

3 January 2024

Mr John Ramsay
Executive Commissioner
Tasmanian Planning Commission

Dear Sir

Re: Draft Guidelines for the Project of State Significance – Multipurpose Stadium at Macquarie Point.

Thank you for the opportunity to provide input to the development of the Integrated Assessment Process Guidelines.

The matter I would like to raise relates to the inclusion of discrete and specific Integrated Assessment hurdles within the Guidelines, and which the project must meet for the TPC to recommend that the project proceeds.. and which if not met would require the TPC to recommend against the project proceeding.

These hurdles which would be economic and financial in nature would be additional to the generic requirements laid out in the Ministerial Direction and outlined in Part 1 Section 2.0 of the Draft Guidelines.

In making this suggestion I acknowledge that there are arguments against the introduction of rigid disqualifying guardrails or hurdles into integrated assessment processes, based on their potential to stifle innovation, to limit flexibility in applying subjective judgements, and to introduce unintended consequences etc.

However, I submit that in the case of this Development Proposal which has attracted significant public interest, there is a clear benefit in demonstrating that the Multipurpose Stadium Project will not disadvantage the State in competing and strategically important areas, as a consequence of the integrated assessment process... and as a necessary precedent to a TPC recommendation that the project proceed.

My concerns are economic and financial in nature, given that the Guidelines as drafted already enable the detection of regulatory and policy noncompliance in planning, environmental social and community contexts.

Specifically, I am concerned that Tasmania's development in other strategically important areas will be stunted, and its economic stability reduced by larger than expected opportunity costs associated with

- project cost overruns.
- negative operating cash flows due to market viability and economic feasibility issues, such as the absence of sufficient and sustainable revenue streams for the facility to independently operate over its life cycle.
- unsustainable public debt levels

A larger than anticipated initial investment, and ongoing operating cash flow support for the facility must be expected to adversely affect the State/s capacity to fund projects which focus on social initiatives (homelessness, poverty alleviation, health, education, public safety), economic diversification initiatives, environmental protection and enforcement, competing infrastructure priorities and so on.

Consequently, the outcome for Tasmania, if the Multipurpose Stadium Project proceeds in the absence of such an assessment, could be very sub optimal.

The Draft Guidelines provide the TPC with too much flexibility in making these assessments and leave too much to State Parliament as the ultimate “box ticker”. It would be much better if the IA process screened the Multipurpose Stadium Project against some pre agreed (and therefore transparent) financial and economic hurdles which were included in the final Guidelines, with the intent that a failure to meet one or more of the hurdles resulted in a “not to proceed” TPC recommendation.

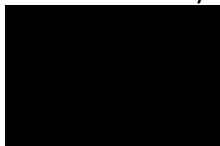
The actual hurdles should be identified and quantified either by Treasury and Finance Tasmania in consultation with the TPC, or by the TPC using external consulting support in consultation with Treasury and Finance Tasmania.

Transparently declaring these hurdles within the Final Guidelines and demonstrating their achievement as a consequence of the integrated assessment process, could be expected to reassure many community members who I suspect are frustrated by the absence of these guarantees in the Draft. It could well reduce the level of objection to the Draft IA Report, and thus reduce project delivery risk.

Identifying how the TPC has “decided to decide” the assessment process is an important trust building initiative that should be settled before the assessment process itself is undertaken.

I hope you find my feedback useful and would be happy to clarify any aspect of it.

Yours Sincerely



John Pitt

