

# PROJECT AGREEMENT FOR SYDNEY CRICKET GROUND REDEVELOPMENT

Council of  
Australian  
Governments

An agreement between  
the Commonwealth of Australia and  
New South Wales

The output of this project will be the completion of the redevelopment of the Sydney Cricket Ground including the replacement of the MA Noble, Bradman and Dally Messenger Stands

# Project Agreement for Sydney Cricket Ground Redevelopment

## INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

### PRELIMINARIES

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the Intergovernmental Agreement on Federal Financial Relations.
2. This Agreement will support the delivery of the redevelopment of the Sydney Cricket Ground including the replacement of the MA Noble, Bradman and Dally Messenger Stands. The project is scheduled for completion by early 2014.
3. This Agreement constitutes the entire agreement for this project.

### PART 1 – FORMALITIES

#### Parties to this Agreement

4. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the State of New South Wales.

#### Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth, as represented by the Minister for Sport, and New South Wales, as represented by the Minister for Sport and Recreation, signs the Agreement and will expire on 30 June 2014 or on completion of the project, including acceptance of final performance reporting and processing of final payments against milestones, unless terminated earlier or extended as agreed in writing by the Parties.

### PART 2 – PROJECT OUTPUT(S)

#### Output(s)

6. The output of this Agreement will be the redevelopment of the Sydney Cricket Ground. This redevelopment will include:
  - (a) Redevelopment of the Noble, Bradman and Messenger Stands;
  - (b) A four tier stand of six levels matching floor levels where possible to complement the Members Pavilion;

- (c) Increase Noble, Bradman and Messenger Stand seating capacity from 11,270 to approximately 13,360 seats;
- (d) Increase total ground capacity from 45,871 seats to no greater than 48,000 seats;
- (e) A dedicated cricket media centre to meet International Cricket Council guidelines;
- (f) A dedicated outside broadcast van area;
- (g) Retention of the Noble Clock tower to recognise the art deco grandstand design era;
- (h) Extended roof design to provide greater coverage for a higher number of spectators;
- (i) Improved spectator viewing, with spectators closer to the field of play;
- (j) Improved environmental features including water and energy savings; and
- (k) Increased length of playing field at the north end by approximately three metres to achieve an Australian Football League field length of 156 metres.

## PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

### Role of the Commonwealth

7. The Commonwealth will be responsible for:
  - (a) monitoring and assessing achievement against milestones in the delivery of the Stage 2 redevelopment of the Sydney Cricket Ground under this Agreement to ensure that outputs are delivered within the agreed timeframe;
  - (b) providing a consequent financial contribution to New South Wales to support the implementation of this Agreement;
  - (c) in accordance with the *Building and Construction Industry Improvement Act 2005*, ensuring that financial contributions to a building project or projects as defined under the Building and Construction Industry (Accreditation Scheme) Regulations 2005, are only made where a builder or builders accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted; and
  - (d) ensuring that compliance with the National Code of Practice for the Construction Industry and the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry is a condition of Australian Government funding.

### Role of the State

8. New South Wales will be responsible for:
  - (a) providing a financial and in kind contribution to support the implementation of this Agreement;
  - (b) all aspects of delivering on the project outputs set out in this Agreement;
  - (c) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;

- (d) ensuring that only a builder or builders accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth;
- (e) ensuring that compliance with the National Code of Practice for the Construction Industry and the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry, is made a condition of tender for all contractors and subcontractors who tender for the work, and providing the necessary assurances to the Commonwealth; and
- (f) ensuring that as part of receiving Commonwealth funds, the State Government agrees to apply state Local Industry Participation (LIP) policies as far as practicable given that the scope of work is already included in the contract for the current project.

The State Government should confirm in writing to the Department of Regional Australia, Local Government, Arts and Sport that it is applying current state LIP policies to the project.

## Shared roles

- 9. The Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

## PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

- 10. The following table summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made, once a report certifying that milestones have been met is received and accepted.

Table 1: Milestones, reporting and payment summary

Output	Milestone(s)	Date due	Relevant Report due	Payment
Redevelopment of the Sydney Cricket Ground	Receive Crown certificate for and commence main demolition work	28/04/2012	30/04/2012	\$50.0m
	Partial lower concourse return to the SCG	3/01/2013	31/01/2013	-
	Formwork, reinforcement and concrete to levels B1 to L4	15/05/2013	30/06/2013	-
	Completion of seating for use during the 2013-14 Ashes series	3/01/2014	31/01/2014	-
	Completion of the whole of the works including defects inspection	28/02/2014	30/03/2014	-

## Reporting arrangements

11. New South Wales will provide performance reports in accordance with the above table during the operation of the Agreement. Each performance report is to contain the following information:
  - (a) a description of actual performance in the period to date against the project milestones;
  - (b) details of any matter(s) that have arisen which could adversely impact on the delivery of the output, and how it is proposed to resolve this/these matter(s); and
  - (c) promotional activities undertaken in relation to, and media coverage of, the project during the reporting period and any promotional opportunities expected to arise during the next reporting period.
12. New South Wales will also prepare a final Project Report within 90 days on the completion of the project agreed under the Project Agreement. The Project Report will be a stand-alone document that can be used for public information dissemination purposes. The final Project Report will:
  - (a) describe the conduct, benefits and outcomes of the Project;
  - (b) evaluate the Project from the responsible Party's perspective, including assessing the extent to which the project milestones have been achieved and why any aspect was not achieved; and

- (c) include a discussion of any other matters relating to the project, limited to the minimum necessary for the effective assessment of performance and agreed between the Commonwealth and New South Wales, at least 60 days before it is due.

## PART 5 – FINANCIAL ARRANGEMENTS

13. The Commonwealth will provide a total financial contribution to New South Wales of \$50m in respect of this Agreement. All payments are GST exclusive.
14. The Commonwealth's funding contribution will not be reduced where New South Wales secures funding from other activity partners through innovative and collaborative partnerships.
15. The Commonwealth's and New South Wales's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to New South Wales paid in accordance with *Schedule D – Payment Arrangements* of the Intergovernmental Agreement on Federal Financial Relations, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2011-12	2012-13	2013-14	Total
Estimated total budget	52.5	60.285	73.215	186.0
Less estimated National Partnership Payments	50.0	0.0	0.0	50.0
Balance of non-Commonwealth contributions	2.5	60.285	73.215	136.0

16. Having regard to the agreed estimated costs of projects specified in a Project Agreement, New South Wales will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, New South Wales bears all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for New South Wales to deliver projects cost effectively and efficiently.

## PART 6 – GOVERNANCE ARRANGEMENTS

### Enforceability of the Agreement

17. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

### Variation of the Agreement

18. The Agreement may be amended at any time by agreement in writing by all the Parties.
19. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

### Delegations

20. The Commonwealth Minister may delegate the assessment of performance against milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

## Dispute resolution

21. Any Party may give notice to other Parties of a dispute under this Agreement.
22. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
23. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Standing Council.
24. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to COAG for consideration.

The Parties have confirmed their commitment to this agreement as follows:

**Signed** for and on behalf of the Commonwealth  
of Australia by



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**Senator The Honourable Kate Lundy**  
Minister for Sport

Date... 10/5/12 .....

**Signed** for and on behalf of the  
State of New South Wales by

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**The Honourable Graham Annesley MP**  
Minister for Sport and Recreation

Date.....



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**The Honourable Graham Annesley MP**  
Minister for Sport and Recreation

Date..... 1/5/12