



Government
of South Australia

TRS19D1319

Hon Stephen Mullighan MP
Member for Lee
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Dear Mr Mullighan

APPLICATION UNDER THE FREEDOM OF INFORMATION ACT 1991

I refer to your application made under the *Freedom of Information Act 1991* (the Act), dated 15 May 2019.

Your application seeks access to:

"All minutes, briefings and correspondence titled 'Multi-Purpose Entertainment and Sporting Venue' as described on the Objective document management system, between 12 July 2018 and 15 May 2019."

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. I refer to my letter dated 26 May 2019 where I sought additional time to make my determination.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 2 documents were identified as answering the terms of your application.

I grant you access in part to 1 document; a copy of which is enclosed.
I refuse you access in full to 1 document.

Document Released in Part

Document 1

Document Refused in Full

Document 2

Document Released in Part

This is a briefing which was prepared by the Department for Treasury and Finance (DTF) for my consideration about the business case requirements for the proposed Multi-purpose entertainment and sporting venue in the Adelaide Riverbank Precinct.

Information is contained in the briefing which formed part of a Cabinet submission.

I therefore determine this information exempt pursuant to clause 1(1)(a).

Document Refused in Full

This is a briefing which was prepared by DTF for my consideration providing an update on the proposed venue. This document is refused in full as it contains preliminary assessments of the proposed options for the Stadium which were being prepared for the consideration of Cabinet.

In addition, the briefing made reference to attachments, one of which includes a site selection study undertaken in 2017. I am advised that this document was specifically prepared for submission to Cabinet and therefore exempt pursuant to clause 1(1)(a).

This briefing was prepared internally and contains advice and recommendations which were considered for the purpose of decision making relating to the functions of Government. On balance, it is not in the public interest to disclose the content of these documents as it is important for the Government to receive frank and comprehensive advice and opinions, including the expression of views which may be contentious. The prospect that unknown third parties may obtain access to those documents by way of an FOI application may inhibit the provision of full and open opinions and recommendations on such matters in the future.

These briefings are provided to me on the basis that they are both forthright and candid. If these briefings were to be disclosed, such advice and commentary would not be provided in a candid and forthright manner. Disclosure may also lead to confusion and unnecessary debate resulting from the disclosure of possibilities that are being considered.

Whilst there is a strong public interest in government accountability and transparency, there is the competing public interest to ensure that full and frank advice can occur in confidence. It is necessary that I'm appropriately informed and updated on these matters.

It is my submission that disclosure would, on balance, be contrary to public interest. This is because a Minister of the Crown, as one of the highest offices of a Government, should be able to communicate sensitive matters without subsequent promulgation of opinion and advice deliberated in pre-decisional communications. Disclosure would inhibit frankness and candour in future pre-decisional communications at the highest level of Government and lead to confusion and unnecessary debate resulting from disclosure of possibilities considered. This is the longstanding legal position and there is no reason to depart from that in this matter.

I therefore determine this exempt pursuant to clause 9.

Exemptions

Clause 1 – Cabinet Documents

(1) *A document is an exempt document—*

- (a) *if it is a document that has been specifically prepared for submission to Cabinet (whether or not it has been so submitted); or*
- (b) *if it is a preliminary draft of a document referred to in paragraph (a); or*
- (c) *if it is a document that is a copy of or part of, or contains an extract from, a document referred to in paragraph (a) or (b).*

- (e) *if it contains matter the disclosure of which would disclose information concerning any deliberation or decision of Cabinet; or*
- (f) *if it is a briefing paper specifically prepared for the use of a Minister in relation to a matter submitted, or proposed to be submitted to Cabinet.*

Clause 9 — Internal Working Documents

- (1) *a document is an exempt document if it contains matter—*
 - (a) *that relates to—*
 - (i) *any opinion, advice or recommendation that has been obtained, prepared or recorded; or*
 - (ii) *any consultation or deliberation that has taken place, in the course of, or for the purpose of, the decision-making functions of the Government, a Minister or an agency; and*
 - (b) *the disclosure of which would, on balance, be contrary to the public interest.*

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the Act.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on 8226 9769.

Yours sincerely



Hon Rob Lucas MLC
Principal Officer

28 September 2020

RELEASE IN PART

MINUTE



Government
of South Australia
Department of Treasury
and Finance

MINUTES forming ENCLOSURE

File T&F18/0404

Doc No A983452

To The Treasurer

MULTIPURPOSE ENTERTAINMENT AND SPORTING VENUE

Timing: ROUTINE — For information

Recommendations/Issues: It is recommended that you:

- Note the information below in relation to the business case requirements for the proposed Multipurpose Entertainment and Sporting Venue.

Noted

Hon Rob Lucas MLC
Treasurer

19/12/18.

Key Points:

- My minute of 21 September 2018 provided advice in relation to the proposed new Multi-Purpose Entertainment and Sporting Venue (MPV) in the Adelaide Riverbank Precinct. [REDACTED]
- Following consideration of that minute, you have requested further advice on the business case requirements for this proposal.
- The MPV proposal is likely to require a significant investment by the Government, which will vary in quantum depending on both the overall size of the facility and the scope of works for the associated public realm.
- A proposal to make a significant investment for a new MPV should be supported by a comprehensive business case which is informed by both an adequate level of engineering and commercial cost estimation.
- We would note that Infrastructure SA is currently being established and will be charged with developing a 20 year state infrastructure strategy and 5 year



infrastructure plans. The MPV is likely to be one of the projects that will be considered by Infrastructure SA.

- Treasury and Finance would assess the merits of the MPV proposal in accordance with the requirements of Treasurer's Instruction 17 (TI17) '*Evaluation of and approvals to proceed with public sector initiatives*'.
- TI17 requires that a robust business case address the following requirements for evaluation of a proposal:
 - demonstration that the underlying service provision is a strategic priority to government;
 - evidence that a service need problem exists that should be addressed;
 - consideration that all realistic options have been considered without a bias towards a 'preferred' solution;
 - the financial impacts of the proposal to the government;
 - the socioeconomic impacts to the broader community;
 - the budget impacts of the proposal and the relative 'value for money' and 'net benefits' of the proposal compared to other proposals being considered by the government;
 - the degree of confidence that the government has that the proposal will be successfully implemented within the budget and timeline estimates and that the benefits will be realised as stated; and
 - the capacity to part fund the proposal from within the current budget context.
- In the case of a proposal for a MPV, Treasury and Finance would specifically require the business case to address the following key matters, for the consideration of Cabinet.

Utilisation


- A project of this type would need to maximise the level of utilisation of the facility, to achieve the highest possible economic benefit. That is, the number of so-called 'dark nights' would need to be minimised. This would be facilitated by ensuring that:
 - there are no competing redevelopments occurring elsewhere; for example, a redevelopment of Memorial Drive by Tennis SA; and
 - older existing facilities which are currently operated to support entertainment and sporting events are sold or closed where possible (ie the sale of the Adelaide Entertainment Centre and Coopers Stadium for commercial redevelopment).

Commercial Opportunities

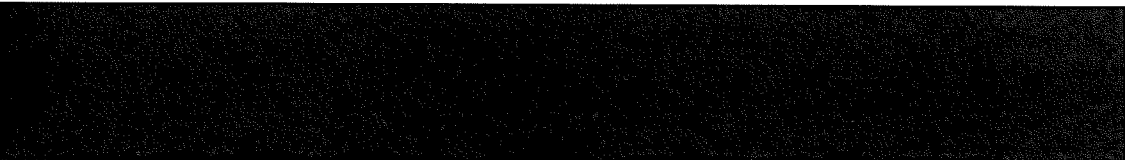
- The facility would need to maximise the commercial opportunities from the site. This would require:
 - a strong retail area, with long term retail leases secured;
 - inclusion of direct linkages with other facilities along the Riverbank precinct including hotels, Adelaide Convention Centre, restaurants and transport;
 - maximisation of the entertainment and exhibition components as these will be the more economically viable uses of the venue; and
 - securing guaranteed long term contracts for hosting sporting matches for key sporting teams e.g. Adelaide United, Adelaide 36ers.
- The business case should outline the consultation process with stakeholders and incorporate stakeholder input including impact on stakeholders of the proposal.

Estimation of Project Revenues and Costs

- Given that the business case is likely to show a very significant upfront investment required by the government, it will be important to identify and, where possible, transfer to this project any current related operating costs from other parts of government (eg. SA Institute of Sport facilities).

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- Treasury and Finance notes that with multipurpose venues of this type, there is a very significant potential for the overstatement of projected additional operating revenues, including retail income streams. Project proponents in these cases commonly estimate large economic benefits from additional consumer spending, whereas in reality much of this spending will merely involve a switching from other venues in the city.
 - The project costs will involve significant risk where site works are complicated, inadequately investigated in the initial costings, or where complex engineering solutions are used.
 - In the case of this proposal, there will be risks associated with any building near rail facilities and complex engineering solutions such as those required to achieve a 'movable' grass pitch. A previous example of additional project costs related to complex and untested engineering solutions was the original design for the Adelaide Oval retractable lighting towers.

Other



- We anticipate that the Minister may seek to submit some form of proposal to the 2019-20 Budget process in relation to this project.



A handwritten signature in black ink that reads "Tammie Pribanic".

Tammie Pribanic
EXECUTIVE DIRECTOR
BUDGET AND PERFORMANCE

19/12/2018

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