZ: My big concern is this two-step process where you are being asked to comment on the demolition of a stadium without having any view to what is actually going to be there to replace it. In particular, have you had a look at the environmental impact statement [EIS] as to the heights around the stadium?

Ms BRADLEY: The EIS did not give much information but there was an image. This was a concern also. When I had a look at the image of the building itself, the new one, it is much larger than the existing one. It did not talk about the height but in the EIS there was an image. It is a very lightweight structure; it is an

award-winning stadium. The new structure will be very high and it will impact the parklands, it will impact the residents and it will impact the precinct.

The Hon. LYNDA VOLTZ: But hard to know without any actual design?

Ms BRADLEY: Correct.

The Hon. LYNDA VOLTZ: What about the integration of the parklands? In the information session were there any design features that showed how the stadium integrated with the parklands?

Ms BRADLEY: No. We did a very detailed submission and I think what is important to note is we are not talking just about a stadium in Moore Park, we are talking about a precinct. That is the concern, that it definitely is an agenda to expand. Infrastructure NSW has openly said that, that they want it to expand into the parklands and for it to become a sports and entertainment precinct and I think the public is largely unaware.

The Hon. LYNDA VOLTZ: And without any designs, I suppose that is probable.

The Hon. TREVOR KHAN: I take it that is your comment.

The Hon. LYNDA VOLTZ: Without any designs, you do not know.

Ms BRADLEY: We also note that the tender for expressions of interest also went out before the EIS was on exhibition.

The Hon. LYNDA VOLTZ: That is for the demolition of the stadium?

Ms BRADLEY: Yes, I have got a copy of it. They said they would give whoever was interested details but it is Sydney Football Stadium expressions of interest. There was more to this document but I just printed out the first—

The Hon. LYNDA VOLTZ: Which department is that?

Ms BRADLEY: That is e-tendering and agency Infrastructure NSW.

The Hon. TREVOR KHAN: Is it an invitation to tender or an invitation for an expression of interest?

Ms BRADLEY: Expression of interest but it still went out before the EIS was on exhibition. I table that.

The Hon. JOHN GRAHAM: I note your call to delay the demolition in the documents, which have been now released in the final business. It is clear that the planned demolition had a very specific date—16 January next year when demolition will commence. Just talk us through your concerns about what it means to race to that deadline.

Ms BRADLEY: Former Premier Mike Baird went to the 2015 election with a \$600 million budget for stadiums. It has changed four times since then and it is now over \$2 billion. It is not as high as the \$2.6 billion—I think it is \$2.1 billion—but I still believe the public have a right to give them a mandate to go ahead.

The Hon. JOHN GRAHAM: I am asking specifically about that deadline though. Why are you calling for it to be delayed?

Ms BRADLEY: For the public to give the Government a mandate to go ahead.

The Hon. JOHN GRAHAM: Yes, good. Most of Sydney will be on holidays before Australia Day. It will be some surprise when demolition starts up in a frantic race around this time to knock this stadium over, will it not?

Ms BRADLEY: Yes.

The Hon. JOHN GRAHAM: It will really attract some attention amongst the constituents that you are talking to.

Ms BRADLEY: I think the demolition of the stadium certainly but the longer term impacts that this stadium precinct is going to have, I think we are largely unaware of what is ahead.

The Hon. JOHN GRAHAM: Have you been given any guidance about what that expanded precinct might be or what are you worried about when you are talking about the add-ons to what some people imagine might just be a stadium?

Ms BRADLEY: I think when Kim Ellis gave evidence he spoke about two car parks. We note that the parklands were particularly supportive of the CBD light rail as a transport solution so we are really confused to why now we are looking at two car parks because the concept behind the light rail was to address the transport issues of the area, particularly the stadium.

The Hon. LYNDA VOLTZ: Returning to consultation, did you receive correspondence regarding the EIS at your residential addresses?

Ms J. GRUSOVIN: No.

Ms BRADLEY: No.

Ms K. GRUSOVIN: No.

The Hon. LYNDA VOLTZ: Ms Bradley, I think you live to the south of the parklands, is that right?

Ms BRADLEY: I am in Coogee.

Ms J. GRUSOVIN: I am in Kensington.

Ms BRADLEY: I think there was a letter about the consultation itself but nobody in the south-east seems to have received one of the 23,000 letters.

Ms J. GRUSOVIN: And in fact I would like to add that even in googling, going online trying to find information was very difficult in the lead-up to that; I think it was just through the *Wentworth Courier* and I think that someone sent it to me. That is how I found out about it.

Mr JUSTIN FIELD: Thank you for your submission. We all appreciate having the time line laid out so clearly for those of us who are reading this afresh. I have some questions about the degree to which the Government has engaged with you. Have you been invited as an organisation to participate on any of the consultative bodies that might exist or any of the trusts that have an interest in this?

Ms BRADLEY: No.

Mr JUSTIN FIELD: Not at all?

Ms BRADLEY: No.

Mr JUSTIN FIELD: How many members do you have?

Ms BRADLEY: We are a working group, we are not an incorporated group, so we probably have about 10 working people who volunteer their time and then as a following we have about 1,000 people but we work with other community groups. For example, we co-hosted the parliamentary forum that was held here on priority precincts with the Better Planning Network and Total Environment Centre.

Mr JUSTIN FIELD: One of the things you raise in your submission is you believe the strategy has been overly influenced by the SCG Trust, which you describe as having mounted an effective and sustained public and private campaign. What evidence are you basing that on or is that a public discussion that existed out there?

Ms BRADLEY: I think that came about after looking obviously at the time line because from 2012 there was the Sydney Cricket Ground's report and their vision for the area but we are certainly not the only people with concerns. In 2015 the Wentworth Federal Liberal member of Parliament, Malcolm Turnbull, called for an end to the pattern of secret plans for Moore Park and for transparency from the Centennial and Moore Park Trust, the Sydney Cricket Ground Trust and the State Government.

Ms J. GRUSOVIN: I would also like to add that I think it was earlier on in 2014-15 Tony Shepherd, who is the chairman of the SCG Trust, talked about the fact that the Sydney Football Stadium was a gold standard venue. Then all of a sudden in 2016 that shifted to this is a Sydney Football Stadium that is in dire need of a knock down and rebuild.

Mr JUSTIN FIELD: The Committee has heard that quite a bit. There has been a lot of discussion around the user experience. I assume a large number of users of the venue live near where you live. Is it a fair call that local people who use the venue feel that it does not provide a good user experience?

Ms J. GRUSOVIN: I think people who go to the Sydney Football Stadium to see the Swans or the Roosters find it an enjoyable experience. We have never really had those conversations about the fact that there needs to be more women's toilets or that we need—

The Hon. TREVOR KHAN: Really?

Ms J. GRUSOVIN: Yes, actually, really. Yes, truly. I think an upgrade would certainly be very, very helpful but a knock down and rebuild? I do not think so.

Mr JUSTIN FIELD: Obviously a lot of supporters of the Roosters live locally as well. You have your feet on the ground and you hear discussions. Do the clubs who are regular users of the stadium call for these sorts of changes and a rebuild?

Ms J. GRUSOVIN: No.

Ms BRADLEY: No, not at all.

Ms K. GRUSOVIN: Can I just add to that. I think it is also reflected in the fact that Peter Fitzsimons' petition had more than 200,000 people, as well as many, many councils—influential, big, populated councils—that are against the stadium rebuild, as well as 60 per cent of the population. That has been a really striking, almost like an unofficial referendum on the stadium. I think there was another petition that was put out there which was by people advocating for support for the stadium which had really, really minimal support. There is a great kind of difference in terms of public support for the stadium and those who are against it. I wanted to put that out to you.

The Hon. TREVOR KHAN: I am not really in favour of plebiscites on the whole.

Mr JUSTIN FIELD: They have their uses at times.

The CHAIR: Does Peter Fitzsimons wear the parrot bandana?

Ms J. GRUSOVIN: Yes.

Mr JUSTIN FIELD: The assumptions that are made in the business case of a significant increase in attendance and an increase in the number of events—I think up to about 16 additional events—from your experience and from matters that are raised within the community, how will the area cope with the level of people movement to attend at that level if that is, in fact, what happens as a result of a rebuild?

Ms J. GRUSOVIN: I think there has to be a significant transport and traffic study done. We note that we had various issues with the light rail when it was being implemented in that there were no proper traffic studies done. We have now seen the repercussions of that in our area, certainly in the south-east of Sydney. We need very, very detailed traffic management plans put in place before even demolition goes ahead. This is why going back to your question of the January deadline, we need to make sure of that. Yes, traffic is a massive issue.

Even with the numbers that we are getting now with the Sydney Football Stadium, Anzac Parade, South Dowling Street—gridlock. Let us not forget that we will have a light rail crossing South Dowling Street at grade, so 30 movements per hour will also block that area. You will see a massive gridlock. I do not think a lot of people understand that. There will be a knock-on effect.

Mr JUSTIN FIELD: I think the biggest attendance ever occurred recently for the Wallabies versus Ireland game. How did you cope locally with that level of attendance?

Ms J. GRUSOVIN: You avoid the area. You avoid driving around the area when there are any of those big matches. From Kensington you tend to do a big loop around through Zetland and the back way to avoid it because it is gridlock.

Ms BRADLEY: Certainly the area does not have the bump in, bump out capacity that the ANZ Stadium has. It was purpose built. It has got a high capacity train line. It has room for many car parks. You cannot do a strategy of one size fits all. Moore Park is a very different location to the ANZ Stadium location.

The Hon. TAYLOR MARTIN: Does the Keep Sydney Beautiful group understand the stadia network strategy and how the multiple assets proposed deliver for Sydney in different ways?

Ms BRADLEY: That was one of our comments. The comment was that stadia is a driver for the economy, but there were no figures to back that up.

The Hon. TAYLOR MARTIN: Have you read the final business cases for the redevelopment of the Sydney Football Stadium and ANZ Stadium?

Ms BRADLEY: No. I did not think they were available to the public.

The Hon. TAYLOR MARTIN: Documents have been made available recently.

Ms BRADLEY: When were they made available?

The Hon. LYNDA VOLTZ: Under Standing Order 52. After we threatened to throw the President of the House out of Parliament they gave them to us.

Ms BRADLEY: Are they now available to the public? Are any of them redacted or are they in full?

The Hon. TAYLOR MARTIN: There are documents that are redacted.

The Hon. LYNDA VOLTZ: They are pretty full.

Ms BRADLEY: Great. Thank you for letting us know. We did not know that.

The Hon. TAYLOR MARTIN: I would encourage you to look at them. They have been there for a few weeks now. Do you accept that major events in Sydney are important for driving the visitor economy and creating jobs within our city?

Ms BRADLEY: Again, you would need to have figures for us to make a comment on that. In terms of our area, we have a large working population that needs to get to and from work and currently it is gridlock.

The Hon. TREVOR KHAN: This is South Sydney?

Ms BRADLEY: Correct, yes, like most of Sydney. We are certainly not special in that way.

The Hon. TREVOR KHAN: I was not suggesting that.

Ms BRADLEY: No, I mean gridlock is obviously Sydney-wide. The point we would like to make is that stadia is not necessarily the important economic driver but participation in sports is. From a health point of view, and for many reasons, children and adults being able to participate in sport is very, very important. The money that is going to go into the stadium and the taking of public parklands will certainly impact on the wider population.

The Hon. TREVOR KHAN: Where is the taking of public parklands?

The Hon. LYNDA VOLTZ: Parramatta pool.

The Hon. TAYLOR MARTIN: That is nowhere near this.

The Hon. TREVOR KHAN: I am asking the witness.

The CHAIR: Order!

Ms BRADLEY: I think the overall plan is that there are going to be more sports fields on Moore Park—east, west, north, south. Currently kids can go and kick a soccer ball around, people can ride their bikes. It is very passive recreation. There is organised sports but it is at a minimum and it is community support. Our understanding of this sport and entertainment precinct is that it is a bias towards professional sports.

The Hon. TREVOR KHAN: I am not having a shot at you but your concern is with regards to the Moore Park lands and the usage that is proposed to be made of that? Is that right?

Ms BRADLEY: It is the lands and then it will be the impact of the stadium. It is the lighting, the advertising, the noise, the crowds. People need parklands in order to relax.

Ms K. GRUSOVIN: One thing that we saw in Kim Ellis' testimony a couple of weeks ago was that there will be a 10 metre pedestrian access placed around Moore Park Golf Course. One lane way of traffic is 3.5 metres. When you look at 10 metres, that is a huge chunk of land. Also, what does that mean—but we cannot get a definitive answer—for the road widening along Dacey Avenue as well as the tree canopy there? It has a magnificent tree canopy. Does that mean we will see more loss? What has been really devastating for us as residents—you know we are not experts, we have just been watching this unfolding before our eyes, and because there has been so much secrecy about this, we have had to try to piece together what has been happening. Come what may, it has been really tough because we love our parklands, we love the area, but we also appreciate that it is an important entertainment and sports precincts. But we do not understand what the implications are going to be for Moore Park, what extra pressures there will be, what extra hard-scaping, how Centennial Park can cope with it.

At the moment Centennial Park receives 20 million visitors a year. Because of the pressures of commercialisation we are really seeing a degradation of the park. It receives far more visitors than the stadium and combined complex of the entertainment area of Sydney Cricket Ground. That is where we are coming from. We are also very worried about the collusion—it looks like collusion—between the trust, Centennial Park and the Government. We have seen what happened with the Tibby Cotter Bridge and all the trees on Anzac Parade and the evisceration of the back side of the park, even though it is council land on Alison Road. That is where we are coming from. We recognise that there is a need. We are not against things but we want to know what is happening here and what is the big picture. We are seeing fragments of it, and that is part of our frustration.

The Hon. TAYLOR MARTIN: With that said, it is fair to assume that you have made a submission to the environmental impact statement process?

Ms BRADLEY: We are in the process of doing that.

The Hon. TAYLOR MARTIN: Good. Have you read through the EIS that was submitted to the department?

Ms BRADLEY: Only briefly, because we were preparing for this meeting. We are working and we have families.

The Hon. TAYLOR MARTIN: I recommend you have a look at that.

Ms BRADLEY: Will there be an inquiry into the EIS that we can attend?

The Hon. JOHN GRAHAM: That is a very good question.

The Hon. LYNDA VOLTZ: No. The Minister has said there will not be public hearings.

The Hon. TREVOR KHAN: We will call you as a witness, Lynda.

The Hon. LYNDA VOLTZ: She asked a question. It was a question that we put on notice. He said there will not be any public hearings.

The CHAIR: When members have finished talking amongst themselves do they have further questions?

The Hon. TAYLOR MARTIN: Ms Bradley, you mentioned the State Government budget in your earlier answers. Do you have an idea of what the current New South Wales budget position is?

The Hon. LYNDA VOLTZ: I think it is \$2.1 billion. Is that correct?

The Hon. TAYLOR MARTIN: The recent surplus will be \$3.9 billion projected. Were you talking about the spending on the stadium?

The Hon. LYNDA VOLTZ: He is asking you to make a statement on the Treasury budget.

The Hon. TREVOR KHAN: Lynda, please!

The Hon. LYNDA VOLTZ: Trevor, you interrupted me the whole time.

The CHAIR: Order! That is enough; stop. Mr Martin.

The Hon. TAYLOR MARTIN: Mr Bradley, you were saying?

Ms BRADLEY: The policy has changed four times. The cost of the most current strategy is \$1.5 billion higher than the original \$600 million budget that Mike Baird took to the 2015 election.

The Hon. TAYLOR MARTIN: Are you aware that the New South Wales Government is currently in surplus and we have the capacity to fund these projects which are quite important to Sydney's economy, especially the visitor economy and hospitality?

Ms BRADLEY: That is what we are questioning, because we have not really been given those figures to agree that it is so important to the visitor economy. We would also like to acknowledge that regional New South Wales is crying out for facilities and for events. This is a very Sydney-centric policy.

The CHAIR: Thank you very much for agreeing to see us today. Do you have something else?

Ms K. GRUSOVIN: I just want to add something. It drives where we are coming from. In 1972 the famous writer Patrick White, who used to live by Centennial Park, led the fight to save parts of Centennial Park from being developed and part of it being transformed into a sports centre, which would have ruined it. There were many other battles after that. He stood on the back of a truck in Centennial Park—Jane and I were there, at six and seven years of age, with our grandfather—

The CHAIR: You don't look a day over 15!

Ms K. GRUSOVIN: Thank you very much. Patrick White said:

Your parks are your breathing spaces. Guard them, cherish them ...[and] protect [them] from the pressure of political concrete.

Thank God he did. I think we are engaged in a similar battle today. Then the trustees stood up and, as custodians, they protected the park. That is what needs to happen now.

The CHAIR: We have come to the end of our time. Thank you very much for agreeing to give us your viewpoints and for providing that supplementary information. We will take that into account. Some committee members may have questions that they would like to put on notice to you. If there are questions the secretariat will send them to you in writing. We would like replies within 21 days of you receiving those questions.

(The witnesses withdrew)

(Luncheon adjournment)

DAVID BLACKETT, Director, Blackett Maguire and Goldsmith, sworn and examined

PETER BALL, Partner, KPMG, sworn and examined

CHRISTOPHER STANLEY, Managing Director, MI Associates, sworn and examined

HUGH TAYLOR, Principal, MI Associates, sworn and examined

The CHAIR: You are appearing in a panel. If anyone has an opening statement, please provide it to the secretariat in written form, it can be tabled and then we can move directly to questions from members.

The Hon. LYNDA VOLTZ: Mr Ball, how much have you been paid for the various reports for the stadia strategy?

Mr BALL: It is several hundred thousand dollars.

The Hon. LYNDA VOLTZ: Could you give us an exact figure?

Mr BALL: I think it is of the order of perhaps \$700,000 to \$800,000.

The Hon. LYNDA VOLTZ: Thank you.

The Hon. JOHN GRAHAM: If you could come provide that information on notice that would be appreciated.

The Hon. LYNDA VOLTZ: Given that you managed to complete a final business case on the Sydney Football Stadium in three to four weeks, why after 15 months is there no final business case for Stadium Australia?

Mr BALL: The time period for the final business case for Sydney Football Stadium started in September and was delivered in February—an elapsed time of four to five months. When we were originally commissioned on the ANZ Stadium, we had progressed work there and then we were retained to progress the Sydney Football Stadium as a priority in the near term over the Allianz Stadium.

The Hon. LYNDA VOLTZ: You say it was September, but your engagement letter was 24 January 2018, according to your business case for the Sydney Football Stadium?

Mr BALL: There were prior engagement letters dating back to September.

The Hon. LYNDA VOLTZ: Was an explanation given on why the Sydney Football Stadium was a priority?

Mr BALL: Not specifically. We were just asked to do it. Our client, which was the Office of Sport, directed our efforts.

The Hon. LYNDA VOLTZ: Who in the Office of Sport directed that?

Mr BALL: We were reporting on a day-to-day basis to Karen Jones.

The Hon. LYNDA VOLTZ: Mr Stanley, there is no statutory requirement for a certificate of occupancy or a statutory direction for the closure of the Sydney Football Stadium, is there?

Mr STANLEY: I believe that question is probably better directed to Blackett Maguire.

The Hon. LYNDA VOLTZ: I will put it another way. Did you provide advice that it could be argued that a certificate of occupancy was not a requirement? Did you provide advice to government?

Mr TAYLOR: I will answer that. I do not believe so.

The Hon. LYNDA VOLTZ: You did not include that in any report you submitted?

Mr TAYLOR: Can you repeat the question please?

The Hon. LYNDA VOLTZ: That it could be argued that a certificate of occupancy was not a requirement?

Mr TAYLOR: No, that would not fall within our responsibilities; that would be the responsibility of the building certifier. We would not have been able to provide that advice.

The Hon. LYNDA VOLTZ: What was the nature of the report you provided to government?

Mr TAYLOR: I do not know which report you are referring to.

The Hon. LYNDA VOLTZ: On the Sydney Football Stadium.

Mr TAYLOR: Yes.

The Hon. LYNDA VOLTZ: You are identified within the audit reports as providing a report on safety audits, what was the nature of that advice?

Mr TAYLOR: Our role with the Sydney Cricket Ground Trust was commissioned as project manager to coordinate the provision of the audit reports by the specialist consultants.

The Hon. LYNDA VOLTZ: Could I ask you to take on notice to check any reports you provided to ascertain whether you may or may not have provided any advice regarding a certificate of occupancy and its requirements?

Mr TAYLOR: Certainly.

The Hon. LYNDA VOLTZ: Mr Blackett, it may be covered in your opening statement, which I do not have: is there any statutory requirement for a certificate of occupancy for the Sydney Football Stadium?

Mr BLACKETT: The certificate of occupancy; are you referring to the document that we issued as the certificate of occupancy? The certificate of occupancy we issued for Allianz Stadium is not a statutory document.

The Hon. LYNDA VOLTZ: Is there any statutory requirement for a direction to be issued to close the stadium?

Mr BLACKETT: No, there is not a statutory direction as such.

The Hon. JOHN GRAHAM: Mr Ball, page 10 of the report of the Sydney Football Stadium. Looking at the base case and option one—there are 16 extra events and 561,000 extra attendees—are there any extra staff required for these events?

Mr BALL: The staffing level, the event day costs are a pass-through cost, so there are additional costs for those events but they are passed through to the event promoter.

The Hon. JOHN GRAHAM: But all the extra members and corporate boxes, are there extra staff required to service any of those?

Mr BALL: For event days, yes. But they are passed through to the event promoter. In terms of the overhead and operational costs there is no additional cost because of the existing level of activity of the venue.

The Hon. JOHN GRAHAM: You are confirming that the staff costs are assumed to be the same under both these scenarios, the base case and also option one, is that correct?

Mr BALL: No. What I am saying is there are incremental event day costs between the two which are typically passed through to the event organiser.

The Hon. JOHN GRAHAM: I understand. You confirm that staff related expenses are the same with the base case and under option one, that is correct, is it not, under this modelling on page 10?

Mr BALL: It is, that is correct, yes.

The Hon. JOHN GRAHAM: When you made the decision to move the curtaining technology out of the bid under direction from the government, you made some adjustments that are noted in a letter.

Mr BALL: An addendum, yes.

The Hon. JOHN GRAHAM: Are there any adjustments to these expected attendances?

Mr BALL: I do not recall. I do not have the addendum here, so I cannot comment.

The Hon. JOHN GRAHAM: Could you take that on notice, whether the attendances have subsequently been adjusted, given that the curtaining technology is one of the two reasons why attendances are predicted to rise.

The Hon. TREVOR KHAN: Is that a question?

The Hon. JOHN GRAHAM: No, I am placing it on the record. On page 37 of the report, will you look first at the 2015 major event profile?

Mr BALL: Yes.

The Hon. JOHN GRAHAM: In that box can you identify more than one event with more than 28,000 attendees?

Mr BALL: In 2015?

The Hon. JOHN GRAHAM: Correct. In the 2015 major event profile?

Mr BALL: More than?

The Hon. JOHN GRAHAM: One. I can see one.

Mr BALL: You have One Direction, two concerts for 57.

The Hon. JOHN GRAHAM: One of which was above 28,000, the other one was below.

Mr BALL: Sydney Football Club, 29,000.

The Hon. JOHN GRAHAM: Where is that one?

Mr BALL: The next one on that same line.

The Hon. JOHN GRAHAM: Which is two games, so collectively each under 28,000?

Mr BALL: The Waratahs, 42,000, that was two games.

The Hon. JOHN GRAHAM: Again two games, so each below 28,000. We are up to one. Is there any more than one?

Mr BALL: They are averages, I think.

The Hon. JOHN GRAHAM: They are, you are entirely correct. There is only one of these.

Mr BALL: The NRL final, 44,000.

The Hon. JOHN GRAHAM: No. Again it is a final series, so three games. We are below 28,000. Would you agree that on only one occasion in 2015 we have reached the 28,000 mark on that table in your report?

Mr BALL: Yes.

The Hon. JOHN GRAHAM: In 2017, would you agree that only one event tips over the 28,000 mark? I am referring to the Roosters Anzac Day clash, all these others are below.

Mr BALL: Yes.

The Hon. JOHN GRAHAM: Would you agree that the 16 extra events, which should average above 28,000, start to look pretty optimistic given there was one event in 2015 and one event in 2017 above that 28,000 average threshold?

Mr BALL: No, I do not agree.

The Hon. JOHN GRAHAM: Lastly, on page 9 it refers to a reduction in footloose events that are presently occurring at the stadium but have been taken out of the base case. Can you tell us what these events are?

Mr BALL: That have been removed?

The Hon. JOHN GRAHAM: Yes.

Mr BALL: The frequency of the US event has been reduced, the other entertainment events you can see there are reduced from where they were.

The Hon. JOHN GRAHAM: The point here is that the base case is not what is going on at the moment, is it, the base case is less attendees? How many less attendees? How many attendees have been stripped out to give us that base case?

Mr BALL: The base case reflects a revised event calendar, the details of which are provided in the report.

The Hon. JOHN GRAHAM: How many attendees less though?

Mr BALL: From where we are now?

The Hon. JOHN GRAHAM: Yes.

Mr BALL: Can I take that on notice?

The Hon. JOHN GRAHAM: You can. If I can help you though, it is something like 124,000 or 17 per cent, is it not?

The CHAIR: The witness has taken it on notice, so I will allow the witness to answer on notice.

The Hon. JOHN GRAHAM: I am happy with that, Chair.

Mr JUSTIN FIELD: Thank you gentlemen for being here. My first question is to Mr Ball. Can you advise the Committee what information was provided to you by government agencies to inform the assumptions in the business case about the number of events that would likely occur at the Sydney Football Stadium under the various options in the case?

Mr BALL: We were provided with historical data in terms of event profiles. Whether that is from government—we obviously got that from the trust, and in the case of ANZ we had that data from Venues NSW and VenuesLive. Was your question around what government provided specific to the forecasts?

Mr JUSTIN FIELD: Yes. What informed your assumptions around the likely future events for the different options?

Mr BALL: Lots of detail is in the report around that. We had consultation with Destination NSW, we had consultation with the major codes of sport. We compared and contrasted the facility offering of the venue, what it currently offers and what it will do under the redevelopment options. We benchmarked against other States and jurisdictions. There is a whole range of factors we have taken into consideration.

Mr JUSTIN FIELD: To get a little bit more specific, what did this information look like? Let us take the Office of Sport in the first instance. What information did they provide KPMG to inform the business case?

Mr BALL: What element of the business case?

Mr JUSTIN FIELD: Your assumptions about the number of events. The entire business case is really built on assumptions about the number of events and attendance.

Mr BALL: That is our work.

Mr JUSTIN FIELD: Yes, but we have heard evidence, and I will read you an answer to a question on notice from the Office of Sport: They "provided interim scheduling of events during the anticipated construction period". That information would have informed the base case assumptions, I would imagine, and you would have made some judgements about that and there would have been other information you have already indicated from Destination NSW. I am just trying to get a handle on what that information looked like. How did you arrive at your assumptions?

Mr BALL: Sure, I am clear about that. Our assumptions that develop the event calendar is post construction. There were questions asked about with the overlap of the development of Sydney Football Stadium and ANZ Stadium how could that event calendar be accommodated? We did work around that. The Office of Sport did their own work around that and they provided us what they did. We had a different view. They did their own piece, we did our own piece around the event calendar during the construction phases of both venues and where those events could be accommodated.

Mr JUSTIN FIELD: Specifically with regards to the NRL—and I think that is the bulk of the increase in events at the stadium—on what advice did you base your assumptions about an increase in NRL games?

Mr BALL: The NRL games, from historical levels, are going up three.

Mr JUSTIN FIELD: But how did you base that assumption that you would see an increase in NRL games at that percentage that you are saying?

Mr BALL: The fundamental basis of the work is a commitment by this Government to their 2012 stadium investment policy.

Mr JUSTIN FIELD: Did you get direct advice from the NRL that that is how many games they intend to play at a redeveloped Sydney Football Stadium?

Mr BALL: No.

Mr JUSTIN FIELD: How would you make that assumption?

Mr BALL: Because of commitment of this Government to the stadium investment policy with the ongoing investment in the approved first and second tier venues.

Mr JUSTIN FIELD: So there is agreement between the Government and the NRL to play that many games there?

Mr BALL: There are discussions around a memorandum of understanding for certainly a range of events being retained in this State as a result of a commitment by this Government on investment in these venues.

Mr JUSTIN FIELD: You heard the information provided by Mr Blackett before that there seemed to be no statutory basis for an occupancy certificate. Yet, on page 6 of your business case you say, "The stadium has an occupancy certificate until December 2017, with extension of the occupancy certificate subject to safety and security compliance works to be completed as soon as practicable. Loss of this OC will likely result in the closing of the venue." Would you agree that that is just not factually correct?

Mr BALL: No, I would not agree.

Mr JUSTIN FIELD: If there is no statutory basis for an OC how could you say it has one until December 2017 when it does not require one, and how can you say that it would likely result in the closing of the venue when the OC would have absolutely no bearing on whether the venue stays open or not?

Mr BALL: The options that have been assessed in this business case were provided to us by the steering committee. They were the base case, where we addressed the remedial work required, as flagged by the various investigations undertaken—that is the base case—in which case, the venue stays opened. We were not asked to investigate an option where no remedial work was undertaken.

Mr JUSTIN FIELD: Yes, but you are a professional services organisation. If there is absolutely no basis to a document that has been provided by the Sydney Cricket and Sports Ground Trust or by the Government that hinges some of its planning, or at least public statements, around the presence or not of an occupation certificate, why would you include that in a report like this, because that is not just factually true?

Mr BALL: The assumption is factually true. The assumption underpinning this report is that we were asked to evaluate an option where there was remedial work undertaken to address those safety and asset failings identified by their experts. We were not asked to evaluate options where that did not happen.

Mr JUSTIN FIELD: Sure, but you could provide that advice on the options and still not include what is manifestly not correct information about the status of an occupation certificate. Did the Government give you advice that if these works were not undertaken that they planned to close the venue? Did you get advice from the Government that they planned to close the venue if these works were not done?

Mr BALL: Not that I can recall.

The Hon. TREVOR KHAN: Mr Blackett, it is all revolving around you, and I can see various facial movements. Let us talk about these occupancy certificates and the like. Why do you provide them?

Mr BLACKETT: Specific to Allianz—

The Hon. TREVOR KHAN: Sorry, that is the area of concern.

Mr BLACKETT: I will give you a quick background as to how and why the certificate of occupancy was developed for this site. Our company, Blackett Maguire and Goldsmith, was commissioned by the trust to review Allianz Stadium in relation to its matters of fire and life safety. We have had involvement with Allianz in some capacity in that regard since around mid-2014. Following a number of compliance audits we have done on the stadium—and by "the stadium" I mean including the precinct holistically, because when we talk stadiums we do not look at the building in isolation, we look at the precinct holistically when we are talking egress and such compliance matters—following our audit report of the stadium, there were a number of fire and life safety matters identified, recognising that that document remains a privileged document.

The Hon. TREVOR KHAN: Can I just interrupt? This is with regard to both, I suppose, the flammability of various items within the stadium area itself as well as ingress and egress issues?

Mr BLACKETT: In relation to matters of egress, in relation to matters of fire separation, in relation to matters of fire systems, in relation to, holistically, a whole range of matters from building codes.

The Hon. TREVOR KHAN: The concern is if it catches fire it is not just the building burning down, it is potentially the patrons who are in there and the capacity to get them out?

Mr BLACKETT: That is certainly one of the key issues of concern we had. Can I just table by display, coincidentally—this was not drafted as part of my submission; this was reading a document sitting in the foyer of this establishment—I did not bring it with me. This is Allianz Stadium on the Wallabies game with an article written showing absolute capacity around the stadium itself. One of the key issues we raised in our report, without going into the detail of the report, certainly related to egress from the building and from the precinct.

The Hon. TREVOR KHAN: Is that your paper?

Mr BLACKETT: No, you can certainly have it back.

The CHAIR: We will have it photocopied for the benefit of members.

Mr BLACKETT: Back to the discussion on the certificate of occupancy, once we prepared the compliance report, or the audit report, it was found that there were a number of fire and life safety matters that needed to be addressed. These were not simple matters that could be addressed in a short time frame, some of them were significant for various reasons, and there was discussion with the trust on how best could we, or how could we potentially, having identified these issues, maintain the stadium as an operational facility. What we advised the trust, consistent with what we have done on a number of other government infrastructure sites, we could introduce the certificate of occupancy.

Mr SCOT MacDONALD: You said you could introduce the certificate of occupancy? Can you explain that?

Mr BLACKETT: The certificate of occupancy was a document that we identified as being—it is a document that we developed which is merely an instrument that we use and introduced for the trust to demonstrate how it can continue operation, subject to a whole raft of conditions, procedures, policies, overlay plans and obligations it needs to adhere to, having regard to the matters identified in the audit report, that would enable the stadium to continue operating for its different tiers of events.

The Hon. TREVOR KHAN: I know there has been some laughter on the other side. If you do not provide the certificate of occupancy because you say the building provides life-threatening hazards for occupants, and it continues to operate, you then have an operator operating a building in circumstances where it has been warned there could be deaths on the premises. Is that the bottom line?

Mr BLACKETT: That is the bottom line. Just to build on that if I may, Allianz Stadium is obviously a government asset but it is a public assembly building. At capacity and during events it can accommodate a high number of people. In our position as a professional in building codes and fire and life safety matters, it would be remiss of us to prepare a compliance report, hand it to the trust and walk away. What we have done in that process is to identify from the recommendations in our report there is a need for matters to be done in different stages; immediate, medium and long term. But we are faced with the reality that the stadium is an operational facility and that it would be remiss of us, and potentially the trust as the operator of the facility, to not introduce some mechanism to bridge the gap between a whole raft of compliance issues identified, and allowing the stadium to continue operating at, whether it be tier one, two or three events.

What we did was introduce the certificate of occupancy, which is a title given to a document developed by our office for the purpose of this facility and, as the document clearly outlines in its preamble, the intention of the document is to enable the trust to continue using and occupying the stadium, subject to ongoing adherence and compliance with the terms and conditions outlined in the certificate of occupancy. That sees in many instances fairly significant and severe obligations put on the trust to introduce overlay plans, to commission other government bodies, such as Fire and Rescue NSW, to be physically parked on site during certain events, to limit goods and populations in certain areas, to increase or decrease fire wardens. There is a whole raft of issues there that we have imposed and developed as experts in this field as interim and temporary strategies until such a time that the stadium could get itself up to speed or up to date in relation to fire and life safety matters.

Mr SCOT MacDONALD: There has been a suggestion we ignore that because it is not legislated, or something like that.

The Hon. LYNDA VOLTZ: Point of order: I cannot ever recall anyone saying that we ignore fire and safety concerns.

Mr SCOT MacDONALD: That is not what I said.

The CHAIR: No, I heard what you said.

The Hon. LYNDA VOLTZ: Instead of the member coming up with opinions as questions, I think that he should be brought back to asking a direct question.

The Hon. TREVOR KHAN: He is asking a direct question.

The CHAIR: No, the member was not asking a direct question without having first framed it. I point out to members that verballing other members is not in order at any time. If they wish to ask a direct question they should do so but they should not refer to what they believe other members have said on the record. We will leave that to Hansard.

The Hon. TREVOR KHAN: Let me put it this way: The bottom line would be if in 1912 you went onto the *Titanic* and saw it did not have enough life rafts, irrespective of the maritime code that existed at that time, you identified the problem and pointed out that a thousand people would drown if the ship went to sea without the lifeboats. That is the same, is it not?

Mr BLACKETT: That is an interesting but fair comparison.

The Hon. TAYLOR MARTIN: People are saying we should not revisit or rebuild the stadium, regardless of the fire risk that it poses. I think it is a fair question.

The Hon. LYNDA VOLTZ: Point of order: It is outrageous when the Sydney Cricket Ground Trust has regular fire inspections by Fire and Rescue NSW who by law are required to direct it close down a stadium if it is a fire risk. To and imply that either the fire brigade or the Opposition on some level are remiss in their duties because we question whether or not the certificate of occupancy is a legal document that directs the closing down of a stadium—

The CHAIR: I understand the point of order. I make it plain to all members that we are here to allow witnesses to put forward their expert evidence. They are here because they are experts. It is not up to Committee members to editorialise.

Mr SCOT MacDONALD: The Committee has heard an assertion that \$1,539 million is to be allocated to the Sydney Football Stadium and the Stadium Australia rebuild. There has been a suggestion that \$300 million will be taken out of that. Can you tell me what you think that would do to the project?

Mr BALL: I have no knowledge of what you have just mentioned, so I cannot comment.

Mr SCOT MacDONALD: The Opposition has suggested that we take \$300 million out of that commitment. Do you have a response about what that would do to the cost benefit analysis and the business case?

The Hon. LYNDA VOLTZ: Point of order: The \$300 million we have is from the Snowy Hydro.

Mr SCOT MacDONALD: That is not true.

The CHAIR: Order!

Mr SCOT MacDONALD: You do not know your own policy.

The CHAIR: A question has been asked. Members should ask questions without editorialising. It is up to the witnesses to answer for their public stance on matters. Please ask the panel, otherwise we are wasting these gentlemen's time.

Mr BALL: I cannot respond to that because I do not know the detail about where that money would be saved and what implications it would have for the final product.

The Hon. TAYLOR MARTIN: I have a question for Mr Ball. Would you be able to outline your professional credentials and your experience in this area, as well as that of your team?

Mr BALL: I have worked in the stadium space for probably the past 20 years and worked nationally in that space. I have been involved in projects in Western Australia, South Australia, Queensland and New South Wales. Members of my team who have been working on this engagement have similar curriculum vitae, perhaps not as long as mine but they have worked in the stadium space between, probably five and 15 years.

The Hon. TAYLOR MARTIN: Would it be fair to say that KPMG is one of the leading consultants for this market?

Mr BALL: I would like to say so, but that is for others to judge .

The Hon. TAYLOR MARTIN: Would you be able to give the Committee an outline on the protocols that KPMG uses concerning independence?

Mr BALL: We have well-established rigorous and comprehensive procedures to deal with the matters of independence, conflicts of interest and such matters.

The Hon. TAYLOR MARTIN: I am satisfied. Thank you, Chair.

The CHAIR: Amongst all these questions that have been thrown at you there is no inference that any of you are less than experts in your own field. You are here because you are experts and the Committee recognises that.

The Hon. LYNDA VOLTZ: Just to be clear, the fire brigade actually undertakes regular inspections at Sydney Football Stadium?

Mr BLACKETT: The fire brigade attends the site as a result of the occupancy that we have assembled. It was prepared in conjunction with Fire and Rescue NSW—it was prepared in conjunction with a lot of disciplines and other authorities. Fire and Rescue NSW, at a cost to the trust, are required to attend site as a condition of the document at certain events to offset the fact that the building has, in its own independent manner, a number of fire and life safety deficiencies.

The Hon. LYNDA VOLTZ: So you are saying the fire brigade has not in the past attended and inspected Sydney Football Stadium as a tier one stadium?

Mr BLACKETT: I cannot comment on that. I can assume they have but I will not comment on that. Fire and Rescue NSW have been attending the site on a number of occasions since our involvement as part of our ongoing audit process.

The Hon. LYNDA VOLTZ: But have they attended previous to that?

Mr BLACKETT: That may be a question for the trust.

The Hon. LYNDA VOLTZ: So you do not know. The certificate of occupancy—and this again is no reflection of yourself—is actually a document under the planning Act, is it not?

Mr BLACKETT: No, it is not. An occupation certificate is a document under the planning Act. A certificate of occupancy is a document we have developed, as I said before, to sustain or enable ongoing use of a building. An occupation certificate is a defined term under the Environmental Planning and Assessment Act. It is a recognised legal document and it is issued as a document to authorise initial use and occupation of a building. That is not the purpose of this document.

The Hon. LYNDA VOLTZ: Why did the document you provided for the Sydney Football Stadium include a planning approval section?

Mr BLACKETT: The document we had was developed from a template we have used for other government infrastructure. It may have had the provisional reference to a government planning instrument but I am assuming that element of the document was blank.

The Hon. LYNDA VOLTZ: Well, it said "not applicable"?

Mr BLACKETT: Okay, it was not applicable.

The Hon. LYNDA VOLTZ: Mr Ball, who commissioned the Rider Levett Bucknall case P90 estimate?

Mr BALL: I think that was the trust or it could be Infrastructure NSW.

The Hon. LYNDA VOLTZ: But it was not KPMG?

Mr BALL: No.

The Hon. LYNDA VOLTZ: A P90 is a statistical measure usually for a high risk on cost when you do not have all the information, is that correct? You normally have P10, P50 and P90?

Mr BALL: I defer to the quantity surveyor on that question of detail.

The Hon. LYNDA VOLTZ: Right, because it was included in the business case for the Sydney Football Stadium—

Mr BALL: Yes.

The Hon. LYNDA VOLTZ: —in your valuation of risks to be developed because there was a high risk that costs would blow out or that the construction costs would come in much higher?

Mr BALL: Yes, that could well be right.

The Hon. JOHN GRAHAM: Can you just confirm in your report on page 213 that demolition is scheduled to commence on 16 January 2019?

Mr BALL: That is what it says.

Mr JUSTIN FIELD: Mr Blackett, I like the theatre of this but you would agree that last weekend was, I think, the biggest ever attendance at the Sydney Football Stadium?

Mr BLACKETT: It possibly was, yes.

Mr JUSTIN FIELD: I have been to stadiums that have been at capacity and there have been pretty long lines for food and the toilets. That would not be an unusual picture of a stadium that was at full capacity, is that right?

Mr BLACKETT: No, it would not. I am not sure which picture you have copied there.

The Hon. TAYLOR MARTIN: The one you used this morning.

Mr BLACKETT: Okay, that is fine. I was more focused on the picture of the crowds and surrounding concourse area rather than the ones queuing at the concessions.

Mr JUSTIN FIELD: I do not take away from the report you have written; it was created for a specific purpose. I think it is all clear to everyone now. That information was not provided when we heard from people at the trust. It has been very informative to the Committee so thank you. The venue would not allow a full capacity event like this to go ahead if there were serious concerns immediately about a fire and safety risk, is that correct?

Mr BLACKETT: I cannot comment in relation to the trust in that respect but I can make the comment that the trust is aware of the fire and life safety issues that have been identified in our report. The measures we have taken in the introduction of the certificate of occupancy is a mechanism that gives the trust confidence that they can continue operating the stadium, albeit a tier one, two or three event—and clearly that was a tier one event, a capacity event—in a manner that, subject to complying with all the requirements of this suite of occupancy, which includes all the additional overlay measures and attendance of brigades, et cetera; those additional measures were intended to offset the fire safety problems we have in the building.

It is a short-term interim strategy that we have put in place. It does not make the building compliant with code. It does not make the building 100 per cent hence complying with code. They are measures we have introduced in conjunction with the trust to enable the trust to hold these events—tier one, two or three—in a way that does not reduce the fire safety any further than what it currently is.

Mr JUSTIN FIELD: Mr Ball, with regard to the final business case, was that wholly produced by KPMG?

Mr BALL: The risk analysis?

Mr JUSTIN FIELD: No, the document itself. The Government did not get a copy of it ahead of time and provide some track changes or anything? KPMG produced this final business case?

Mr BALL: KPMG did produce this final business case. As is normal we provided drafts to the steering committee and sought comment but the substance of the report is what it was from draft all the way through. I should point out, though, which I was going to, that the risk analysis at the back of the report was not our work. That is Infrastructure NSW and a sub-consultant E3.

Mr JUSTIN FIELD: So the information that was included in there about the occupancy certificate was information you got, I assume, from the venue and you put that in there? No-one from government put that in there?

Mr BALL: So what information do you specifically refer to?

Mr JUSTIN FIELD: The justifications at the start of the document and I am specifically looking at page 6, the start of the executive summary really, which puts at the centre of this business case the occupancy certificate?

Mr BALL: Yes. What we were asked to model was the base case which addresses those remedial issues that we have been discussing today.

Mr JUSTIN FIELD: With the base case, why did you assume there was going to be a reduction in events, given we have just seen the biggest ever attendance at an event at the stadium and I think the Anzac Day test match was the biggest ever this year since it started? Why would you have assumed a reduction in events and a reduction in attendance in the base case?

Mr BALL: Because there are very real and timely examples of competitive tension between the different States for events. Western Australia has invested substantially in their facilities, as has Adelaide. If you speak to Destination NSW they will cite incidences where our lack of competitive facilities has contributed to the loss of events. You have the State of Origin going to Optus Stadium next year. You have got Brisbane Cricket Ground losing the first ever that I can recall opening test match in November as a direct result of Adelaide Oval being redeveloped and having a better facility.

So there is increasing tension around the States and jurisdictions between event competition and if you look in our report it points out in a lot of detail the inadequacy of a whole range of spectator facilities—food and beverage, queuing, toilets, egress. There are a whole range of issues why we think the base case will lose events because if nothing is done others will benefit.

The CHAIR: Point of clarification: Very early in the hearing—I think in reply to a question from Ms Voltz—there was reference to a report that had been done by someone.

The Hon. LYNDA VOLTZ: MI Associates.

The CHAIR: Right. I think you, Mr Blackett, made the comment you believed that was privileged. Is that the document we are talking about?

Mr BLACKETT: No. Sorry, I was talking about the report that we prepared, the building compliance report.

The CHAIR: The building compliance report for the trust?

Mr BLACKETT: Yes.

The CHAIR: Upon what do you base that statement, Mr Blackett? Have you had legal advice that it would be a privileged document?

Mr BLACKETT: No, I have not had legal advice.

The CHAIR: It is just an assumption?

Mr BLACKETT: It is my understanding.

The CHAIR: Your evidence has been enlightening as it has cleared up a few questions. Committee members may have some questions they would like to place on notice. We would like replies to those questions—once the secretariat supplies them to you—in writing within 21 days. Is that acceptable to you?

Mr TAYLOR: Yes.

(The witnesses withdrew)

JOHN BROGDEN, Former Chairman, Stadia Strategy Steering Committee, sworn and examined

The CHAIR: Do you want to make an opening statement?

Mr BROGDEN: Yes, thanks. I am pleased to present here today in my former capacity as Chairman of the Stadia Strategy Steering Group—a role I undertook from January to August 2015. In January 2015 the Minister for Sport, Stuart Ayres, formed the Stadia Strategy Steering Group comprising me as an Independent Chairman, Tony Shepherd, the Chairman of the Sydney Cricket Ground and Sports Ground Trust, John Quayle, Chairman of Venues NSW and Daryl Kerry, Managing Director of the ANZ Stadium. The group was supported as a secretariat by the Office of Sport.

I was asked to provide advice to the Government on the location, capacity and sequencing of key stadia projects in the Moore Park, Parramatta and Sydney Olympic Park precincts. The group was asked to consider issues such as strategies to achieve optimal outcomes from stadia network; strategies to improve asset utilisation and return on New South Wales Government investments in financial, economic and social terms; the potential options for an outer Western Sydney stadium in the future; and suggested principles to improve governance arrangements for New South Wales stadia in the future. Over those eight months the group took very seriously the responsibility to prepare advice to the Government on the location, capacity and sequencing of key stadia projects cognisant of the New South Wales Government's 2012 Stadia Strategy and the 2014 Infrastructure Strategy.

During this period the group consulted extensively with the relevant sporting groups and government agencies. These included the National Rugby League [NRL], the Australia Rugby Union [ARU], the Australia Football League [AFL], Cricket NSW, Cricket Australia, the Football Federation of Australia and Tennis NSW. Government departments and agencies included the Department of Planning and Environment, Transport for NSW and Infrastructure NSW. A range of other organisations and stakeholders include the Royal Agricultural Society, Centennial Parklands Trust, Sydney Olympic Park Authority, Destination NSW, Sydney Kings and the Australian Baseball League.

What became evident from this consultation was that the existing stadia no longer met sports and entertainment best practice standards in terms of design, and they put New South Wales at risk to other competitors in Australia and potentially the wider region to retain and attract sporting and entertainment events to New South Wales. It was also clear that New South Wales was progressively losing ground to other States with regard to stadia and its ability to secure and retain major sporting events. Other key learnings from the feedback from the major stakeholders included: The quality of New South Wales facilities at that point was perceived as inferior to those available in other States; poor public transport compromises many stadia; spectators consider the match-day experience inferior; evidence suggests there are too many sporting venues, particularly in Greater Sydney; stadia are under-utilised and community access is often limited; government investment has been ad hoc; the maintenance of stadia was becoming unaffordable; and it is important to maintain the competitiveness of New South Wales when bidding for major events.

In my opinion at the time failure to address those issues would have seen New South Wales significantly fall behind competitors. My report, provided to the Premier and the Minister for Sport in August 2015—and publicly available on the website of the Office of Sport—articulated the view I formed during the deliberation of the Stadia Strategy Steering Group that if investment in stadia infrastructure was not immediately addressed it was likely that New South Wales would not win or retain quality events and would lose the associated economic benefits.

The CHAIR: Are you prepared to table your opening statement?

Mr BROGDEN: Yes, with my handwritten amendments.

The CHAIR: Do you want a copy of that returned to you?

Mr BROGDEN: Yes, that would be very useful. Can I have it for this purpose?

The CHAIR: Yes. Within the Stadia Strategy Steering Group it was good that there were venue operators who have the greatest knowledge of their own businesses. I would also suggest that anecdotally it probably would have created competitive teachings, not so much as to where you will spend the money but as to the time line. I think the last point in your précis of what was considered was the sequence. In 2015 it was obviously well known that the Government was going forward with enormous capital works projects right across the State but particularly in Sydney with railways, tunnels, roads, et cetera. Was consideration given by the steering committee to the impact of all that work on trying to do these projects, particularly Moore Park and the

Sydney Olympic Park, concurrently or close together? Was that considered to be perhaps too big a cherry out of which to take a bite?

Mr BROGDEN: The best way I can approach answering the question is to give you a feeling for what my approach was. The Government, as you said, put together a steering committee that included me as an Independent Chair and the three main representatives of venue owners regarding Moore Park, Parramatta and Homebush. The purpose was to take a very fresh look—and in my case an independent look—at what was the best outcome across all three networks. Of course, we spoke to an indoor stadia as well, and potentially other facilities. So it was not simply, "What are we doing with the existing facilities?"

The CHAIR: No, I understand that.

Mr BROGDEN: In doing so, as you rightly indicate, transport and infrastructure were part of our consideration. For instance, we met with Transport for NSW, just as one indication, to get a feeling from it of what the new light rail along Anzac Parade would do in moving people in and out of the Moore Park facility on a game day. How many more people could it move? Those sorts of questions were asked. In regard to the staging I was clear that there should be a staging of them. The immediate priority was Parramatta in a three-year to five-year time frame. Let us say that this all starts in 2015. Three to five years from that point there would be the construction of a new 55,000 to 60,000 seat stadium at Moore Park. Then, if you are just talking about the stadia, we saw the upgrade to the Stadium Australia at Homebush as taking place in five to eight years. So we saw them staged.

The CHAIR: Thank you. That is all I needed to know.

The Hon. LYNDA VOLTZ: What was the total cost of the Brogden report?

Mr BROGDEN: I am told by the Office of Sport that the report cost one parking fee for me in Sydney, which I think about 60 bucks.

The Hon. TREVOR KHAN: Outrageous!

Mr BROGDEN: It is hard to believe, is it not?

The Hon. LYNDA VOLTZ: That is what they told me originally as well.

Mr BROGDEN: What it means is that I did not ask for, and I was not offered, any pay. What sort of former politician am I?

The Hon. LYNDA VOLTZ: But you get a pension, do you not?

Mr BROGDEN: Next question!

The Hon. LYNDA VOLTZ: Then—surprise, surprise!—I found in answer to a GIPA that MI Associates was paid for a report. There is no reference to that report in your report. Is there a reason?

Mr BROGDEN: We did not commission that report. That was commissioned separately by the Office of Sport. I was not involved at any stage in tendering, commissioning—

The Hon. LYNDA VOLTZ: So you did not rely on that report for—

Mr BROGDEN: No, they are different things. We did not commission it; so we did not pay for it. The specific question was about what this process cost. It literally cost nothing but staff time, in real terms. Separate to that, the Office of Sport had commissioned the MI report.

The Hon. LYNDA VOLTZ: My question was: what was the total cost of the Brogden report? Was the MI Associates report done by the Office of Sport as a background document for your report?

Mr BROGDEN: I think it was done in its own right and at the same time that we were doing that report.

The Hon. LYNDA VOLTZ: Given that the Centennial Park and Moore Park Trust has informed the Committee that they were not consulted over any plans to build a 55,000-seat stadium on their land, did you have any discussions with the then Minister for the Environment regarding that proposal?

Mr BROGDEN: I did not speak to the Minister for the Environment. We did have the Centennial Parklands Trust chairman and CEO come and see me.

The Hon. LYNDA VOLTZ: Yes, the CEO said that he came and spoke to you, but he said that the idea of building a stadium on their land was never discussed with them.

Mr BROGDEN: On their land?

The Hon. LYNDA VOLTZ: On the Moore Park lands in front of the Sydney Football Stadium.

Mr BROGDEN: Do you mean next to the existing stadium?

The Hon. LYNDA VOLTZ: Yes.

Mr BROGDEN: That was discussed with them at the meeting. That was almost the reason for the meeting. They wanted to express their concern to me. It was quite specific. I remember the chairman making very clear his opposition to the construction of that facility adjacent to the existing facility, which was being openly discussed at the time as an option—rather than knocking down and rebuilding, building one next door, knocking down the existing stadium and turning that into public land or something. They came to meet me and they left me in absolutely not doubt of their view that they did not want it built adjoining the site on their land.

The Hon. LYNDA VOLTZ: So they had heard this rumour and had approached you.

Mr BROGDEN: Yes.

The Hon. LYNDA VOLTZ: You met with them.

Mr BROGDEN: Yes.

The Hon. LYNDA VOLTZ: But you still included it in the report.

Mr BROGDEN: I do not know that it is in the report but I was certainly aware of their views.

The Hon. LYNDA VOLTZ: Given your experience—you and I well know about this—about open spaces, particularly within the inner city of Sydney, would you see the development of a 55,000-seat stadium on Centennial Park and Moore Park lands as being slightly controversial?

Mr BROGDEN: Do you mean the knock-down-and-rebuild option?

The Hon. LYNDA VOLTZ: No, the building of a new stadium.

Mr BROGDEN: Of course it was controversial. Yes.

The Hon. LYNDA VOLTZ: You did not, at the time, think that it might raise certain community concerns and significant opposition?

Mr BROGDEN: Of course.

The Hon. LYNDA VOLTZ: But you thought it was worth pursuing?

Mr BROGDEN: It was worth looking at. It would have been crazy not to look at all the options.

The Hon. LYNDA VOLTZ: The Sydney Cricket Ground Trust, around that time, were also given some money for a master plan of their building. Was that considered as part of your proposal, as well?

Mr BROGDEN: No.

The Hon. LYNDA VOLTZ: Or was that independent of it?

Mr BROGDEN: It was completely separate.

The Hon. LYNDA VOLTZ: Did you discuss the proposal to put the stadium on Moore Park land separately—not a rebuild—with the Minister for Sport before you included it in your report?

Mr BROGDEN: I cannot recall.

The Hon. LYNDA VOLTZ: Given that the problem identified in the 2012 stadium strategy was an excess of capacity in Sydney, why do you think that building a new 55,000-seat stadium—increasing capacity when the problem identified consistently has been an over supply of capacity and you have an 83,000-seat stadium sitting at Homebush Bay—was a good option? Why did you think that that would not cannibalise ANZ Stadium?

Mr BROGDEN: The objective was to see the stadia, eventually as one network of three stadia, rather than three individual stadia competing for business. To that end it was very clear to us, as my report indicates—I do not think anybody disagrees—that Parramatta had well and truly seen its used by date. Probably the biggest change since the old Parramatta stadium was built—not the really old Parramatta stadium that was burnt down—Football Australia had arrived and there was an enormous interest, particularly in Western Sydney, in soccer football. So there was no doubt that Parramatta stadium was necessary, and it was the first priority.

That is the first thing. The second priority for a new Moore Park stadium—a new Sydney football stadium—was very much focused on the fact that we were falling behind, in particular, Brisbane in terms of a rectangular shaped stadium. The spectator experience was far inferior to what was available in Brisbane. This is

particularly important the Rugby League and Rugby Union. In that sense—appreciating that there were different views—my view was that we needed to be able to compete with Brisbane in particular. I will come to the greater competition issue.

As my report indicated, we needed to provide two things to the Olympic stadium. One was a roof. The second was the capacity to bring in and out seating to allow for both a circular and a rectangular sporting field arrangement. So, standing back, what I wanted to achieve was for Sydney to provide, through one governance arrangement, three options to people wanting to come to Sydney to play sport or to provide entertainment. That was a 30,000-seat brand new Parramatta stadium, a 55,000-seat to 60,000-seat new updated, best-in-the-country, rectangular stadium and the biggest roofed stadium in Australia, so that if you were looking to come to Australia—whether it is to play an exhibition gridiron match or to have a Mick Jagger concert—you can make the decision, based on three products, about what you think you need. That is why we wanted to put them together as one governance experience.

I needed to give you that context, if you don't mind. Our view was that we needed to have a city stadium that competed effectively with Brisbane. The other piece of advice we received quite strongly from Destination NSW—which was influential—was that there was a great demand for the visitor experience to have a large effective sporting venue attached to the CBD.

The Hon. LYNDIA VOLTZ: We can argue about whether we are playing catch-up with them or they are playing catch-up with us.

Mr BROGDEN: Sure.

The Hon. LYNDIA VOLTZ: But no other city has more than one rectangular tier 1 stadium. In fact what a 55,000-seat stadium in Sydney will do, against the 80,000 rectangular stadium at Sydney Olympic Park will be to set up a competition. I get that your view to stop that is a one-venue strategy. Unfortunately, the Government has not adopted that. You set up a process of competition within your own city, because there is no other city that has rectangular stadiums competing against each other for events in their own city.

Mr BROGDEN: Please do not confuse where the Government has landed, with what this report recommended in 2015. I operated in the conditions at that time and the Government has not adopted all these recommendations.

The Hon. LYNDIA VOLTZ: Yes, I understand that.

Mr BROGDEN: That is why we wanted to have the flexibility to bring in and bring out the lower seating at the ANZ Olympic stadium.

The Hon. LYNDIA VOLTZ: There has been a view that we would be the only city where our major sport does not influence the configuration of our major stadium—even with the reconfiguration to be able to move the seats. That has happened in the past and has always been part of the problem that has been identified and why ANZ stadium has always been considered by a lot of people as a priority.

Mr BROGDEN: I was really influenced by David Gallop in his Football Federation Australia life; not NRL. He said that what they wanted was the ability to have three stadia to choose from, depending on what they would bring to the country. From his perspective, for the Asian Cup, he needed the biggest show in town, which was ANZ Stadium. For other things he would need what is now the Sydney Football Stadium. Clearly, from weekend to weekend, he needs Parramatta for the Western Sydney Wanderers, et cetera. He presented to us the need to have a selection of venues, based on what he was bringing. In that environment, he would not be looking at Sydney and Homebush as competing with each other but as providing him with a selection.

The Hon. LYNDIA VOLTZ: I understand his arguments. For some of those small events, particularly World Cup qualifiers, you need that more compact stadium.

Mr BROGDEN: Yes, if you get the final, which they did a couple of years ago. This report also recommended having it roofed, so you are an all-weather venue.

The Hon. LYNDIA VOLTZ: He has been pretty clear that Western Sydney is where the bulk of his—

The CHAIR: I think we have had a fair exchange.

The Hon. TREVOR KHAN: We have had a lovely chat.

The CHAIR: Yes, a nice chat.

Mr JUSTIN FIELD: You briefly touched on the recommendation in your report that a single governing entity be established over the Sydney Cricket Ground, Sydney Football Stadium, Stadium Australia, Parramatta,

and your indoor facility. In your view, what is the consequence of the Government not taking up that recommendation and proceeding as it has with the stadium plan to which it has now committed?

Mr BROGDEN: I wrote this report, what was my personal view, of the best strategy to move forward with. The Government did not select elements of this report—that is one it did not recommend. Really, that is the matter for the Government.

Mr JUSTIN FIELD: I quote it back to you: "This is critical to retain and attract sporting and major events to New South Wales and to ensure competitive neutrality for Government." Given that it has not agreed to this critical aspect of the stadium plans and management of sports within the State, what do you think are the consequences of that going forward?

Mr BROGDEN: Whether the Government did or did not adopt my recommendations, it is always a matter for the Government.

Mr JUSTIN FIELD: You were the chair of this process. You just said it was your personal view. Am I to take it from that that other members of the committee did not hold that view?

Mr BROGDEN: No.

Mr JUSTIN FIELD: Perhaps Mr Shepherd did not hold that view?

Mr BROGDEN: I cannot speak for Mr Shepherd. What I can say is that one of the clear prerequisites to any movement forward at the starting point was that we thought that the governance arrangements and the ownership arrangements needed to be addressed. We did not recommend other than for the governments to speak to what that looked like, but we thought that at that stage that was our view.

Mr JUSTIN FIELD: One of the other recommendations is about content. Recommendation 3 says, "The need for the sporting codes to commit to the provision of dedicated increased content and in particular a commitment from the Rugby League to move a majority of events to the modern stadia." There has been a bit of discussion through the Committee about the impact that would have on suburban stadiums. Were you assuming in your report that there would be a need to move events from suburban stadiums to these major stadiums?

Mr BROGDEN: We were influenced by the success of what the AFL had done in suburban Melbourne, in moving its local games effectively to the two venues—the Melbourne Cricket Ground and the one at Docklands. Our view was that that would provide the best spectator experience. I say this as somebody who, if I had my way, would spend every cent on Leichhardt Oval.

The CHAIR: Hey, brother!

Mr BROGDEN: Exactly! Go, the mighty Tigers—Balmain Tigers.

The CHAIR: Absolutely, Balmain Tigers.

Mr BROGDEN: I recognise the benefit of the suburban grounds. However, they are falling behind at a rate of knots compared to the bigger, larger and newer stadia. My view was that there would be opportunities for greater success if we followed where the AFL was at.

Mr JUSTIN FIELD: That is the user experience side of things.

Mr BROGDEN: And TV, too.

Mr JUSTIN FIELD: Fair enough. Were you anticipating that it would increase attendance?

Mr BROGDEN: Yes. We were hoping that it would do that, just as we see very full stadia in what used to be suburban matches now being played in the city in Melbourne.

The Hon. LYNDA VOLTZ: The obvious difference is the geography of the two cities. Whereas Melbourne city is centrally located, our city is at the edge, at the periphery of where the population lives. Did you factor that in to that consideration?

Mr BROGDEN: What I factored in was the fact that the transport all leads to Sydney. The two stadia to which we referred—Moore Park and Homebush—had major transport nodes coming in and out of them in a way that Leichhardt does not, for instance.

Mr JUSTIN FIELD: We heard today—and we have seen in the business case—some pretty optimistic assumptions about attendance and the likely increase in events at a rebuilt Sydney Football Stadium. I assume you have taken some ongoing interest in this. Do you have a comment on those assumptions in the business case?

Mr BROGDEN: I have not seen the business case. This was a high level introductory report. The Government was always going to test this with a business case and greater consultation. This was almost, "What would you do with a blank piece of paper", with some constraints. Obviously we have stadia at certain places and transport already and in the future.

The CHAIR: That is why he was not allowed to put Leichardt into the mix.

Mr BROGDEN: That is right. So we did not work off business cases and there was no expectation that we would. It certainly was not in the terms of reference.

The Hon. TREVOR KHAN: You certainly could not do it for a bus ticket if you were going to do that.

Mr BROGDEN: A parking ticket.

Mr JUSTIN FIELD: On the question of Moore Park land, it is quite clear in your report that consideration was given to doing a rebuild of Sydney Football Stadium on Moore Park land. Was any consideration given as to what would happen to the land that the current Sydney Football Stadium sits on, if it was to be built adjacent to that on the Moore Park land?

Mr BROGDEN: The main consideration is whether you would effectively do a land swap. Where the current stadium is, once you knock it down and you build next door, would you give that land back? That was the primary consideration that I had. There were other suggestions that you might provide more sporting facilities on that ground.

Mr JUSTIN FIELD: This was not an expansion planned by the Sydney Cricket Ground and Sports Ground Trust? Did Mr Shepherd have his eye on the prize?

Mr BROGDEN: No, not necessarily. No is the answer to that question. But there was talk about other facilities on the ground that would complement all of the sporting facilities there. But I think the starting position was that it would be a direct land swap. You would return the open space on the current sporting site, the current Sydney Football Stadium site.

Mr JUSTIN FIELD: That is not mentioned anywhere in the report though—that level of detail.

Mr BROGDEN: No.

Mr JUSTIN FIELD: It has been quite controversial to suggest that. I would have thought that that would have been in big flashing lights in the report—"Great opportunity here!"—because it is obviously a feature of the bigger goals of the Office of Sport for the central business district and sporting infrastructure. Why would that not be included in the report, just to allay those concerns at the very least?

Mr BROGDEN: The concerns were not that large at the time.

Mr JUSTIN FIELD: You conceded before that it was going to be very controversial.

Mr BROGDEN: Sure. Once the Government moved to implement any of these recommendations, it would go through business cases and consultations.

Mr SCOT MacDONALD: Mr Brogden, in your opening statement, you referred once or twice to the word "immediate". Why is that important to you? Why have you made a point of saying that we need to do it immediately? What was behind that?

Mr BROGDEN: That was Parramatta. It was very clear that Parramatta was falling behind further than the other stadia. The other thing was that the Western Sydney Wanderers fans gave it a hell of a workout whenever they played there, including broken seats and those sorts of things. As I said before, when they built the previous Parramatta Stadium—and I am not critical of that by the way—I do not think anybody anticipated that the world of Football Federation Australia would arrive and that it would become so incredibly popular.

The view was, of the three existing facilities, that was the one that needed to be moved on quickly. We sequenced it that way as well. The other point in terms of immediacy is that there was genuine pressure, in my view, on New South Wales in terms of the risk of losing sporting and entertainment events to other States, particularly from international clients. What I learnt through this process is what they want is a full stadium for television rights. There are two audiences here, the ones that turn up and the other is who is watching it on television around the world and they want to be able to fill a stadia because it is effective. If you have better spectator experiences in places like Brisbane, where they are more likely to fill, that is attractive for that purpose and also for the television rights.

Mr SCOT MacDONALD: On the TV infrastructure, as I have gone around the stadiums I am told that they are not fit for the future. Have you got any comment on the last two stadiums?

Mr BROGDEN: The other learning is that this game moves quickly. It is hard to believe, but it is true, that the life of stadia is not as long as you would think it would be. The analogy I often think of is hospitals need particular and continuing refurbishments because the technology changes and the same is relevant for stadia. That was my big learning through this process. The other thing is we need to have a suite of products through the assets to offer in terms of size. Things are moving quickly in technology and the expectation for the TV viewer becomes higher and higher every year.

The Hon. JOHN GRAHAM: One of the things I was interested in with your report was when it came to the financing. Your idea was at that point it was a \$1.5 billion commitment, obviously it has moved on. You were looking for a range of contributions. Do you think there is still opportunity for the sort of model you imagined when it comes to building the stadium infrastructure for Sydney more generally?

Mr BROGDEN: I cannot comment. I did this report and moved on. I have not kept up in the manner you have with the details of what they are proposing now.

The Hon. JOHN GRAHAM: Tell us what you were trying to bring to the table?

Mr BROGDEN: What page are you on?

The Hon. JOHN GRAHAM: In your second recommendation you talked about contributions from Rebuilding NSW, maybe borrowings by the Sydney Cricket Ground Trust, capitalisation of Sydney Olympic Park lands, and contributions from the codes. That seems a thoughtful way to look for a range of contributions to bring to the table. Can you give your thoughts on that?

Mr BROGDEN: On contributions from the codes we were aware that—I think I am accurate when I say this, my memory might be dusty—Docklands was heavily invested in by the AFL. Did they own it? I cannot remember. In Melbourne the dominant sporting code, the AFL, was an investor in the stadia because there was a direct benefit coming back to them. The other thing with respect to the Sydney Cricket Ground was as its own entity if it had the capacity of a better revenue and higher revenue and as a consequence it would have the capacity to meet an additional loan that it might take on. Or, take on debt, should I say.

The Hon. JOHN GRAHAM: You had some discussions around these ideas and it was the subject of a recommendation.

Mr BROGDEN: Mr Shepherd at that stage indicated that they had the capacity to take on debt if they had a facility that was better that could repay the debt.

The Hon. JOHN GRAHAM: Returning to the governance question briefly, on the face of it it looks like a sensible recommendation. What were the pressures you were trying to manage with that recommendation that we get all these stadia under the one roof, from a governance point of view?

Mr BROGDEN: As a kid growing up in Sydney watching the Balmain Tigers play at Leichhardt every other Sunday, I was genuinely influenced by John Quayle's membership on that committee and his view. He made it very clear this was a once in a generation opportunity to get the parties around the table to agree to an outcome. One of the benefits of having the parties around the table was that they were forced to look at the wider benefits the stadia would deliver rather than just their own interests. Which, I think, had been part of the issue in the past: one organisation would come forward with its pitch to government and that would be competitive and separate to the next. John Quayle's view, it was a call to action for a noble cause, was that we had a once in a generation opportunity to fix this. From that perspective, that is why we thought a single point of entry and a single point of governance would work.

The Hon. LYNDIA VOLTZ: Was that because of the heads of agreement?

Mr BROGDEN: There is no doubt that was one factor. The greater factor was the ability to say to clients, "You have three options to choose from."

The Hon. LYNDIA VOLTZ: Who initiated the heads of agreement, do you know?

Mr BROGDEN: Which heads of agreement?

The Hon. LYNDIA VOLTZ: The heads of agreement that was signed between State and—

Mr BROGDEN: That was done separately to us, I am not aware.

The Hon. JOHN GRAHAM: You would agree it has been a missed opportunity?

Mr BROGDEN: What has?

The Hon. JOHN GRAHAM: To not bring all the stadiums under one management structure?

Mr BROGDEN: It was our recommendation.

The Hon. JOHN GRAHAM: There is no mention in your report of safety and security issues at the Sydney Football Stadium and it has been a big part of the discussion around the business case and public justification for change. How did that play out in your discussions in the committee?

Mr BROGDEN: It was not an influence because the real influence was—almost starting with a blank sheet of paper—what is the best outcome and what is the best plan for 30, 40, 50 years for Sydney for its sporting and entertainment facilities. I do not know whether I talked about it, but we also recommended the indoor facility as well. It was not focused purely on the stadia. I have forgotten your question.

The Hon. JOHN GRAHAM: It was about safety and security issues?

Mr BROGDEN: Hence I forgot your question, because they were not big issues we took into consideration.

The Hon. JOHN GRAHAM: When did you first become aware of the safety and security issues?

Mr BROGDEN: I do not know, because they did not influence us and they are not in the report.

The Hon. TREVOR KHAN: The rationale for this stands alone?

Mr BROGDEN: Correct.

The Hon. TREVOR KHAN: You do not need any other factor to justify doing it?

Mr BROGDEN: That is the blank sheet approach. We took a view that if we started from scratch this is the best outcome for Sydney.

The Hon. LYNDA VOLTZ: With the indoor sports stadium, did you look at emerging sports and talk to sports like netball and basketball, who were expanding their games, about their concerns for an indoor sports stadium? The Government's original feasibility study started with an indoor sports stadium in the central business district.

Mr BROGDEN: Our recommendation was based on the recommendations from places such as Destination NSW. First, we needed an indoor sports facility and we recommended 15,000. There are those that argue eight to 10, eight to 12, but we settled on 15. Secondly, it needed to be within or attached to the CBD. Did we speak to some? We spoke to Sydney Kings and whilst we did not speak to sports like netball our view was that they would agree with the demand for an indoor facility.

The Hon. LYNDA VOLTZ: Two questions, first, locating it in the city is because the Entertainment Centre came down which was a four-sided rectangle and had high-rise built on site?

Mr BROGDEN: Correct. And the ICC.

The Hon. LYNDA VOLTZ: The ICC was only three sides.

Mr BROGDEN: Correct.

The Hon. LYNDA VOLTZ: My understanding from sports such as netball is their problem with sports stadia and arenas is the cost of opening them. Once you have built an arena-sized stadium they are costed out of using them and that is why they do not use the one at Sydney Olympic Park. The ticket price is beyond the audience they target, young girls and teenagers.

Mr BROGDEN: They cannot afford high ticket prices.

The Hon. LYNDA VOLTZ: That is why there has always been a view about the covering of the tennis centre with a roof. You did not look at that probability because you were looking more at the lack of the facility in the city?

Mr BROGDEN: Correct. The clear view from Destination NSW was that just as we needed a large, rectangular sporting facility attached to the CBD, part of the CBD—Moore Park—we also needed the same for the indoor facility. They used examples of people flying in for the sporting event and then flying out again.

The Hon. LYNDA VOLTZ: That is for boxing and the mixed martial arts kinds of events.

Mr BROGDEN: Whether that is flying in from Melbourne or flying in from Hong Kong.

The Hon. LYNDA VOLTZ: But it is not, by itself, necessarily a sporting precinct; it is more an entertainment indoors.

Mr BROGDEN: However, the design would, of course, allow for netball and basketball.

The Hon. LYNDA VOLTZ: Except they could not afford to open it.

Mr BROGDEN: I take your advice on that.

The Hon. LYNDA VOLTZ: Now Ogden owns the Kings, so they have Sydney Olympic Park.

Mr BROGDEN: I will take your advice on that.

Mr JUSTIN FIELD: Can I ask a question with regard to the TV rights? You mentioned before that there was interest from the codes in ensuring that the stadiums looked full—it was a consideration in your recommendations. Have you got any sense of the value of this to the codes? I think it goes to that question about how we fund these sorts of stadiums.

Mr BROGDEN: No, I cannot help, I am sorry, on that specific question about the value.

The Hon. LYNDA VOLTZ: That goes to the TV rights where the argument is if you flick through and you see an empty stadium you flick onto the next event. Is that the argument they put forward about TV rights?

Mr BROGDEN: In part, yes. That is why having the three options you could look to where your crowds are at. As I said, nobody anticipated football being so popular and filling stadia at Parramatta 20 years ago.

The Hon. LYNDA VOLTZ: Maybe you should have taken up the offer originally.

Mr BROGDEN: Gosh, that is a blast from the past. How do you provide flexibility on your venues? That is what this report recommended, that you had the three, which gave you flexibility.

The CHAIR: You have talked them to a standstill, Mr Brogden. Thank you very much for agreeing to come in. That was insightful—a bit of a look at how it started, or the midpoint in 2015. There may be some questions on notice. We would like answers to those questions within 21 days of them being sent to you. Is that satisfactory?

Mr BROGDEN: Yes, Mr Chair, I am very happy to do that.

(The witness withdrew)

LOUISE SULLIVAN, President, Netball NSW, sworn and examined

MICHAEL ANDERSON, Chief Operating Officer and General Manager, Giants Netball, Netball NSW, affirmed and examined

The CHAIR: Would either of you like to make a brief opening statement?

Ms SULLIVAN: I thank you for the opportunity to address this inquiry. By way of a brief opening, Netball NSW is an organisation that formed some 90 years ago and remains today the number one sport for women and girls both in New South Wales and in Australia. Across this State we have roughly 180,000 participants and a membership of close to 114,000 across 115 affiliated associations and 847 clubs. While we do offer participation for everybody, our sport holds the unique position in Australia's sporting psyche as an organised sport most widely and best played by women. We are the full owners and operators of two teams in what is now known as the Suncorp Super Netball, or SSN, national competition run by Netball Australia across Australia, which is our New South Wales Swifts and Giants netball teams, which are both based at the Olympic Park, as you are likely aware.

It is essential to us as Netball NSW that any stadia strategy developed ensures adequate opportunities for both indoor and outdoor male and female participation sports to play at safe, fit for purpose, affordable and accessible venues. As you would have read in our recommendations, we have advocated in the immediate term for the redevelopment of the Sydney Olympic Park Tennis Centre to be completed with a permanent retractable roof on the current centre court. Venue limitations to play our game is presently one of our most significant financial risks, and despite a very strong history and growth and participation by females over a long time, we have never rested on our past success and have continually evolved our business model to try to meet current challenges. As an example of that, in the past five years we have doubled our revenue and generated income from commercial sponsors five times greater over the same period.

Deliberately while remaining, and still going to be for some time, a bottom-up funded model of a sport, we have progressively tried to become less reliant on our grassroots traditional income, which has dropped from a 60 per cent contribution to less than 45 per cent in the current financial year. I say that about venues because in venue options netball has essentially outgrown the key centre formerly known as the State Sport Centre at Sydney Olympic Park, given it has a capacity of only 3,800 people. The necessity for us to continue to play games at that venue, for reasons I will explain shortly, results in us having to cap annual memberships for both our elite teams to quite a comparatively low number, and effectively it turns away thousands of women spectators every game that eagerly flock to our larger venues when they become available. Compared to Melbourne, for example, which has three indoor venues, all with a sports focus, with capacities between 7,500 and 15,000, Sydney has only one focused sports arena at the key centre, which is the 3,800.

We are very confident as Netball NSW that with the redeveloped tennis centre—able to hold roughly 10,000 spectators—available to us at an affordable cost we will be able to capitalise on substantial growth opportunities with our sport to enable us to invest back to our sport at the grassroots level. The ability to draw bigger crowds consistently, sell a higher number of memberships for both our professional teams, and an increased fan and corporate exposure is a real upside for our sport. The absence of this suitable venue in Sydney makes our financial model in holding games in Sydney quite unsustainable in the medium and even short-term, diverting funding and resources away from the development of our game.

Presently we are unable to make events at the privately owned Qudos Bank Arena commercially viable for us due to the significant costs in hiring this venue. That is primarily an entertainment and concert facility that roughly holds around 16,700 people when configured for netball. During the current season we have hosted three games at that venue and attracted a strong crowd of 11,500 only two weeks ago. In saying that, across all of these three games and previously, that has always been a loss-making venture for us to host games there, even with those strong attendances. The average cost per head for us to open Qudos Bank Arena, compared with our compatriots in Melbourne, is at least double. While Netball NSW and women's sport generally is making very positive ground of late on a number of fronts, our organisation simply does not have the resources and revenues derived from traditional male-based football codes through corporate sponsorships and media rights deals to sustain the ongoing burden. There is no stadium in the Sydney Basin that ensures a premier women's sport such as ours access to a facility of an appropriate size and price point to allow the events to be financially profitable and thus ensure future sports growth.

Due to that lack of availability, two of our home games are scheduled also this season to be held at the International Convention Centre [ICC] Sydney, but with a less than ideal capacity of less than 7,200, we believe. Our provisional estimates are that will even be worse financially than Qudos is. In short, our problem is one of

affordability and accessibility. The redevelopment of the Sydney Olympic Park Tennis Centre to us is a cost-effective, timely and short-term solution to ensure sports requiring an indoor stadium, including netball, have access to one. An increase in utilisation of that public asset, which currently is significantly under-utilised with regard to professional sporting events, would therefore enhance its cost benefit to the wider community, and also provide a cost-effective, accessible venue for a variety of sports, including netball.

The sheer reality for us is it is not an understatement to say netball simply cannot wait a further three, four, five or so years for a whole new indoor stadium to be built. In addition to what we believe to be compelling rationale for the redevelopment of the tennis centre, Netball NSW agrees that the stadia strategy should seek towards developing and delivering another indoor venue in that medium term. We ask for this inquiry to recognise our current predicament and use this as an opportunity to influence change in a positive and effective manner. Thank you. That concludes my opening.

The Hon. LYNDA VOLTZ: The fundamental problem, particularly for women's sport and professional basketball and netball in New South Wales, is that there has always been a lack of venues. With Giants Netball you have expanded to have two teams.

Ms SULLIVAN: That is correct.

The Hon. LYNDA VOLTZ: I suspect you will have a problem if you end up with double-headers in the same venue. You have two teams and you do not have enough venues to fit one team.

Ms SULLIVAN: That is correct, and to have those numbers requires a bump-in, bump-out if you are to refill that venue, because it does then limit your membership numbers. Of course, if you are at the Quaycentre that has a limit of 3,800 people, you cannot have both teams have their members there at the same time.

The Hon. LYNDA VOLTZ: You are expecting to expand to another New South Wales netball team?

Ms SULLIVAN: We have our second team. The current SSN competition started in 2017 and the board of New South Wales took a second licence at that time, that was Giants Netball.

The Hon. LYNDA VOLTZ: The ICC is less than ideal because of its configuration, because it is concert style?

Ms SULLIVAN: That is correct. There are a number of reasons.

Mr ANDERSON: The ICC needs a lot of temporary infrastructure, it is quite a makeshift venue for sport. It was not designed for sport, so we needed to bring in broadcast quality sports lighting. We needed to drop in a court. There is no scoreboard, so it is actually more expensive than Qudos Bank Arena and it is half the size. That tells you the financial model.

The Hon. LYNDA VOLTZ: Have you had discussions with Tennis NSW at all about if that site was developed how it would work as a sporting arena and prioritising it for sport?

Mr ANDERSON: Over time we have been involved in discussions with Tennis NSW and also the Sydney Olympic Park Authority about various designs they have had for the tennis centre and redevelopment. We have taken an active part in that over a number of years as an organisation.

Ms SULLIVAN: I think that is quite positive, because obviously Tennis NSW primarily use that facility for their January competition over a two- or three-week period and it is largely not occupied for the rest of the time. There is certainly a great opportunity, given our season falls outside of that, to really utilise that venue quite effectively as well as for a number of other events we have running underneath our SSN competitions.

The Hon. LYNDA VOLTZ: That is always going to be the problem because even if you build an indoor sports centre in the central business district to replace the Entertainment Centre, there is the cost prohibition and it will not suit netball's accessibility problem of having two teams. Tennis will not be able to hold the Sydney International there. They need 12 courts to run an international tournament, do they not?

Ms SULLIVAN: I believe they need a number of courts, I am not sure how many, but yes.

The Hon. LYNDA VOLTZ: Unless there is a site in the city that can accommodate 12 courts there will not be a tennis centre in the city.

Ms SULLIVAN: And that has been the nature of our discussions, to say it is an asset that is under-utilised and I think, combined with what we need, what they need and I think what a number of other smaller sports could use it for, it could be well utilised if it was given that roof facility.

The Hon. LYNDA VOLTZ: There has been a feasibility study ongoing for about 18 months on an indoor sports stadium. Have you been interviewed by whoever is undertaking that study?

Mr ANDERSON: I think Deloitte did that on behalf of the Office of Sport. We were involved in that and put in a submission. We were interviewed by Deloitte as part of that exercise. We have not heard anything back.

The Hon. LYNDA VOLTZ: You have not seen a draft?

Mr ANDERSON: Not at this stage, no.

The Hon. JOHN GRAHAM: Have you received any guidance about when it might be due? There was a reference to it in the Government submission to the Committee but not a date.

Mr ANDERSON: No.

Ms SULLIVAN: As far as I am aware we have not heard anything.

Mr JUSTIN FIELD: I am learning a little bit about this. Tell me if you cannot disclose this information. How are those conversations going with Tennis NSW? Are they supportive of the idea of having the tennis centre at Sydney Olympic Park developed to suit your needs as well and sharing that space?

Ms SULLIVAN: I understand they are supportive of that happening because it enables that facility to give them more flexibility during their January tournament as well.

The Hon. TREVOR KHAN: With a roof?

Ms SULLIVAN: With a roof, the comfort of the spectators and being able to do wet weather games and things like that. I think there have been ongoing discussions with our chief executive officer, Carolyn Campbell, who is unfortunately in Europe and unable to be here. She has led those discussions with tennis around that.

Mr JUSTIN FIELD: Have you made submissions to that effect to the Office of Sport, to government? Have you made proposals to them to undertake that work? Are they supportive of it?

Mr ANDERSON: We have had discussions with the Sydney Olympic Park Authority over a number of years.

Mr JUSTIN FIELD: Do you get any sense that there is movement around this?

The Hon. LYNDA VOLTZ: I should indicate that the Committee has a copy of the design plans to put a roof on that have been developed four years ago at Sydney Olympic Park.

Mr JUSTIN FIELD: But this is waiting funding and go-ahead?

The Hon. LYNDA VOLTZ: It is waiting funding.

Ms SULLIVAN: That is true, correct.

Mr JUSTIN FIELD: Through this discussion around the stadium I pick up on your recommendations about wanting the stadium strategy to be more inclusive of a broader range of sports. Have you had direct engagement with the Minister about your needs, and in particular the opportunities with the development of the tennis centre at Sydney Olympic Park?

Ms SULLIVAN: Netball is certainly trying to speak to anyone who will listen about our predicament around this venue, because obviously it is an ongoing and urgent problem for us. We are a not-for-profit organisation, although our increased turnover is still minute compared to some of the football codes of male-dominated sports, I suppose. It is a very unsustainable position to be in to be losing money on three games that are well attended and there is no other option for us. We take a venue to try and increase the growth and visibility of our sport, and I think every sport deserves the opportunity to showcase its sport at the elite level and I think we have a great product to showcase but, frankly, it is not financially sustainable. It is very difficult to use our members' money unwisely if we do not have that opportunity.

Mr JUSTIN FIELD: I agree with you wholeheartedly. The Committee heard evidence from the Office of Sport this morning making the case, I think it is fair to say, that stadiums should not be judged in terms of their financial sustainability alone; that we make investments as a government for a whole range of reasons, including for access and participation and the social good of all of that. I take from your previous answer though that you have not been successful in getting an audience with the Minister yet to talk about these things?

Ms SULLIVAN: There have been ongoing discussions with the Minister.

Mr ANDERSON: Yes, there have been discussions over time. The Minister has come to a number of our events over time. He has had discussions with management and the board over time—some of that before Ms Sullivan's time as well.

Mr JUSTIN FIELD: Recently?

Ms SULLIVAN: I believe those discussions have been ongoing. Part of our submission for this is to try to see what can be done and what could be recommended by this Committee regarding funding to move towards a tennis centre as well.

The Hon. TREVOR KHAN: And you can be fairly sure that somebody in the office is watching this.

Mr JUSTIN FIELD: That is why I am labouring the point just a little. Any offers of support?

Ms SULLIVAN: There have been discussions at all levels, including the Minister, yes.

The CHAIR: Am I right in saying that if Netball Australia could get what it wanted, say, for instance this tennis centre conversion, you do not really have a view on Moore Park or the larger redevelopment of Homebush Bay or anywhere else. Is that correct?

Ms SULLIVAN: Netball NSW as opposed to Netball Australia?

The CHAIR: Netball NSW, yes?

Ms SULLIVAN: Netball NSW is certainly not here to give any view about those substantive stadiums.

The CHAIR: So if the Homebush Bay precinct—Stadium Australia—was to be staged a bit later, as long as the tennis centre redevelopment was brought forward, if it could be brought forward, that would be your principal concern?

Ms SULLIVAN: Absolutely. I think our position is as follows: There have been design plans around for some years so Sydney Olympic Park is, as I understand it, highly supportive of doing something if the funding was available. It is something that could be done in the short term—the 12 to 18 months to two years term, depending on what type of construction was chosen, of course.

The CHAIR: The Government's funding across the stadia strategy was about \$2.1 billion. Do you recall during the discussions any costings being put forward as to what it would take to redevelop the tennis centre to also take care of your sport?

Ms SULLIVAN: Yes. In our submission—obviously we are not aware of any complete estimates—the estimate of that roof is around the \$50 million mark, I understand.

The CHAIR: And the cost to facilitate your sport is a fairly small addition to that?

Ms SULLIVAN: That is to put in a roof.

The CHAIR: So that is including.

Ms SULLIVAN: We are asking for a minuscule amount compared to the stadiums that are otherwise being discussed.

The CHAIR: So the hoops do not cost a lot of money, is what I am trying to say.

Ms SULLIVAN: I think depending on whether it is retractable; it could be slightly higher. It depends on the design chosen. In our submission we put that the most basic canopy style could be \$20 million to \$50 million, to slightly higher.

The CHAIR: So your position is that the earlier a decision could be made and funding made available to do the work of the Sydney tennis centre would be your preferred option if the Government were to listen to options?

Ms SULLIVAN: Absolutely. We are a sport that is running two very successful elite teams in a new, successful national competition.

The CHAIR: So you are bumping up against a ceiling of growth, is that correct?

Ms SULLIVAN: We are and unable to grow because of the restraints put on these venues. We cannot have a small venue; we cannot expand membership numbers when we are restrained potentially playing at small venues and to go to the available larger venues is too expensive and we lose money.

The CHAIR: What did you say were the number of members that you have? These are playing members, are they?

Ms SULLIVAN: Members of our two elite teams—

The CHAIR: No, statewide?

Ms SULLIVAN: Statewide—114,000.

The CHAIR: And they are players, are they?

Ms SULLIVAN: They are players and officials.

Mr ANDERSON: Players, officials, juniors, adults, et cetera.

Ms SULLIVAN: Not to labour the point but that still puts us as number one as a female team sport across the country as well as in New South Wales.

The Hon. LYNDA VOLTZ: And you would have the largest female audiences probably for a female sport as well, I suspect?

Ms SULLIVAN: I would have to check how many but they are certainly increasing.

The Hon. LYNDA VOLTZ: Because I think you are beating W-League.

The Hon. TREVOR KHAN: How many men play because I know my son does?

Ms SULLIVAN: They do and that is why we are always cautious to say we are not a sport only for women. We do offer opportunities for plenty of men to play our sport as well. I am not sure of the exact numbers. I might take that on notice and come back to you but certainly it is a growing number as well.

The Hon. TAYLOR MARTIN: Just on the tennis centre, did I hear correctly that you said it was a cost-effective option?

Ms SULLIVAN: We believe a very cost-effective option in the short term to give us a solution that would enable us to solve our venue issue.

The Hon. TAYLOR MARTIN: When you say "cost effective", comparative to what and how cost effective?

Ms SULLIVAN: We believe to be able to maximise the use of an existing facility that is currently being under-utilised—and again cleverer people than I will come up with a final estimate—but the cost around what we are talking about to make it a venue that can be used across the whole year and across a number of sports as opposed to currently only being used by tennis in January primarily.

The Hon. TREVOR KHAN: I think you have been careful not to quote figures, for instance, for how much Qudos costs or any other centre.

Ms SULLIVAN: Qudos Bank Arena, yes.

The Hon. TREVOR KHAN: But do you have an idea, in a percentage sense how much you would be expecting to pay on a daily basis for the use of the tennis centre compared to Qudos? Is it like a factor of a half, or 25 per cent or 75 per cent?

Ms SULLIVAN: As to the details of who would administer and run the tennis centre and what those costs would be, that would be something that would be looked at subsequently but certainly we know what it costs to run at Qudos.

Mr ANDERSON: It would be at least half, I would imagine. One of the issues with Qudos Bank Arena is that you are constantly having to reconfigure it from a concert mode into a sporting mode. They are generally in concert mode. The retractable seats have to be put away, there is a floor that has to be dropped; it is quite an expensive exercise. There are also 82 doors into the venue. It is quite an expensive exercise to open the doors and staff that, which is quite uncommon for most of the other indoor venues across the nation. The tennis centre would not have that operating cost. It is a much simpler venue based on a preliminary view of the venue. It would be a fraction of the cost.

Mr JUSTIN FIELD: Just to clarify that, you are using some comparisons to examples in Melbourne. You mentioned that your counterparts in Victoria are about half of what it is at Qudos. Are you using that as a benchmark?

Ms SULLIVAN: Yes, in the figures we understand of their administration costs.

Mr ANDERSON: We are. They are a different model down there as well. Obviously they are run by a government trust. They are not privately operated like the two larger venues in Sydney—International Convention Centre and Qudos Bank Arena.

The Hon. TAYLOR MARTIN: Are there sufficient amenities for female athletes at the tennis centre or is there work that needs to be done to meet the needs of Netball NSW?

Ms SULLIVAN: I think that has been part of the recommendation that obviously the roof and any adjustments required are done. I do not understand them to be overly substantial.

The Hon. TREVOR KHAN: Are there any other sports that would use the facility apart from you?

Ms SULLIVAN: We think so, yes. In our submission we have outlined a table of a number of sports that we think could benefit from it.

The CHAIR: Hockey, for example?

Ms SULLIVAN: Volleyball, basketball.

The Hon. TREVOR KHAN: Hockey has its own facilities out there?

The CHAIR: Yes, it has.

The Hon. LYNDA VOLTZ: Mixed martial arts and boxing as well.

The CHAIR: And an indoor rifle range.

The Hon. LYNDA VOLTZ: There is already a rifle range at Sydney Olympic Park, I am pretty sure.

The CHAIR: No, there is not. There was going to be one.

The Hon. TREVOR KHAN: Have you spoken to other sports?

Mr ANDERSON: Yes, we have spoken to volleyball and we have spoken to basketball. I think the Sydney Kings would look at using the tennis centre, even though they are owned by AEG Ogden. Given the attendances that they get, a more mid-sized venue would probably be more suitable and more cost-effective for them, so they would potentially look at them.

Ms SULLIVAN: Badminton and volleyball. A number of views this week from reviewing it, we believe it could be quite well utilised across the calendar.

The CHAIR: So one of the advantages would be that a facility that is already there would get close to 100 per cent utilisation or better than three weeks a year?

Mr SCOT MacDONALD: Just moving away from Olympic Park and the top end of netball, is Netball NSW looking at the \$100 million Greater Sydney Sports Facility Fund to help your neighbourhood clubs?

Ms SULLIVAN: Yes, we have been made aware of it. I believe there has been some discussions as to which associations might be able to tap into that.

Mr SCOT MacDONALD: I think there is a cap of \$5 million per project but would that not help some of your more regional clubs?

Ms SULLIVAN: Absolutely. Facilities management across the State is one of our major challenges, obviously, for association level, given a number of those facilities require upgrading and costs as I heard said earlier.

The Hon. TAYLOR MARTIN: They have done well in Tamworth.

Mr SCOT MacDONALD: Yes, there is a regional fund but there is also a \$100 million Greater Sydney Sports Facility Fund. I urge you to look at that for the other teams.

Ms SULLIVAN: I certainly will.

Mr SCOT MacDONALD: There is more money running around for sports now than there has ever been.

The CHAIR: No more policy announcements, please.

Mr JUSTIN FIELD: I refer to broadcast rights. I know that the National Netball League is broadcast. I am not sure of the money associated with those rights which I assume goes to the national federation. As the owner of the two clubs in New South Wales, do you get any financial benefit from the broadcast rights when your teams play?

Ms SULLIVAN: Obviously the new broadcast deal sort of started with the new SSN competition with Channel 9 in 2017. It was quite a revolution, really, for netball to be broadcast on Channel 9 from this year.

Mr ANDERSON: There is no rights fee in the Channel 9 arrangement with Netball Australia for SSN. It is quite a unique deal where the parties actually share in the advertising revenue, both the commercial spots and

the in-broadcast assets and they are jointly sold by the parties. But there is no actual rights fee as such. The clubs at this stage are not getting any cut of the revenues that Channel 9 and Netball Australia are generating.

Mr JUSTIN FIELD: But you as an association are?

Ms SULLIVAN: The short answer is no. No, we have not seen any flow down from the national body but the growth of that shared sponsorship arrangement, if you like, was quite a unique thing for women's sport. I guess the hope down the pipeline is that grows and then money will flow down partly to the State bodies, the team owners.

Mr JUSTIN FIELD: If you were to have a facility that enabled you to attract a bigger audience to the events, and at a more suitable facility like the tennis centre, would that be advantageous in terms of future broadcast arrangements?

Ms SULLIVAN: Absolutely advantageous and that is one of the restraints of, for example, the ICC in terms of only having seating on one side of the court and not being an appropriate venue for a sport.

Mr ANDERSON: I guess the lack of a broadcast rights fee just makes our business model even harder. That is what makes the stadium piece so imperative for us because unlike the football codes that have broadcast revenue as a big part of their business model, we do not have that. We are surviving on what we can make on our 11 event days that we need to commercialise. At the moment we cannot make money through the stadia, through the arenas. We are actually relying on sponsorship to fund our businesses because we have got a different business model from other sports. That is what makes a stadium upgrade so imperative for us because at the moment we have got to really prop up the elite end of the sport with our grassroots. It is such a really tricky business model.

The Hon. TREVOR KHAN: It is the same sort of problem that hockey has got although they have the Olympic Park that funds part of their operation, I think. Is it right that the men's netball championship is held at Homebush each year?

Ms SULLIVAN: That is correct.

The Hon. TREVOR KHAN: Where was that held? Was it held at Olympic Park?

Ms SULLIVAN: That was held within our Genea Netball Centre.

Mr ANDERSON: Our centre of excellence, correct.

Ms SULLIVAN: Men's netball is not part of our—

The Hon. TREVOR KHAN: I gathered that. It is an affiliated organisation.

Ms SULLIVAN: That is correct.

The Hon. TREVOR KHAN: Do you know what sort of crowds they attract? Is that something that we should be building into the model as well?

Ms SULLIVAN: It is certainly one of the strategic elements that we are looking at, which is obviously growth of the sport overall, which includes growth in the male space. Such as our males sports are tapping into the female participants, I think netball has got to be and is open minded to what its opportunities might be in that space as well.

The Hon. TREVOR KHAN: It is just a question of sharing the costs and making a facility more viable if you have more people playing in the space.

The CHAIR: Your particular sport's view is a unique view within the context of what this Committee is looking at but a very important one, particularly given that netball is having such spectacular growth. As an outsider it seems to me that your sport is one that has come up very quickly from the grassroots. Everywhere you go you see young girls playing netball. Now to have a couple of teams in Sydney is great. We thank you for giving your viewpoint, which seems to be very equitable, and for offering recommendations to the Committee that we could perhaps expand upon and provide better efficiency for an existing facility. The Committee may want to ask you further questions on notice. We would like answers to those questions within 21 days of you receiving them. Thank you for appearing before the Committee.

(The witnesses withdrew)

(Short adjournment)

MARIA NORDSTROM, Chief Executive Officer, Basketball NSW, affirmed and examined

The CHAIR: I now open this afternoon's session of the hearing. If you would like to commence with your opening statement we would love to hear it.

Ms NORDSTROM: Thank you for having us here today. Basketball NSW applauds the State Government's increase in focus and available funding for sporting infrastructure in regional and metropolitan New South Wales. This has provided a focus on the State's growing need and ageing sporting infrastructure. It has also triggered Basketball NSW to bring forward its infrastructure plans. The work revealed a need for at least \$500 million worth of new building or repairs in the indoor multi-sport space. This ranges from end-of-life buildings in regional New South Wales to the need for State centres of excellence with, for example, 12 courts.

By way of example, Victoria has at least 10 stadium complexes of this scale, with master planning for new suburbs including at least one of these large complexes per local council area. I note that the largest complex in New South Wales—in Tamworth—has seven courts, with the average-sized facility being four courts. We urge the New South Wales Government to balance the severe need for public indoor sport facilities against the budget used for just two facilities in one part of New South Wales—namely, the Sydney stadiums.

The CHAIR: If you wish to table those documents we will collect them at the end.

Ms NORDSTROM: Okay.

The Hon. LYNDIA VOLTZ: We have just had witnesses from Netball NSW talking about the size of the stadium they need for their professional sports, because we are looking at the stadium strategy. Obviously basketball has the Kings and the Sydney University Flames, which is the women's team—with the possible expansion of the women's competition next year. Can you talk to us about what your needs are regarding indoor stadiums?

Ms NORDSTROM: In my summary that I have tabled I have specifically highlighted the requirements around that. We originally supported the CBD arena, in order to expand the capacity, especially for the Kings. We have since changed our view a little bit. We feel the focus needs to continue to be around the Qudos Bank Arena, with the possible extension of that. Our major sports in the male space—mainly the Kings—would require stadiums with a capacity of between 7,000 and 15,000 people. The women require a stadium with a capacity of between 1,500 and 3,000. We have no stadiums of that capacity in New South Wales today outside of Qudos Bank Arena, except possibly the State Sports Centre, but that does not meet the requirements of the sport with regard to what is fitted into it with floors and sporting equipment.

The Hon. LYNDIA VOLTZ: With respect to the future expansion of the team, you probably cannot tell us where the next team will be. That has not been announced yet, I suspect.

Ms NORDSTROM: It has not been announced but there was a recent application by Newcastle for a Women's National Basketball League [WNBL] team. That is in its second phase. That application went in last year. They do not have the capacity to fit in a WNBL team at the moment. They had an application on the table, which has been reworked, as part of the regional infrastructure fund, to be moved to Lake Macquarie to fit the criteria.

The Hon. LYNDIA VOLTZ: Your TV rights are through Foxtel.

Ms NORDSTROM: It is through Foxtel but there are some announcements which will come out shortly.

The Hon. LYNDIA VOLTZ: I will not pre-empt any announcement. Sorry, I think I am too across this issue!

The CHAIR: Understood.

Mr JUSTIN FIELD: Thank you for being here. You started off by mentioning the prioritisation of spending and you were starting to talk about some of the needs outside the city. I appreciate your commentary on indoor needs. Could you talk more broadly about the needs of basketball when it comes to stadiums and infrastructure?

Ms NORDSTROM: I can. We have an infrastructure strategy which incorporates both regional and metropolitan New South Wales. That strategy is based on a hub and spoke model.

The CHAIR: Is that strategy a public document?

Ms NORDSTROM: It is a public document.

The CHAIR: Is it on the web or somewhere like that?

Ms NORDSTROM: I can table that and provide it to the inquiry.

The CHAIR: It would be good if you could table that or take it as a question on notice. Thank you.

Ms NORDSTROM: The infrastructure plan incorporates over \$500 million worth of infrastructure and, primarily, an upgrade of the Sydney-based facilities, with six hubs in regional New South Wales.

The CHAIR: I would like a clarification. Can you give us a rough breakdown of the \$500 million between the Sydney Basin and regional areas, just roughly?

Ms NORDSTROM: I have it in here. It is part of what I am tabling later. The split-up of the project is in there already.

The CHAIR: That is fine. If you are going to table it we will have the information.

Ms NORDSTROM: That is in there by project and by value.

The CHAIR: Thank you very much. That is really detailed.

Mr JUSTIN FIELD: You would be aware that the Office of Sport does a Future Needs of Sports Infrastructure Study.

Ms NORDSTROM: Sure.

Mr JUSTIN FIELD: Has it engaged with you in that study process? I think it completed that in 2017-18. I think it has even reported this year. Were you engaged in that study and asked to provide information? Did you make a submission like that to that study process?

Ms NORDSTROM: Absolutely. We submitted our needs to that study at the time. We have reviewed it since, as new things have come to light.

Mr JUSTIN FIELD: Have you had any feedback from the Office of Sport on the outcomes of that study?

Ms NORDSTROM: No. We have had some brief discussion but they have not really provided or published anything as yet on the overall study—except for the funding that was released last year through the Regional Infrastructure Fund for regional New South Wales.

Mr JUSTIN FIELD: Do you have any sense of what, within your list of priorities, is likely to be next cab off the rank regarding government spending, or is that the announcement we are expecting to hear soon?

Ms NORDSTROM: It is part of the announcements that are coming out soon. We had 19 projects in regional New South Wales that we have put in for. We believe that we have a strong opportunity in probably five or six of those.

Mr JUSTIN FIELD: Are most of those on your list single-use facilities or are they multi-use facilities, where you are working with other sports?

Ms NORDSTROM: All the facilities that we are proposing are multi-sport venues. We recognise that basketball is a strong anchor tenant in any indoor facility, but cannot be a sole tenant in any facility. They are required to be multi-sport venues across the whole State and all of Australia—in order to be financially viable but also to provide content into those facilities—the fields utilisation in them as well. They are all multi-sport venues.

Mr JUSTIN FIELD: What sports, primarily, are you working directly with? Is it a supported strategy where you have agreement from the other sports?

Ms NORDSTROM: We currently work and manage facilities in regional New South Wales. And we work extensively with futsal and netball multi-sport. We have roller derby and volleyball. In some areas, badminton and table tennis are quite strong, but we do not have a direct agreement with any of those, even though they are very strong indoor sports.

The Hon. TREVOR KHAN: Can I take it that regional facilities you are looking at are somewhat similar to what is being developed in Tamworth?

Ms NORDSTROM: Correct. We are looking for a minimum four to six courts. Tamworth was built to six courts at the time when it was, and it has just been extended to seven.

The Hon. TREVOR KHAN: You talked in terms of a hub and spoke model. I take it that Tamworth is one of those hubs.

Ms NORDSTROM: It is one of those hubs. We are also looking for opportunities for the hubs to be in the western region and have looked at Dubbo as a part of that. We also have the Riverina region where we have a strong proposal in Griffith. Up on the North Coast, we support a sporting hub in Coffs Harbour. We have a very big facility already—or a sizeable facility—in Port Macquarie and, obviously, at Tamworth. Up further north, we do not see the need to have a major hub facility. We believe that the triangulation between Ballina, Byron Bay and Lismore can provide for ample infrastructure for that region and population.

The CHAIR: For clarification, have you proposed anything for the south-eastern part of the State, the South Coast?

Ms NORDSTROM: Not necessarily. There is an opportunity that we are working on that was part of the proposal in Moss Vale to extend the facilities there to five courts. We also worked with a proposal in the Illawarra and up on the Central Coast and into Newcastle.

The CHAIR: Does your association combine with or cover the Australian Capital Territory?

Ms NORDSTROM: No, we do not cover the Australian Capital Territory. We work closely, but it is a separate association in basketball. But, they are part of our general junior competition structure in New South Wales.

Mr SCOT MacDONALD: Can I ask you a question that I asked a previous witness about television? How are you going with that? Do you have agreements or interests? Is it developing? Do you have the facilities to broadcast to meet that sort of demand?

Ms NORDSTROM: I will answer that in a couple of ways. The National Basketball League [NBL] run their own production company and sell content back to the broadcasters. Having said that, we are about to announce, as a sport, some new rights, if you like, with free-to-air. As Lynda said, I am not going to pre-empt that because that is coming out in the next little while. In regard to facilities, Qudos Bank Arena is the only one that fits the required standards for the NBL at this point. For the Women's National Basketball League, because the WNBL team—the Flames—is owned by Sydney University, we run out of the Sydney University facility, ideally, WNBL teams should have a larger capacity spectator facility than they have.

Mr SCOT MacDONALD: In your aspirations for infrastructure, is that a key part of it or at least a major piece of infrastructure that you are looking for?

Ms NORDSTROM: As a sport, we are looking for a major centre of excellence facility in Sydney and one in regional New South Wales to cater for the development of the sport as a whole. We are also looking for community-based facilities to grow the sport at the grassroots. We support an extension of the Qudos Bank Arena really firmly in the Olympic Park, with a smaller seated arena adjoining or in the precinct itself.

The CHAIR: With the proposal for the hubs, would it be proposed that they would be capable of having the games broadcast to regional New South Wales?

Ms NORDSTROM: Absolutely.

The CHAIR: If so, what sort of special infrastructure is required in a facility like that to be able to be used for broadcast?

Ms NORDSTROM: It depends on the level of the quality of broadcast that you require. If you want to have television quality, you will need at least the style of cameras that will be able to do that. For live streaming, which you do with junior sports and some State-based sports, you can have sensor-based cameras that are stationary in the facilities. Provided with software, they can broadcast quite high-level live stream that provides commercial opportunities for the sport.

The CHAIR: Do you have fixed cameras over the hoops or travelling cameras over the top?

Ms NORDSTROM: They are basically along the long wall, so you see the whole court. It will pivot and follow the motion. The intelligence in the statistician software will also allow you to get really good intel on the screens when you are following a live stream. We are currently running that with our Waratah League. We are using hand-based cameras, but you can use sensor-based cameras to follow the game. They will automatically pick up the player, what they have done, the results of the game and follow highlights through that as well. There is very intelligent software now that can achieve that.

The CHAIR: Have you developed what you would call a standardised, preferred design for a hub?

Ms NORDSTROM: We have.

The CHAIR: Does it involve ground-level tiered seating or elevated seating? A lot of basketball courts have been built into regional general sporting facilities where the sides are built up and the spectators are up high to start off with.

Ms NORDSTROM: We have designs that we can table for that. We believe in concertina seating, so you can maximise the court utilisation when it is not used for major events, especially in the sporting hubs, because you will need to be able to maximise the utilisation by the diverse number of sports in those hubs as well.

The CHAIR: In developing your \$500 million plan, you have used those designs as what you would want, and roughly costed those out?

Ms NORDSTROM: Correct. Because we have such significant infrastructure in Victoria at the moment, we have very good cost models around that.

The CHAIR: You will have to excuse my ignorance, but does a high-quality basketball court include a sprung floor?

Ms NORDSTROM: Correct. For it to be able to be utilised for the highest level of the sport, through the State league, junior representative competitions and anything that has to do with national and international events, it needs to be sprung floors. For younger children, you do not necessarily need it. You can use multipurpose floors, but anything outside of that is not desirable.

The Hon. TREVOR KHAN: In terms of the hub and spoke, does it extend into Sydney? Is there a hub and spoke arrangement anticipated to operate here?

Ms NORDSTROM: Correct.

The Hon. TREVOR KHAN: How does that work compared with the regional centres?

Ms NORDSTROM: I think it naturally lends itself in the regional areas because we have the major towns and hubs and, therefore, we can create community-based facilities outside of those. In Sydney we are looking at the Greater Sydney Commission to look at Sydney to create some hubs and spokes around that as well.

The Hon. TREVOR KHAN: Is that not a well developed model at the moment?

Ms NORDSTROM: We have one developed very clearly for the major growth areas.

The Hon. TREVOR KHAN: That is further out west.

Ms NORDSTROM: West, anything from Parramatta and out, absolutely.

Mr SCOT MacDONALD: Can you give the Committee an outline as to how you developed your \$500 million plan, who you consulted with and those sorts of things?

Ms NORDSTROM: We currently have an association-based sport. We looked at that, coupled with population growth, demographics of the areas, immigration and immigration groups that are gravitating to certain areas or living in certain areas. We also looked at potential requirements for those areas and the needs-based requirements out of Victoria, where most of the facilities are sitting at around eight to 12 courts per local council area.

Mr SCOT MacDONALD: Is there engagement with government?

Ms NORDSTROM: Absolutely, we are working closely with the Office of Sport in doing so.

The CHAIR: Thank you for agreeing to appear before us. We will take on board the documents that you wish to table. Members of the Committee may have some questions on notice to you. Those questions will be sent via the secretariat in writing to you. We would like answers to those questions within 21 days of you receiving them.

Ms NORDSTROM: No problem. Thank you.

The CHAIR: Thank you.

(The witness withdrew)

(The Committee adjourned at 3.49 p.m.)