STADIA STRATEGY
IMPLEMENTATION REPORT

PRIORITIES &
RECOMMENDATIONS

2015
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Executive Summary

Sydney requires modern stadia and facilities of varying sizes which provide sporting and major event the market with venue options to meet different events.

Building on the 2012 Stadia Strategy, and in accordance with the NSW 2021 State Plan, the Visitor Economy Industry Action Plan and the State Infrastructure Strategy Update 2014, the Stadia Strategy Steering Group (SSSG) resolved that there are six key recommendations associated with implementing the Tier 1 component of the NSW Stadia Strategy 2012.

NOTE: The Sydney Cricket and Sports Ground Trust and the Stadium Australia Group have signed a Heads of Agreement whereby the control and operation of ANZ Stadium is returned to the NSW Government (via the Sydney Cricket and Sports Ground Trust), thereby removing the implications associated with the Material Adverse Effects clause with the Stadium Australia Group (SAG) contract with the Government. These clauses significantly limit stadia development in the State and must be addressed prior to implementing the recommendations outlined in this report.

The successful finalisation of negotiations with Stadium Australia Group is fundamental to the success of the Stadia Strategy.

Recommendation 1

| Priority 1 | Construct a new dedicated rectangular stadium in Central Western Sydney with a capacity of 30,000 seats to host Rugby League, Rugby Union, Football matches and concerts to replace the existing Parramatta Stadium. |
| Priority 2 | Construct Australia’s largest, dedicated world-class rectangular stadium near the Sydney CBD with a capacity of 55,000 to 60,000 seats to host Rugby League, Rugby Union, Football matches and concerts in the Moore Park precinct to replace the existing Sydney Football Stadium. |
| Priority 3 | Construct a 15,000 seat indoor sporting arena in or around the Sydney CBD for major indoor sporting events including tennis, basketball and netball. With the Sydney Entertainment Centre being demolished in December 2015, and its replacement in Darling Harbour being a theatre style venue not suitable for basketball or other sports such as indoor tennis, this closure leaves the Sydney CBD with no major indoor sports facility. |
| Priority 4 | Upgrade Stadium Australia with the installation of a roof to provide Sydney with Australia’s largest roofed stadium, increasing the opportunity for content in Sydney’s largest stadium. Consider constructing retractable seating in the lower bowl to allow for rectangular sports. |
| Priority 5 | Construct a new dedicated rectangular stadium in Greater Western Sydney with a capacity of 30,000 depending on present and forecast sporting and event requirements. |
Recommendation 2
The Stadia Strategy requires a commitment of $1.5 billion over the next eight to ten years. It will require a direct contribution from Rebuilding NSW, borrowings by the Sydney Cricket and Sports Ground Trust (or the single governing entity as the case may be), the capitalisation of surplus Sydney Olympic Park Authority lands and contributions from the major sporting codes.

Recommendation 3
The major sporting codes commit to the provision of dedicated increased content across the stadia to ensure the commercial viability of each of the stadia. This will require a commitment from the Australian Rugby League Commission to move a significant majority of their events to the modern stadia.

This commitment must be obtained prior to the announcement by Government of the Stadia Strategy Implementation Plan or a significant leveraging opportunity will be lost.

Recommendation 4
A single governing entity be established over the Sydney Cricket Ground, Sydney Football Stadium, Stadium Australia, Parramatta Stadium, the new 15,000 seat indoor facility and the new Greater Western Sydney Stadium to maximise commercial viability and the coordination of sports and events. This is critical to retain and attract sporting and major events to NSW and to ensure competitive neutrality for Government.

The new entity will prioritise the facilities, with a focus on winning the maximum number of events for NSW at the least cost and for the maximum collective benefit of the facilities, the community and Government.

Future considerations should also include the amalgamation of the remaining Government-owned stadia in NSW into this new organisation, whilst considering the outcomes of the Office of Sport Capability Review.

Recommendation 5
A detailed implementation plan be developed to manage design durations, venue management during construction, statutory and regulatory requirements, authority approval needs, governance changes and construction durations.
Background and context

The NSW Government developed a Stadia Strategy which was endorsed by Cabinet in 2012 and is approved NSW Government Policy. The Strategy provides the high-level roadmap for government investment and categorised the NSW Government venues as the building blocks for the state’s stadia network.

The NSW Government has set a range of goals relating to public facilities, sport and tourism in NSW in the NSW Stadia Strategy, its NSW 2021 State Plan and the Visitor Economy Industry Action Plan. In addition, Infrastructure NSW in the State Infrastructure Strategy Update 2014 noted that the key challenges facing the Cultural, Sport and environmental sector included:

- Moving away from ad hoc investment decisions to better target investment towards renewing ageing cultural and sporting infrastructure, and strengthening defined precincts, and
- Maintaining competitiveness in the events market through investment in stadia.

The State Infrastructure Strategy Update 2014\(^1\) identified that stadia attract a high level of visitation, with 1.36 million attending the Sydney Cricket and Sports Ground Trust venues, with Stadium Australia having approximately 1.9 million visitors attending its venue. Whilst this number would appear high, the 2012 Stadia Strategy\(^2\) makes the following observations:

“It has also been noted that NSW Tier 1 stadia host a significantly lower number of regular sporting season events than venues such as the MCG and Docklands Stadium”.

Whilst this fact alone raises concerns for the current situation, there were further concerns raised by the stakeholders\(^3\) who took part in the consultation process during the development of the Stadia Strategy:

1. The quality of NSW facilities is perceived as inferior to those available in other states;
2. Many stadia are compromised by poor public transport;
3. Spectators consider the match day experience in NSW inferior;
4. Evidence suggests there are too many stadia in NSW, particularly greater Sydney;
5. Stadia are underutilised and community access is often limited;
6. Government investment has been ad hoc;
7. The maintenance of stadia is becoming unaffordable; and
8. It is important to maintain the competitiveness of NSW when bidding for major events.

All of these concerns point to the need to address the approach to stadia provision in NSW immediately.

The 2012 Stadia Strategy found that the strategic investment in key stadia infrastructure will secure economic and social benefits for NSW, including driving growth in the visitor economy, improving the liveability of Sydney and key regional centres and building community inclusion.

The 2012 Stadia Strategy found that NSW’s largest Tier 1 venues (Stadium Australia, the Sydney Cricket Ground and Sydney Football Stadium) and the surrounding Sydney Olympic Park (SOP) and Moore Park precincts require investment and development to bring them up to contemporary standards. The 2012 Strategy also noted, given the growth in population, that a Western Sydney stadium will be required and noted that this could be delivered either by upgrading an existing venue such as Parramatta Stadium or by building a new one.

The venues identified in the 2012 Strategy are ageing and coming to the end of their useful life, and over the last 10 years have received ad hoc funding to undertake major capital works projects which have not been guided by a long term plan.

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1. The State Infrastructure Strategy Update 2014, Page 119
2. 2012 Stadia Strategy, Page 11
3. 2012 Stadia Strategy, Page 6
It is evident the existing stadia no longer meet international best practice standards in terms of stadia design, putting NSW at risk to other competitors in Australia (and the wider region) to retain and attract events to this State. NSW is progressively losing ground to the other States with regards to stadia redevelopment and its ability to secure and retain major sporting events.

In 2014, Melbourne was named winner of the 2014 Sports Business Ultimate Sports City large city category award for the second time, and also recognised as the world leader in Sports Venues and Event Strategy. Major events are important to Melbourne and the Victorian Government continues to secure new sporting events and invest in world class sporting venues and facilities, ensuring they remain the sports capital of Australia.

From a stadia investment perspective:

- The Melbourne Cricket Ground (MCG) $465 million Northern Stand redevelopment has set a new benchmark for member facilities in Australia;
- Melbourne is home to the $270 million AAMI Park. Completed in 2010 with a capacity of 30,000 seats, it is home to Rugby League, Rugby Union and A-League teams;
- Adelaide Oval is now a world class stadium following a $535 million refurbishment;
- The construction of the new Perth Stadium at Burswood at a cost of $1.1 billion is well underway and this will see Western Australia with a truly multipurpose world class stadium; and
- Suncorp Stadium in Brisbane, with a capacity of 52,500 seats, is considered one of the best rectangular stadia in the world for Rugby League and Rugby Union.

Outside of Australia, in the last 10 years other countries within Asia and Oceania have been investing in sports facilities, providing compelling alternatives to events looking to travel to Australia.

<table>
<thead>
<tr>
<th>Complex</th>
<th>Key sports facilities</th>
<th>Year of construction completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kai Tak, Hong Kong</td>
<td>• 55,000 seat stadium with a retractable roof</td>
<td>2020</td>
</tr>
<tr>
<td></td>
<td>• 4,000 seat sports arena</td>
<td></td>
</tr>
<tr>
<td>Singapore Sports Hub,</td>
<td>• 55,000 seat stadium with a retractable roof</td>
<td>2014</td>
</tr>
<tr>
<td>Singapore</td>
<td>• 6,000 seat aquatics centre with leisure facilities</td>
<td></td>
</tr>
<tr>
<td>Forsyth Barr Stadium,</td>
<td>• 30,700 seat stadium with an enclosed roof</td>
<td>2011</td>
</tr>
<tr>
<td>New Zealand</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beijing Olympic Park,</td>
<td>• 80,000 seat stadium</td>
<td>2008</td>
</tr>
<tr>
<td>China</td>
<td>• 6,000 seat aquatics centre</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 18,000 seat sports arena</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 30,000 seat multi-court tennis centre</td>
<td></td>
</tr>
<tr>
<td>Nanjing Olympic Park,</td>
<td>• 62,000 seat stadium</td>
<td>2005</td>
</tr>
<tr>
<td>China</td>
<td>• 4,000 seat aquatics centre with leisure facilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 13,000 seat sports arena</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Tennis centre</td>
<td></td>
</tr>
<tr>
<td>Aspire Zone, Qatar</td>
<td>• 40,000 seat stadium</td>
<td>2005</td>
</tr>
<tr>
<td></td>
<td>• 15,500 multipurpose sports arena</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 2,500 seat sports arena</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Aquatic centre</td>
<td></td>
</tr>
</tbody>
</table>

**Stadia Strategy Steering Committee**

In January 2015, the Minister for Sport formed the Stadia Strategy Steering Group (SSSG) comprised of:
The SSSG was charged with providing advice to Government on the location, scope, capacity and sequencing of key stadia projects in the Moore Park Precinct and Parramatta/Sydney Olympic Park. The SSSG was also asked to consider:

- The potential options for an outer Western Sydney stadium in the future;
- Strategies to achieve optimal outcomes from the stadia network;
- Strategies to improve asset utilisation and return on NSW Government investment in financial, economic and social terms;
- The impacts and options arising from the “Material Adverse Effects” clause within the Stadium Australia Project Agreement; and
- Suggested principles to improve governance arrangements for NSW Stadia into the future.

There is a once in a generation opportunity for NSW to implement a strategy which resolves the current issues associated with stadia in NSW and provide a clear pathway for infrastructure improvement for the next 15 years. In summary:

- The key venues do not meet the expectations of users, hirers or corporate supporters;
- The assets are ageing and user needs have changed since they were built; and
- Other States have invested heavily to deliver state of the art venues, which means there are higher quality options available interstate.

Failure to address these issues will see NSW continue to fall behind its competitors. If the investment in stadia infrastructure is not immediately addressed, it is likely NSW will not win or retain quality events and will lose the associated economic benefits.
Stakeholder Engagement

The SSSG held a number of meetings and conducted a survey to facilitate engagement with key stakeholders and initiate discussions on the varying options. In reply to the stakeholder consultation questions developed by the SSSG, the relevant sporting codes were asked to present their forward plans. The sporting codes who presented included:

- National Rugby League (NRL);
- Australian Rugby Union (ARU);
- Australian Football League (AFL);
- Cricket NSW (CNSW)/ Cricket Australia (CA);
- Football Federation Australia (FFA); and
- Tennis NSW.

In addition to the sporting codes, representatives from the following government departments and agencies made themselves available to present:

- Department of Planning and Environment;
- Transport for NSW; and
- Infrastructure New South Wales (INSW).

I also met with a range of organisations and stakeholders who wished to provide input and feedback on the implementation of the Stadia Strategy. These organisations included:

- Royal Agricultural Society;
- Centennial Parklands Trust;
- Sydney Olympic Park Authority;
- Destination NSW;
- Sydney Kings; and
- Australian Baseball League.

As part of the stakeholder engagement, information was also provided by the operators of Allianz Stadium, ANZ Stadium and Pirtek Stadium in relation to elements such as transport usage, venue content and average crowd numbers.

The information provided throughout the stakeholder consultation process was used to inform and support the SSSG deliberations and recommendations.
NOTE: The Sydney Cricket and Sports Ground Trust and the Stadium Australia Group have signed a Heads of Agreement. Fundamental to the success of the Stadia Strategy is the finalisation of negotiations with Stadium Australia Group to reach an agreement, whereby the control and operation of ANZ Stadium is returned to the NSW Government (via the Sydney Cricket and Sports Ground Trust), thereby removing the implications associated with the Material Adverse Effects clause in the Stadium Australia Group (SAG) contract with the Government. These clauses significantly limit stadia development in the State and must be addressed prior to implementing the recommendations outlined in this report.

The successful finalisation of negotiations with Stadium Australia Group is fundamental to the success of the Stadia Strategy.

Stadium Australia is operated by the Stadium Australia Group, comprising Stadium Australia Trust and Stadium Australia Management Limited, under the terms of the Stadium Australia Project Agreement with the Sydney Olympic Park Authority.

In accordance with the Agreement, which expires on 31 January 2031, Stadium Australia Group is responsible for the operation, marketing and maintenance of Stadium Australia. On expiry of the Agreement, the operation of the Stadium will revert to the NSW Government via Sydney Olympic Park Authority.

The Agreement was developed at a time when the then Government was looking for surety over the commerciality of the operation and management of the stadium and was specifically designed to protect the interest of Stadium Australia Group during the term.

The planning for capital priorities is currently constrained by the Material Adverse Effects clauses in the Agreement. The Agreement does not limit or restrict the ability of Government to construct and/or operate other sporting or entertainment venues in NSW. It does, however, set out the provisions for possible renegotiation of the Stadium Australia contracts if the business of Stadium Australia is adversely affected by the development or redevelopment of a “competitive stadium”.

Under the Agreement, the types of projects that will trigger this clause include:

- Development of a competitive stadium with more than 35,000 seats within 50 kilometres of the Homebush Bay area (other than in Wollongong or on the Central Coast);
- Redvelopment of a competitive stadium, specifically in the case of Sydney Football Stadium, Sydney Cricket Ground and Parramatta Stadium; the types of redevelopments include:
  - Increase the number of permanent seats to more than 48,000, 48,000 or 35,000 seats respectively;
  - Provide a closed or closable roof for the Sydney Football Stadium or Parramatta Stadium;
  - Increase the roof area of Sydney Football Stadium to protect an additional 5% or more of its seats from the weather; or
  - Increase the floor space of the enclosed corporate suites at the Sydney Football Stadium by more than 30%.
- The provision of financial assistance of more than $1 million (indexed to the CPI) for such development or redevelopment; and
- The enabling of a venue with more than 35,000 seats, to attract different events or greater attendance or otherwise facilitate a material change in the functions or uses.

The success of the Stadia Strategy relies on Government overcoming the restriction of the Material Adverse Effects clause. Should the Government proceed to implement the Stadia Strategy without an agreement to manage the Material Adverse Effects clause, the likely course of action by Stadium Australia Group would be litigation due to the triggering of the clause. Litigation would likely delay the implementation of the Stadia Strategy and undermine its success.
Recommendations

The following recommendations take into account the current situation in NSW, engagement with the members of the SSSG, stakeholder engagement outcomes and the long-term requirements for NSW to remain competitive in Australia (and the wider region) to retain and attract events to this State.

Recommendation 1: Implement the most appropriate Stadia network composition

Modern fans are more sophisticated and want to be entertained with elements unrelated to the sport. The game itself has become only a part of the total event experience.

One of the biggest challenges is to keep the in-venue experience more compelling for fans than staying at home. Increasingly, fans have improved options at home through technology that provides better video quality, more control over what can be viewed and when, more statistics and general information about the game being viewed. Because most traditional sports and entertainment venues are equipped to only deliver traditional experiences such as standard definition video and limited fan interactivity, it is difficult for these stadia to compete with the in-home experience.

For NSW to remain competitive and to attract events both domestically and internationally, Sydney must provide a mix of stadiums that provide the best event experience in dedicated facilities.

More important than the number of seats within a stadium, is the relationship of those seats to the field of play, providing the best “seats in the house” for all events.

<table>
<thead>
<tr>
<th>Recommendation 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Priority 1</strong></td>
</tr>
<tr>
<td>Immediate</td>
</tr>
<tr>
<td>Construct a new dedicated rectangular stadium in Central Western Sydney with a capacity of 30,000 seats to host Rugby League, Rugby Union, Football matches and concerts to replace the existing Parramatta Stadium.</td>
</tr>
<tr>
<td><strong>Priority 2</strong></td>
</tr>
<tr>
<td>3 to 5 years</td>
</tr>
<tr>
<td>Construct Australia’s largest, dedicated world-class rectangular stadium near the Sydney CBD with a capacity of 55,000 to 60,000 seats to host Rugby League, Rugby Union, Football matches and concerts in the Moore Park precinct to replace the existing Sydney Football Stadium.</td>
</tr>
<tr>
<td><strong>Priority 3</strong></td>
</tr>
<tr>
<td>3 to 5 years</td>
</tr>
<tr>
<td>Construct a 15,000 seat indoor sporting arena in or around the Sydney CBD for major indoor sporting events including tennis, basketball and netball. With the Sydney Entertainment Centre being demolished in December 2015, and its replacement in Darling Harbour being a theatre style venue not suitable for basketball or other sports such as indoor tennis, this closure leaves the Sydney CBD with no major indoor sports facility.</td>
</tr>
<tr>
<td><strong>Priority 4</strong></td>
</tr>
<tr>
<td>5 to 8 years</td>
</tr>
<tr>
<td>Upgrade Stadium Australia with the installation of a roof to provide Sydney with Australia’s largest roofed stadium, increasing the opportunity for content in Sydney’s largest stadium. Consider constructing retractable seating in the lower bowl to allow for rectangular sports.</td>
</tr>
<tr>
<td><strong>Priority 5</strong></td>
</tr>
<tr>
<td>10 to 15 years</td>
</tr>
<tr>
<td>Construct a new dedicated rectangular stadium in Greater Western Sydney with a capacity of 30,000 depending on present and forecast sporting and event requirements.</td>
</tr>
</tbody>
</table>
Recommendation 2: Develop a sound investment strategy

Figure 1 shows the construction cost ranges which have been utilised to assess the investment requirements associated with the Stadia Strategy. These construction cost ranges are consistent with figures provided to Venues NSW as part of the development of the business case to support the Parramatta Stadium redevelopment and based on current industry practices.

<table>
<thead>
<tr>
<th>Stadia Classification</th>
<th>Construction Cost Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 (&gt;40,000 seats)</td>
<td>$7,000 - $14,000 per seat</td>
</tr>
<tr>
<td>Tier 2 (&lt;40,000 seats)</td>
<td>$5,000 - $9,000 per seat</td>
</tr>
</tbody>
</table>

Figure 1

In addition, Figure 2 provides recent examples of recent stadia development, capacity and the relationship between Tier 1/Tier 2 stadia and costs per seat.

<table>
<thead>
<tr>
<th>Venue</th>
<th>Tier</th>
<th>Development Year</th>
<th>Capacity</th>
<th>Cost / seat 2014 $ terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suncorp</td>
<td>Tier 1</td>
<td>2003</td>
<td>52,500</td>
<td>7,000</td>
</tr>
<tr>
<td>MCG – Northern Stand</td>
<td>Tier 1</td>
<td>2006</td>
<td>52,900</td>
<td>9,300</td>
</tr>
<tr>
<td>SCG – Northern Stand</td>
<td>Tier 1</td>
<td>2013</td>
<td>13,360</td>
<td>14,000</td>
</tr>
<tr>
<td>Adelaide Oval</td>
<td>Tier 1</td>
<td>2014</td>
<td>50,000</td>
<td>10,700</td>
</tr>
<tr>
<td>Perth Major Stadium</td>
<td>Tier 1</td>
<td>2018</td>
<td>60,000</td>
<td>14,000</td>
</tr>
<tr>
<td>AAMI Park</td>
<td>Tier 2</td>
<td>2010</td>
<td>30,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Metricon Stadium</td>
<td>Tier 2</td>
<td>2011</td>
<td>25,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Pirtek Stadium (proposed)</td>
<td>Tier 2</td>
<td>-</td>
<td>32,000</td>
<td>9,000</td>
</tr>
</tbody>
</table>

Figure 2

Based on the application of these ranges and advice received from Stadium Australia Group and the Sydney Cricket and Sports Ground Trust, the total investment requirement for the proposed stadia is shown in Figure 3.

<table>
<thead>
<tr>
<th>Venue</th>
<th>Description</th>
<th>Approx. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney Football Stadium (Moore Park)</td>
<td>55,000 to 60,000 seats</td>
<td>$800 m</td>
</tr>
<tr>
<td>Parramatta Stadium</td>
<td>30,000 to 35,000 seats</td>
<td>$270 m</td>
</tr>
<tr>
<td>Indoor facility</td>
<td>15,000 seats</td>
<td>$150 m</td>
</tr>
<tr>
<td>Stadium Australia (Sydney Olympic Park)</td>
<td>Upgrade - Lower bowl configuration + new roof</td>
<td>$300 m</td>
</tr>
</tbody>
</table>

Figure 3

In addition to the stadia identified above, whilst not directly related to the Tier 1 portion of the Stadia Strategy, consideration must be given to the strategic investment requirements to support the other sports facilities in NSW (see Recommendation 5).

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4 Completion year  
5 Based on the average capacity discussed by the SSSG  
6 Based on figures from ANZ Stadium
Recommendation 2
The Stadia Strategy requires a commitment of $1.5 billion over the next eight to ten years.
It will require a direct contribution from Rebuilding NSW, borrowings by the Sydney Cricket and Sports Ground Trust (or the single governing entity as the case may be), the capitalisation of surplus Sydney Olympic Park Authority lands and contributions from the major sporting codes.
Recommendation 3: Actively seek to increase utilisation

Fundamental to the success of any stadium is the maximisation of its utilisation, ensuring that, where possible, events are being held consistently and regularly.

Based on the information received from each of the three key venue owners, the following graph indicates that the Sydney Football Stadium and Stadium Australia are heavily reliant on Rugby League for their content, with Parramatta Stadium reliant more on Football. In addition, due to the multi-use nature of Stadium Australia, they have the ability to host other events, which in the past have been made up of a mixture of AFL, concerts and cricket.

Figure 4 provides a summary of overall utilisation rates from the venue owners based on the information for 2014.

<table>
<thead>
<tr>
<th>Past Stadia Utilisation</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sydney Football Stadium events</td>
<td>44</td>
</tr>
<tr>
<td>Available event days</td>
<td>208</td>
</tr>
<tr>
<td>% Utilisation</td>
<td>21%</td>
</tr>
<tr>
<td>Stadium Australia events</td>
<td>50</td>
</tr>
<tr>
<td>Available Event Days</td>
<td>208</td>
</tr>
<tr>
<td>% Utilisation</td>
<td>24%</td>
</tr>
<tr>
<td>Parramatta Stadium events</td>
<td>33</td>
</tr>
<tr>
<td>Available Event Days</td>
<td>208</td>
</tr>
<tr>
<td>% Utilisation</td>
<td>16%</td>
</tr>
</tbody>
</table>

Figure 4 *Assumes there are four possible event days per week.

The numbers indicated in Figure 4 clearly demonstrate the overall utilisation across the network is low. In Victoria, where the AFL centralised the majority of its content across two venues - the MCG and Etihad stadium - the level of utilisation is higher as shown in Figure 5.

<table>
<thead>
<tr>
<th>Victoria utilisation</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>MCG events</td>
<td>82</td>
</tr>
<tr>
<td>Available event days</td>
<td>208</td>
</tr>
<tr>
<td>% Utilisation</td>
<td>39%</td>
</tr>
<tr>
<td>Etihad Stadium events</td>
<td>61</td>
</tr>
<tr>
<td>Available event days</td>
<td>208</td>
</tr>
<tr>
<td>% Utilisation</td>
<td>29%</td>
</tr>
</tbody>
</table>

Figure 5 *Assumes there are four possible event days per week.

During the SSSG’s stakeholder engagement process, the NRL stated they provide 70% of all rectangular sport content in NSW. If the majority of the NRL content was centralised into three stadia, the level of utilisation across the three venues would increase significantly.

Recommendation 3

The major sporting codes commit to the provision of dedicated increased content across each of the stadia to ensure the commercial viability of each of the stadia. This will require a commitment from the Australian Rugby League Commission to move a significant majority of their events to the modern stadia.

This commitment must be obtained, prior to the announcement by Government of the Stadia Strategy Implementation Plan, or a significant leveraging opportunity will be lost.
Recommendation 4: Implement a whole of Stadia governance solution

There are currently three agencies that are responsible for the major stadia in NSW:

- Sydney Olympic Park Authority - Stadium Australia;
- Sydney Cricket and Sports Ground Trust - Sydney Football Stadium and the Sydney Cricket Ground; and
- Venues NSW - Parramatta Stadium, Wollongong Stadium, Hunter Stadium (Newcastle).

For NSW to remain competitive in the retention and attraction of sporting events and to ensure competitive neutrality for Government, a single governing entity (New Agency) should be established to improve the commercial viability of all major stadia in NSW.

The New Agency should prioritise the major stadia, with a focus on winning the maximum number of events for NSW at the least cost and for the maximum collective benefit of the stadia and the community and Government.

The role of the New Agency would be to:

- Provide a whole of Government approach to venue development/redevelopment, venue utilisation and commercialisation;
- Negotiate with hirers on an integrated basis, to allow for the allocation of content to the most appropriate stadia (within certain parameters to be agreed with the codes i.e. best fit);
- Improve financial performance of all stadia/precincts;
- Decrease ongoing stadia operational costs through the adoption of a shared services model for certain activities, and improving the commercial viability of all stadia; and
- Be responsible for the development of sustainable master plans, where commercial developments are used to offset the cost of future stadia improvements and the sale or development of land in a surrounding precinct, such as the capitalisation of the lands surrounding Hunter Stadium in Newcastle or the lands associated with the stadium in Wollongong.

Recommendation 4

A single governing entity be established over the Sydney Cricket Ground, Sydney Football Stadium, Stadium Australia, Parramatta Stadium, the new 15,000 seat indoor facility and the new Greater Western Sydney Stadium to maximise commercial viability and the coordination of sports and events. This is critical to retain and attract sporting and major events to NSW and to ensure competitive neutrality for Government.

The new entity will prioritise the facilities, with a focus on winning the maximum number of events for NSW at the least cost and for the maximum collective benefit of the facilities, the community and Government.

Future considerations should also include the amalgamation of the remaining Government-owned stadia in NSW into this new organisation, whilst considering the outcomes of the Office of Sport Capability Review.
Recommendation 5: Further investment required

To make NSW number 1 in terms of its sports stadia capability, further investment is required to address the sports-related investment needs outside of the major rectangle stadia such as:

- A new indoor arena to cater for the soon to be closed Sydney Entertainment Centre;
- Future Stages of the Sydney Cricket and Sports Ground Trust Precinct master plan;
- Completion of the redevelopment to the Sydney Cricket Ground (Churchill/Brewongle/O’Reilly and member stand);
- Precinct upgrades within Sydney Olympic Park and the area immediately surrounding Stadium Australia;
- A grandstand extension to the Royal Agricultural Society Showground (ie. Spotless stadium); and
- Upgrades/Alterations to the Tier 2 stadiums within NSW.

It is expected that over the next 10 years the sport-related infrastructure projects could be in the order of $3 billion - $4 billion over 15 years. These costs exclude any committed or planned transport upgrade costs.

With the Sydney Entertainment Centre being demolished in December 2015, and its replacement in Darling Harbour being a theatre style venue which is not suitable for basketball or other sports such as indoor tennis, this closure leaves the Sydney CBD with no indoor sports facility with the capacity to host events with up to 6,000 spectators.

**Recommendation 5**
The Government consider funding for ancillary stadia from 2025.
Recommendation 6: Develop a realistic implementation plan

The Stadia Strategy is designed to provide long-term solutions to the issues being faced in NSW. At a high level, the key elements that need to be resolved in order for the longer strategy to be achieved include:

- Sydney Cricket and Sports Ground Trust to successfully negotiate with Stadium Australia Group the terms of their Agreement, thereby removing the implications associated with the MAE clause;
- Commitment of Government to the total investment requirements for the Stadia Strategy as a whole, through various funding sources;
- Commitment by the sporting codes of guaranteed content to each of the facilities;
- Resolution of any land/community issues associated with the new build options;
- Adjustment to the Sydney Cricket and Sports Ground Trust Act and Centennial Parklands Trust Act to realign the property boundaries;
- Development of a robust business plan(s) which supports the nominated investment in accordance with agreed increased utilisation opportunities;
- Suitable design and procurement studies undertaken for each venue; and
- Resolution as to whether to build the new rectangular stadium at Moore Park on the site of the Sydney Football Stadium or an adjoining site. This decision is critical to the management of venues during construction and discussions with the Centennial & Moore Park Trust.

**Recommendation 6**

A detailed implementation plan be developed to manage design durations, venue management during construction, statutory and regulatory requirements, authority approval needs, governance changes and construction durations.