



City of  
**LAUNCESTON**

# **LATE COUNCIL AGENDA ITEM**

**COUNCIL MEETING  
THURSDAY 14 NOVEMBER 2024  
AT CONCLUSION OF ORDINARY COUNCIL MEETING**

Notice is hereby given that a Late Item will be tabled at the Ordinary Meeting of the City of Launceston Council will be held at the Council Chambers, Town Hall, St John Street, Launceston:

Date: 14 November 2024

Time: At the Time of the Late Agenda Item is Tabled at the Ordinary Meeting

---

### Certificate of Qualified Advice

#### Background

To comply with section 65 of the *Local Government Act 1993* (Tas):

1. A General Manager must ensure that any advice, information or recommendation given to the council, or a council committee, is given by a person who has the qualifications or experience necessary to give such advice, information or recommendation.
2. A council or council committee is not to decide on any matter which requires the advice of a qualified person without considering such advice unless -
  - (a) the General Manager certifies, in writing -
    - (i) that such advice was obtained; and
    - (ii) the General Manager took the advice into account in providing general advice to the council or council committee; and
  - (b) a copy of that advice or, if the advice was given orally, a written transcript or summary of that advice is provided to the council or council committee with the General Manager's certificate.

#### Certification

I certify that:

- (i) the advice of a qualified person has been sought where required;
- (ii) this advice was taken into account in providing general advice to the council or council committee; and
- (iii) a copy of the advice, or a written transcript or summary of advice provided orally, is included with the agenda item.



**Sam Johnson OAM**  
Chief Executive Officer

## LEGISLATIVE TERMINOLOGY - GENERAL MANAGER

At the City of Launceston, the positions of General Manager Community and Place, General Manager Organisational Services, General Manager Infrastructure and Assets and General Manager Creative Arts and Cultural Services do not assume the functions and powers of the term *general manager* in a legislative sense: any legislative functions and powers to be delegated to these roles will be made by Council or the Chief Executive Officer. At the City of Launceston, the title Chief Executive Officer is a term of reference for the General Manager as appointed by Council pursuant to section 61 of the *Local Government Act 1993 (Tas)*. For the avoidance of doubt, *Chief Executive Officer* means *General Manager* for the purposes of the *Local Government Act 1993 (Tas)* and all other legislation administered by or concerning Council.

**ORDER OF BUSINESS**

**22. LATE ITEMS .....6**

**22.1. Acceptance of Urgent Late Item: Transfer of York Park to Stadiums  
        Tasmania.....6**

**22.2. Transfer of York Park to Stadiums Tasmania.....8**

## 22. LATE ITEMS

### 22.1. Acceptance of Urgent Late Item: Transfer of York Park to Stadiums Tasmania

**AUTHOR:** Sam Johnson OAM (Chief Executive Officer)

---

#### **DECISION STATEMENT:**

To consider accepting an urgent, late item regarding the Transfer of York Park to Stadiums Tasmania.

#### **RELEVANT LEGISLATION:**

*Local Government (Meeting Procedures) Regulations 2015*

#### **RECOMMENDATION(S):**

That Council

1. by absolute majority and pursuant to Regulation 8(6) of the *Local Government (Meeting Procedures) Regulations 2015* (Tas), determines to deal with Item 22.2 Transfer of York Park to Stadiums Tasmania; and
  2. notes the advice from the Chief Executive Officer in respect of the reason it was not possible to include this matter in the agenda, that the matter is urgent, that advice having been provided to Councillors by email on 13 November 2024 and in the report attached to this Agenda Item.
- 

#### **REPORT:**

On 8 November 2024, the Council published the agenda for the 14 November 2024 Council Meeting, which included Item 19.1 - Transfer of York Park Stadiums to Stadiums Tasmania. It was intended that Consent Deed referenced as being at Attachment 2 would be provided by email to Councillors by Saturday 9 November 2024. The terms of that deed, however, were not finalised at that time.

Urgent consideration of the recommendation to transfer York Park to Stadiums Tasmania at the 14 November 2024 Council Meeting is critical to ensure that major capital upgrades can be delivered in time. Relevant tenders cannot go to market unless Stadiums Tasmania has been identified as the future owner of the site.

If the matter is not considered at the 14 November 2024 Council Meeting, consequent delays have the potential to have major impacts on current and future users.

As required by regulation 8(6) of the *Local Government (Meeting) Regulations 2015* and section, I am satisfied that the information put to Council in this matter has been given by people qualified and experienced to give it. Qualified members of staff will be present at the meeting to address questions that may arise.

---

As a late Item, this matter will be Minuted as Item 22.2 Transfer of York Park to Stadiums Tasmania.

**RISK IMPLICATIONS:**

Risks relevant to this item are discussed in the report above.

**ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACT:**

Not considered relevant to this report.

**STRATEGIC DOCUMENT REFERENCE:**

*City of Launceston Corporate Strategic Plan 2014 - 2024*

Strategic Priority 3: We are a progressive leader that is accountable to our governance obligations and responsive to our community.

10-Year Goal: To ensure decisions are made in a transparent and accountable way, that effectively meet our statutory obligations, support quality services and underpin the long-term sustainability of our organisation.

Focus Areas:

2. To fairly and equitably discharge our statutory and governance obligations.
3. To ensure decisions are made on the basis of accurate and relevant information.

**BUDGET AND FINANCIAL IMPLICATIONS:**

Not considered relevant to this report.

**DISCLOSURE OF INTERESTS:**

The Chief Executive Officer has no interests to declare in this matter.

**ATTACHMENTS:**

Nil

## 22.2. Transfer of York Park to Stadiums Tasmania

**FILE NO:** SF0880/SF7455

**AUTHOR:** Duncan Campbell (Team Leader Legal Services)

**APPROVER:** Sam Johnson OAM (Chief Executive Officer)

---

### **DECISION STATEMENT:**

To consider the approval of transfer of York Park to Stadiums Tasmania, excluding Elizabeth Gardens and Invermay Park.

*This decision requires an absolute majority of Council.*

### **RELEVANT LEGISLATION:**

*Local Government Act 1993 (Tas)*  
*Stadiums Tasmania Act 2022 (Tas)*

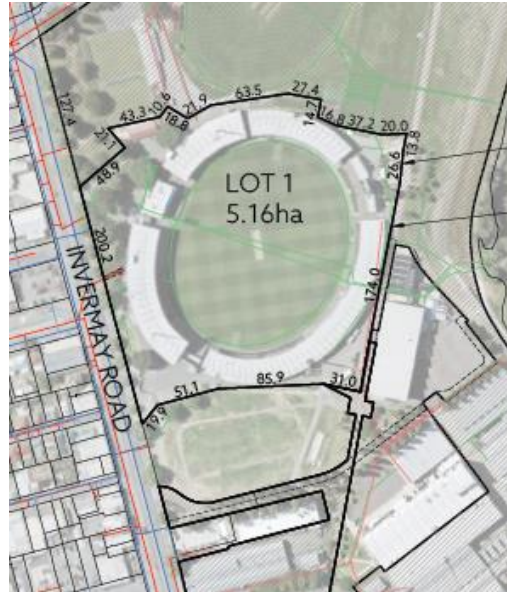
### **PREVIOUS COUNCIL CONSIDERATION:**

Council - 15 December 2022 - Item 16.3 - Intention to Dispose of York Park and Associated Land to Stadiums Tasmania  
Council - 8 February 2024 - Item 15.1 Transfer of York Park to Stadiums Tasmania

### **RECOMMENDATION:**

That Council:

1. notes the 8 February 2024 decision of Council to transfer York Park and associated land and assets to Stadiums Tasmania for nominal consideration.
2. amends the dimensions of the land to be transferred to be approximately 5.16ha of land identified as Lot 1 in Attachment 1, an indication of which is provided in the plan below, noting that the exact dimensions of the land to be transferred will be confirmed by a final plan of survey:



3. requests the State Government to recognise their commitment to provide the City of Launceston the first right to purchase the facility should the Crown wish to dispose of the transferred land in the future, as part of the required public notice of transfer to be published in the Gazette as set out in the *Stadiums Tasmania Act 2022*.
4. rescinds the request for the Chief Executive Officer to negotiate a term sheet with Stadiums Tasmania, as described at Recommendation 6 of the 8 February 2024 decision of Council, and in its place:
  - (a) requests the Chief Executive Officer to do all things necessary for the transfer of the land and assets to occur substantially in accordance with the Consent Deed appearing at Attachment 2, including providing Council's consent as required under sections 23A, 23D and 23E of *Stadiums Tasmania Act 2022* and agreeing to any minor amendments to Annexure 5 of the Consent Deed;
  - (b) approves the terms of the Cooperation Agreement, appearing at Attachment 3, which sets out rights and obligations in respect of two-tiered pricing for community groups, activation, and transitional services.
5. requests the Chief Executive Officer to execute the Consent Deed, Cooperation Agreement and other documentation necessary to give effect to the transfer of the land and assets.
6. notes that the transfer of land and assets will not occur unless and until each of the following events has also occurred:
  - (a) a planning permit has been issued by the Council in its capacity as Planning Authority to subdivide the relevant land;
  - (b) the exact dimensions of the land have been confirmed by way of final survey; and,
  - (c) the conditions precedent set out in the Consent Deed have been satisfied.



7. authorises the Chief Executive Officer to enter negotiations with Hawthorn Football Club, to determine what, if any, future commercial arrangements may be possible by way of community activation.
8. notes that the term Chief Executive Officer is a term of reference for the General Manager as appointed by Council pursuant to section 61 of the *Local Government Act 1993* (Tas).

---

## REPORT:

### Background

York Park (also known under a commercial naming rights agreement as UTAS Stadium) is a significant asset for Northern Tasmania and generates in excess of \$30m in visitor spending annually in the region. It hosts AFL and AFLW football, Big Bash League cricket, local sports groups, and entertainment events.

While the stadium provides economic returns for the state and the entire Northern region, its operation is funded solely by the Council.

On average, the City of Launceston invests approximately \$5m per year in operational and capital costs for UTAS Stadium.

The stadium site forms part of the broader Inveresk precinct, which comprises the stadium itself, Invermay Park, Queen Victoria Museum (QVMAG), Elizabeth Gardens, flood levees, Invermay Bowls Club and associated facilities, carparks, cafes, gardens, shared pathways, a Tramways museum, Don River Railway (Inveresk Division), the Big Picture School, Tram Shed Function Centre and a number of University of Tasmania assets.

There are up to 9 Full Time Equivalent (FTE) positions that will be transferred from Council to Stadiums Tasmania as part of the change in ownership.

Some years ago, the Council identified that the stadium is approaching a pivotal period for its future with a number of factors converging to cause the Council to reflect and review its future ownership and governance structures, together with its future development needs. Substantial future capital investment is required for the stadium's facilities and assets, which is being driven by factors such as increasing compliance requirements, increasing user expectations as well as community sport and recreation needs.

In 2019, the Council engaged KPMG to conduct a review of the existing ownership structure of the stadium and investigate suitable options for ownership and management, along with the potential requirements and implications of establishing an alternative governance model. The key finding made by KPMG was that *"...The stadium is currently a net financial burden on the Council and Council is not in a position to be able to make significant capital upgrades to the venue, particularly if Tasmania is successful in securing a permanent AFL license."*

The KPMG report regarding ownership along with a York Park Master Plan, 2016, informed the development of the Future Directions Plan, York Park 2021 which was endorsed by Council at its meeting on 11 February 2021. The preferred governance model which was endorsed at this meeting was that the stadium be transferred to the Tasmanian

Government through the creation of a Stadium(s) Trust.

The key considerations supporting this decision was that the establishment of a Trust would:

1. enable the stadium to act commercially, being more responsive and flexible in decision-making than a traditional local government department;
2. provide the ability to operate with independence;
3. recognise that the management of major sports venues is highly specialised and distinct from the traditional roles of government and departments;
4. reduce the Council's and State Government's exposure to the risks involved in the management of major sports facilities, including financial and legal risks; and
5. provide a vehicle for delivering a state-wide stadia strategy.

Since this time the Council has worked with the State Government in the development of Stadiums Tasmania, which is a statutory authority which has been established to better coordinate the management and future development of Tasmania's major public stadium infrastructure.

Stadiums Tasmania was established as a new statutory entity, following the passage of the *Stadiums Tasmania Act 2022*, to oversee the management and development of Tasmania's major stadium assets and infrastructure.

The intention was to centralise the ownership, management, and capital development of the State's major public stadiums under a single entity with a whole of State perspective. This will in turn build their capacity to host major sporting, entertainment, and community events.

This reform will also ensure that the stadiums operate effectively and efficiently and that they continue to meet the future needs of sporting codes and competitions, other users, and audiences. This approach aligns Tasmania with the approach adopted by other states, where national standard stadiums are managed by government.

Under the *Stadiums Tasmania Act 2022*, Stadiums Tasmania has a number of legislated functions, including:

- to be the custodian of major public stadiums;
- to acquire, manage and invest in assigned assets;
- to host sporting, entertainment and event content and services; and
- to ensure the safe, accessible, effective and efficient operation, use and development of assigned assets.

#### Statutory requirements on disposal

On 15 December 2022, in accordance with section 178 of the *Local Government Act 1993* (Tas) (LGA), the Council formed the intention to transfer York Park and associated land and assets at 2 Invermay Road, Invermay to Stadiums Tasmania for nominal consideration.

On 18 November 2023, the Council commenced providing public notice of its intention to transfer the stadium, as required by section 178(4) of the LGA. This included placing statutory notices on boundaries facing public highways (roads), in the Examiner Newspaper, and on the City of Launceston's website.

As part of the public objection period, three objections were received. The objections are provided at Attachment 4.

Those objections were considered by Councillors at the Council Workshop on 18 January 2024, and were assessed as part of the Chief Executive Officer's report to Council on 8 February 2024. At that Meeting, Council affirmed its intention to transfer the relevant land and assets to Stadiums Tasmania.

Notice of that decision was provided to the objectors, as required by section 178(6) of the *Local Government Act 1993*. No appeals were made against Council's decision.

Following the 8 February 2024 decision of Council, Council officers proceeded with negotiations for the transfer and progression with the subdivision to allow the appropriate land title to be transferred. This included commencing the negotiation of a "term sheet" and the land to be transferred including Elizabeth Gardens, Invermay Park and the stadium itself.

#### Amendment of land to be transferred

By reason of an in-principle agreement between Stadiums Tasmania and Council officers, the land proposed to be transferred is less than which was approved on 8 February 2024. The reduced footprint is consistent with discussions with and issues raised by Councillors with respect to retaining Elizabeth Gardens and ensuring the Council's continued support of the community's use of Invermay Park.

Recommendation 2 of this item gives effect to this in-principle agreement.

#### Transfer terms

Recommendation 6 of the 8 February 2024 decision required the Chief Executive Officer to negotiate a terms sheet for further approval by Council. As negotiations on the terms of transfer have progressed, it became clear that detailed and formalised transfer terms were required.

Recommendation 4 gives effect to this change, and ensures that the terms that would otherwise be included in the term sheet will be legally enforceable under the Consent Deed and Cooperation Agreement.

#### Stadium Upgrades

In May 2021, the Tasmanian Government committed to pursuing a major redevelopment of the UTAS Stadium, committing \$65 million with the additional Project funding to be sought from the Australian Government.

In April 2023 the additional funding from the Australian Government was secured, providing a total investment of \$130 million.

The Department of State Growth's, Infrastructure Tasmania (ITas) branch is the delivery agency for the Project, responsible for managing the Project from design, procurement, construction through to commissioning.

The upgrade project aims to realise the following outcomes and objectives:

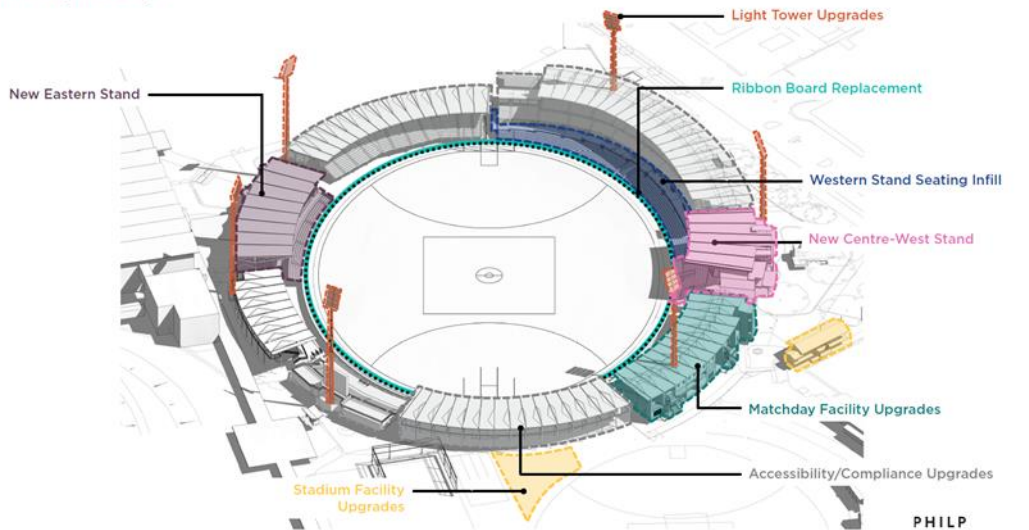
- increased venue patronage and memorable ‘fan first’ patron experience
- northern home for the Tasmania AFL Club
- deliver functional and integrated facilities that meet the Tasmanian Government’s redevelopment commitments and the needs of stadium management, tenants, hirers, patrons and the local community
- support opportunities for attracting major events to the City of Launceston and further supporting opportunities for business, retail, and lifestyle within the city
- maximise opportunities for increased financial returns for the stadium management, tenants, and hirers
- an accessible and economically sustainable venue
- minimise the operational and financial impact for stadium management, tenants, hirers, and patrons during the redevelopment

To achieve these outcomes the project will deliver the following:

- redeveloped eastern stand (and entry plaza)
- new centre-west stand
- matchday facility upgrades
- sports lighting upgrades
- ribbon board replacement
- infill seating to the existing western stand
- identified accessibility/ compliance items upgrades across the stadium;

Overall, there will be around 2,000 new seats and over 50 new accessible seats.

#### Overall Project Scope



### Future Content

In respect to the future content at the stadium, and in order to demonstrate the intention to maintain the existing AFL and AFLW content at the stadium, the Council and State Government have developed a Memorandum of Understanding (MoU) to document the Tasmanian Government's and Council's commitments and expectations regarding the future of AFL content in Launceston following the announcement of a Tasmanian AFL and AFLW Club. The MoU was endorsed by Council at its meeting on 16 November 2023 and contains the following commitments:

- AFL games in Launceston - current arrangements UTAS Stadium in Launceston is expected to host four AFL matches per annum until and including 2025 under the current agreement between the Hawthorn Football Club and the Tasmanian Government.
- AFL games in Launceston - 2026 to Tasmanian Club entry into AFL competition It is the Government's intention, to the extent that it is within the Government's influence or control and subject to negotiations with the AFL or an AFL club, that AFL matches will continue to be played in Launceston between the end of the current arrangements and when the Tasmanian Club is established and entered into the AFL competition.
- AFL games in Launceston - after Tasmanian Club entry into AFL competition it is Government's intention, and to the extent that it is within the Government's influence or control, that once the Tasmanian Club is entered into the AFL competition, four of its matches will be played in Launceston each year and that the Government will request that the Tasmanian Club seek one of the matches to be played against a high-drawing Melbourne-based club.
- AFL pre-season games in Launceston - after Tasmanian Club entry into AFL competition it is the Government's intention and to the extent that it is within the Government's influence or control, that once the Tasmanian Club is entered into the AFL competition, one of its pre-season matches will be played in Launceston each year.
- AFLW games in Launceston - it is the Government's expectation that a Tasmanian AFLW team will play matches in Launceston each season, contributing to a net increase in the total amount of elite football content in the region.
- Other related content in Launceston - In addition to an overall increase in elite level football content, it is the Government's expectation that additional related content will be played in Launceston, including: (a) VFL matches; (b) VFLW matches; and (c) Pre-season AFLW matches.

### Current consideration

To guide the transfer negotiations there have been numerous Councillor Workshops with officers, Stadiums Tasmania, Infrastructure Tasmania and the Minister for Sports and Events. Further to these workshops there has also been correspondence between parties as follows:

- Letter to the Premier from City of Launceston Mayor dated 19 April 2024 (Attachment 5 – ECM Doc Set ID 5130266).

- Letter from Stadiums Tasmania to Deputy Mayor and Councillors dated 14 May 2024 (Attachment 6 – ECM Doc Set ID 5130268).
- Letter from Nick Duigan, Acting Minister for Sport and Events to the Mayor dated 13 June 2024 (Attachment 7 – ECM Doc Set ID 5087071).

The key issues are explored in the following sections.

#### First right to purchase

The City of Launceston has attempted to obtain a first right of purchase should Stadiums Tasmania or the State want to dispose of any land in the future that is subject to the transfer.

Any dispositions of major assets or property by Stadiums Tasmania must be approved by the Minister and Treasurer under section 7(2) and 23E(2) of the Act.

There are a number of mechanisms that could achieve this and in Attachment 7 the Acting Minister notes one option is for the State Government to recognise their commitment to provide the City of Launceston the first right to purchase the facility should the Crown wish to dispose of the transferred land in the future, as part of the required public notice of transfer to be published in the Gazette as set out in the *Stadiums Tasmania Act 2022*.

Attempts to obtain such formal commitment have been unsuccessful to date.

#### No financial disadvantage for local users

The City of Launceston requires a commitment that there is no financial disadvantage for local users, specifically from a pricing perspective.

Council currently operates a two-tier fee structure that differentiates fees for local groups as opposed to fees for commercial activities. This recognises the difference in costs to host the different tiers but also provides a greater subsidy to community focused sport. Council expects that the current users are not to be priced out of the facility.

Stadiums Tasmania have agreed that there will be a two tiered pricing structure.

#### No Ongoing Financial Contribution

Early expectations from the State were that City of Launceston would continue to support Stadiums Tasmania through an ongoing financial contribution. Based on the current negotiations there are no expectations of the State or Stadiums Tasmania that the City of Launceston ratepayers continue to financially support this critical State asset.

Following the transfer, it is intended that the Council would continue to provide the following to support the ongoing operation of the Stadium:

- Maintain the Inveresk Northern Carpark, the Half Circle Carpark and broader Inveresk precinct area;
- Maintain the eastern portion of the equestrian grounds (from the retaining wall and including the levee and surrounds);
- Provide on-going access to the Northern Carpark for match days and special events at the stadium;
- Engage in City activation initiatives in the lead up to events at the Stadium;

- Provide event attraction funding where the Council identifies an economic and community benefit; and
- Provide transition arrangement to support employees and/or services for a period to be agreed with Stadiums Tasmania.

In order to reduce the potential financial burden to Stadiums Tasmania, this report proposes that Council retain Invermay Park and Elizabeth Gardens which represents an annual expense of around \$500,000 to \$700,000. Invermay Park and Elizabeth Gardens are not required as part of the stadium operations and are predominately community use.

Partial rescission of 8 February 2024 decision (Attachment 8)

Recommendation 2 and 4 will result in a partial rescission of the 8 February 2024 decision of Council, in that the area proposed to be transferred is reduced, and the mechanism by which such transfer is to occur are being amended.

As required by regulation 18 of the *Local Government (Meeting Procedures) Regulations 2015*, this report is required to include the following matters, each of which is addressed in the following paragraphs

- (a) a statement that the proposed motion, if resolved in the affirmative, would overturn that previous decision or part of that previous decision;
- (b) the details of that previous decision, or the part of that previous decision, that would be overturned; and
- (c) advice as to whether or not that previous decision, or that part of that previous decision, directed that certain action be taken; and
- (d) if that previous decision, or that part of that previous decision, directed that certain action be taken, advice as to whether or not that action has been wholly or substantially carried out

In respect of matters (a) and (b), the decision is question will partially overturn the 8 February 2024 decision of Council, in that Recommendation 6 and part of Recommendation 3 are in effect being replaced with updated requirements.

Recommendation 3 is being partially overturned by the replacement of the plan referred to therein, with the plan referred to at Recommendation 2 and Attachment 2 of this item.

Recommendation 6 is being overturned in its entirety.

In respect of matter (c), Recommendation 3 identified the relevant land to be transferred and in effect directed which land was to be transferred, and Recommendation 6 required that the Chief Executive Officer negotiate a Terms Sheet for further Council approval.

In respect of matter (d), the requirement to negotiate a term sheet has in effect been carried out, albeit the form of the obligations it could have created, are being encapsulated in the Consent Deed and Cooperation Agreement referred to at Recommendation 2 of this item.

### Timeline of events

The following is a summary of key events in the process.

- On 11 February 2021, Council endorsed the Future Directions Plan - York Park (UTAS Stadium)
- On 15 December 2022, Council formed the intention to transfer York Park to Stadiums Tasmania
- On 18 November 2023 and following, public notifications of the intention to dispose were provided, allowing members of the object to the intended transfer
- On 11 December 2023, the public objection period closed
- On 8 February 2024, Council confirmed its intention to transfer York Park to Stadiums Tasmania
- On 20 March 2024, the Chief Executive Officer provided landowner permission for the lodging of the planning permit application for subdivision of the land
- On 22 March 2024, the planning permit application was received
- On 8 May 2024, the planning permit was approved
- On 30 May 2024, Council officers engaged PDA to prepare a revised application for subdivision, which would see the Council retaining Invermay Park and Elizabeth Gardens
- On 24 September 2024, Council officers and Stadiums Tasmania staff met to finalise negotiations on outstanding terms
- On 8 November 2024, Council officers and Stadiums Tasmania reached an in-principle agreement on the terms of transfer, being by way of the Consent Deed and Cooperation Agreement appearing at Attachments 2 and 3
- On 14 November 2024, it will be recommended to Council to approve the transfer in accordance with those documents
- If the reduced footprint is approved, a second landowner consent will be provided allowing a second planning permit to subdivide the reduced footprint from the existing land
- In the event that the planning permit is approved, a final plan of survey will be completed, for sealing by the Council
- It is estimated that the transfer would occur in 2025

### Options on transfer

Consistent with Council's decisions to date, and feedback from Councillors and stakeholders in relation to the need to retain community assets in the area, it is recommended that Council proceed with the transfer of York Park with the reduced footprint of 5.16ha. The transfer will be by way of a Transfer Notice and in accordance with the transfer mechanisms as provided in the *Stadiums Tasmania Act 2022*.

Council could instead decide to proceed with its 8 February 2024 decision unamended, to transfer 9.46ha of land to Stadiums Tasmania, including Invermay Park and Elizabeth Gardens.

Council could choose to revoke its 8 February 2024 decision and not proceed with the transfer. In doing so, it would need to be satisfied that it can continue to manage the site in a financially sustainable way into the future, including responding to the capital investments required.



**RISK IMPLICATIONS:**

Considered within the report above.

**ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACT:**

Considered within the report and previous decisions of Council related to this matter.

**STRATEGIC DOCUMENT REFERENCE:**

*City of Launceston Corporate Strategic Plan 2014 - 2024*

Strategic Priority 3: We are a progressive leader that is accountable to our governance obligations and responsive to our community.

10-Year Goal: To ensure decisions are made in a transparent and accountable way, that effectively meet our statutory obligations, support quality services and underpin the long-term sustainability of our organisation.

Focus Areas:

3. To ensure decisions are made on the basis of accurate and relevant information.

**BUDGET AND FINANCIAL IMPLICATIONS:**

Recent financial results for the Inveresk Precinct are as follows:

Financial Year	Cost to Council (\$m)
2023/2024	\$3.505
2022/2023	\$3.961
2021/2022	\$4.476
2020/2021	\$4.959
<b>Average:</b>	<b>\$4.225</b>

This annual cost is reflective of the entire Inveresk precinct. The average cost will represent a saving of approximately 6.3% in terms of rates, which will be reinvested in to other Council services – to be determined formally when Council approves its Budget and Annual Plan.

As currently proposed, Council will retain ownership of Invermay Park, the equestrian area, cricket turf practice wickets and the Elizabeth Gardens. It is expected that areas that these areas retained by Council will cost between \$400k- \$550k pa to maintain.

Under the assumption that \$80m of the \$130m are new assets, an additional depreciation cost of \$1.01m and operational/maintenance costs of \$3.84m per annum are expected to be incurred upon completion of the redevelopment. This equates to a rate rise of 7.2% based on 2024/2025 figures. It can be reasonably expected that following completion of the upgrades, the precinct would run at an operating loss of between \$7m - \$8m.

There would be a significant asset loss on disposal incurred during the upgrades for those assets which are replaced.

If Council retained ownership, it would be required to borrow to fund the upgrades, indicative interest rate figures show an annual interest expense of in excess of \$7m.

**DISCLOSURE OF INTERESTS:**

The Author and General Manager have no interests to declare in this matter.

**ATTACHMENTS:**

1. Attachment 1 - York Park Disposal Plan - Reduced Footprint [**22.2.1** - 1 page]
2. Attachment 2 - Consent Deed - Employee Information Redacted [**22.2.2** - 82 pages]
3. Attachment 3 - Cooperation Agreement [**22.2.3** - 22 pages]
4. Attachment 4 - Objections and 8 February 2024 Disposal Plan [**22.2.4** - 10 pages]
5. Attachment 5 - Letter from Mayor to Premier - University of Tasmania Stadium dated 19 April 2024 [**22.2.5** - 3 pages]
6. Attachment 6 - Letter from Stadiums Tasmania to Deputy Mayor and Councillors dated 14 May 2024 [**22.2.6** - 2 pages]
7. Attachment 7 - Letter from Hon Nick Duigan ML C, Acting Minister for Sport and Events to the Mayor d [**22.2.7** - 1 page]
8. Attachment 8 - Council Minutes - Transfer of York Park to Stadiums Tasmania - 8 February 2024 [**22.2.8** - 4 pages]
9. Attachment 9 - Consent Deed Annexure 1 - Plant and Equipment - 13 November 2024 [**22.2.9** - 13 pages]