

# STATEMENT OF MINISTERIAL EXPECTATIONS

July 2021

## MACQUARIE POINT DEVELOPMENT CORPORATION

This Statement of Ministerial Expectations is approved by:



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The Hon Michael Ferguson, MP

Minister for State Growth

31/3/21

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## 1. Introduction

This Statement of Expectations (Statement) has been prepared by the Minister for State Growth (the Minister) for the Macquarie Point Development Corporation Board (the Board).

This Statement sets out the Tasmanian Government's broad policy expectations and requirements of the Board, as provided for in the *Macquarie Point Development Corporation Act 2012* (the Principal Act).

This Statement should be read in conjunction with:

- i. the Principal Act, which governs the operations of the Macquarie Point Development Corporation (the Corporation)
- ii. Intergovernmental Agreement (IGA) – Schedule L, Macquarie Point Railyards Precinct Remediation Project (National Partnership agreement on Specific Projects) signed in 2012 between the Tasmanian and Australian Governments
- iii. Hobart City Deal, signed 24 February 2019.

In addition to requirements set out in the Principal Act, the Board is to also comply with all other applicable legislative, policy and/or other requirements, including but not limited to work health and safety, environmental and industrial relations obligations.

This Statement takes effect from the date signed until 30 June 2022.

This Statement is to be published on the Corporation's website.

## 2. Compliance with Government policies

In pursuing the strategic expectations stated in section 3, the Corporation shall act in accordance with:

- i. Treasurer's Instructions and guidelines that are applicable to the Corporation
- ii. any Government policies specifically applying to the Corporation as advised by the Minister
- iii. direction/s given by the Minister in accordance with section 36 of the Principal Act.

## 3. Strategic expectations

The principal objectives and functions of the Corporation are prescribed in sections 6 and 7 of the Principal Act. In undertaking its principal objectives and functions, the Minister expects the Corporation to:

- i. pursue the compliant, timely, safe, cost effective and fit for purpose remediation of Macquarie Point site, to support a staged approach to permanent development
- ii. deliver the key elements, including supporting infrastructure, to implement the Macquarie Point Masterplan 2017-2030, which provides for a vibrant and active area, with a mix of uses that connects with and complements adjacent areas within Hobart
- iii. increase the accessibility and use of Macquarie Point through site activation, ensuring it does not inhibit the longer term and permanent development of the site
- iv. support the implementation of the Hobart City Deal, through:
  - (a) engagement with the Department of State Growth and representation through intergovernmental governance structures to plan and prepare for the establishment of an Antarctic and Science Precinct

- (b) engagement with the Department of State Growth and key stakeholders to plan and prepare for the transformation of Macquarie Point into a cultural, tourism and arts hub, to complement the existing network of facilities in keeping with, and as part of, the Tasmanian Government's Cultural Facilities Development Vision
- v. ensure site activation and permanent development of Macquarie Point is not undertaken in isolation and is informed by the land use of adjoining areas and make sure:
  - (a) development occurs in accordance with the *Sullivans Cove Planning Scheme 1997*
  - (b) development complements, and does not impede, the working Port of Hobart
  - (c) development is supported by onsite transport and infrastructure provisions including, but not limited to:
    - i. public transport infrastructure
    - ii. parking of cars, bicycles, and provision for other passenger transport
    - iii. key pedestrian link ways.
  - (d) transport and traffic impact assessments are undertaken in consultation with the Department of State Growth and other relevant stakeholders, to facilitate access to, through and from the Macquarie Point Site, including progressing northern access to the site and neighbouring port.
- vi. provide advice on, and progress necessary planning and other activities to implement, the Corporation's principal objectives and functions and the expectations identified in this Statement
- vii. ensure opportunities are provided for open and targeted engagement with regard to the activation and development of the Macquarie Point site
- viii. ensure development opportunities, including staged land release strategies, and land leasing and sales are informed by a suitable and competitive process and approvals in accordance with the Principal Act
- ix. operate in accordance with sound commercial practice and ensure ongoing financial sustainability.

## 4. Performance and reporting expectations

### 4.1. Performance expectations

The Minister expects the Corporation to:

- i. prepare and implement capital works identified in the Corporate Plan, in accordance with section 38 of the Principal Act, namely:
  - (a) Gateway remediation feasibility study
  - (b) Hobart Main Sewer realignment
  - (c) *The park* (Design and Investigation Phase)
  - (d) supporting site infrastructure
  - (e) District Infrastructure Scheme (Design and Investigation Phase)
  - (f) Antarctic and Science Precinct Works (Part A)
  - (g) Cenotaph Stair links Stage 1 & 2
  - (h) Round House remediation.
- ii. ensure public funding is used efficiently, effectively and is appropriately reported
- iii. progress activities in keeping with the Corporation's principal objectives and functions that support revenue raising to fund the full cost of the Corporation's administration costs
- iv. have a system to monitor and report on the range of individual, and frequency of engagement with, stakeholders

- v. have strategies in place to provide for the staged release and development of the site
- vi. comply with any reasonable requests for information from the Minister or other Government agencies.

#### 4.2. Reporting

The Minister expects the Corporation to comply with any relevant reporting requirements specified in any guidelines issued by the Government and the requirements of the Principal Act.

This includes the development of:

- i. a Corporate Plan consistent with the requirements identified in section 38 of the Principal Act
- ii. an Annual Report consistent with the requirements identified in section 50 of the Principal Act
- iii. Consistent with section 4.1 performance expectations, provide quarterly updates to the Minister on work and activity undertaken to activate and develop the site.

#### 4.3. Commercial activities

The Minister expects the Corporation to only carry out commercial activities that are:

- i. consistent with the Corporation's principal objectives and functions;
- ii. appropriately costed and managed with the objective that they yield a net financial return; and
- iii. comply with the competitive neutrality principles.

#### 4.4. Integrity and ethics

The Minister expects the Board, management and employees of the Corporation to exhibit integrity and professionalism in undertaking their duties and to comply with and uphold the State Service Principles.

#### 4.5. Significant Developments

The Minister is to be kept informed of any matters of significance. Specifically, the Minister expects to be notified of any adverse developments which may, or have the potential to significantly:

- i. impact on or impede the Corporation's capacity to deliver on its principal objectives and functions or expectations contained in this Statement
- ii. impact on the Corporation's capacity to meet its financial or other commitments or obligations
- iii. affect outcomes to the community;
- iv. affect the financial viability or operating ability of the Corporation
- v. impact on Government policy, stakeholder relations or environmental issues or that have a wider public interest.

#### 4.6. Borrowings and Investment Activities

The financial affairs of the Corporation are prescribed in the Principal Act.

Capital structure and debt levels should be maintained at a level that is consistent with the overall strategic portfolio objectives of the Government as advised by the Minister from time to time.

#### 4.7. Capital Asset Management

The Minister expects the Corporation to:

- i. develop Asset Management Plans reflecting prudent commercial practice
- ii. regularly review its asset holdings and undertake necessary works to support the remediation, activation and permanent development of the site.

The Minister is to be notified of any major capital investments.

#### 4.8. Employee and Industrial relations

The Minister expects the Corporation to:

- i. promote a high level of safety throughout the organisation, taking all practical steps to provide its employees and its contractors with safe working conditions
- ii. adhere to any Government policy guidelines in regard to senior executive remuneration including performance pay or other forms of rewards
- iii. be cognisant of any Government policy in regard to employee remuneration, consistent with contemporary public sector wages policy.

#### 4.9. Risk Management

Consistent with the relevant Government policies and strategic expectations cited in sections 2 and 3 of this Statement, the Minister expects the Board and Corporation to adopt risk management strategies that appropriately balance the delivery of the stated expectations and fiscal outcomes and the provision of appropriate quality of developments, products and services.