



Regulatory Impact Statement

Proposed Sydney Olympic Park Authority Regulation 2018

Submissions

Sydney Olympic Park Authority welcomes written comments on the proposed Regulation and Regulatory Impact Statement.

Closing date for submissions: 5pm on Wednesday 1 August 2018.

Submissions may be:

- Emailed to : enquiries@sopa.nsw.gov.au
Email submission is strongly preferred
- Faxed to: (02) 9714 7135
- Posted or delivered to: Sydney Olympic Park Authority Regulation Review
Sydney Olympic Park Authority
Level 1, 8 Australia Avenue
Sydney Olympic Park NSW 2127

This Regulatory Impact Statement is available on the Sydney Olympic Park Authority website at or from SOPA Enquiries , telephone 02 9714 7118.

Published by: Sydney Olympic Park Authority, Level 1, 8 Australia Avenue, Sydney Olympic Park NSW 2127
Phone: (02) 9714 7300 (switchboard) Fax: (02) 9714 7135 Email: enquiries@sopa.nsw.gov.au Website:
www.sydneyolympicpark.com.au and www.sopa.nsw.gov.au

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Summary

The SOPA Act establishes SOPA as a statutory authority with the responsibility to manage the public assets of Sydney Olympic Park, which includes major venues used to stage various events, commercial and retail premises, development areas, open space and the Parklands.

The objects of the SOPA Act are to manage and promote the 640 hectare site, and protect the 430 hectares of Parklands.

The Proposed Regulation supports the SOPA Act and this RIS:

- (a) fulfils the requirements of the SL Act for the making of statutory rules and is consistent with the NSW Better Regulation Office's Guide to Better Regulation;
- (b) explains the need for government action, states the objectives of that action, and analyses the costs and benefits of a range of options. This RIS canvasses three options for the existing Regulation:
 - **Option 1 (Base case)** – allow existing Regulation to be repealed without making a new regulation;
 - **Option 2 (Existing Regulation)** – existing Regulation provisions would be included unchanged in a new regulation;
 - **Option 3 (Proposed Regulation)** – incorporate the proposed amendments and the existing Regulation provisions in a new regulation;
- (c) assesses the costs and benefits of alternative options available to achieve the objectives of the SOPA Act, and shows that anticipated benefits of the Proposed Regulation will outweigh the anticipated costs, and that it provides the largest net benefits compared to other available alternatives; and
- (d) determines that **Option 3**, the Proposed Regulation, is the preferred option for achieving the objectives of the SOPA Act.

1. Definitions and References

Definitions

EPA Act	Environmental Planning and Assessment Act 1979
EPA Regulation	Environmental Planning and Assessment Regulation 2000
LG Act	Local Government Act 1993
LG Regulation	Local Government (General) Regulation 2005
Master Plan	Sydney Olympic Park Master Plan 2030
Park	as defined in the SOPA Act
Parklands	defined under the SOPA Act as Millennium Parklands
Plan of Management	Parklands Plan of Management 2010 (in accordance with Division 3 of Part 4 of the SOPA Act)
Proposed Regulation	Sydney Olympic Park Authority Regulation 2018
Rangers	a person appointed as a ranger under section 65(1) of the SOPA Act
Regulation	Sydney Olympic Park Authority Regulation 2012
RIS	Regulatory Impact Statement
SL Act	Subordinate Legislation Act 1989

SOPA	Sydney Olympic Park Authority, as constituted under the SOPA Act
SOPA Act	Sydney Olympic Park Authority Act 2001

2. Objectives and reasons

2.1 Proposed Regulation

The Regulation will be repealed as at 1 September 2018 in accordance with s10 (2) of the SL Act. The Proposed Regulation remakes the Existing Regulation, with minor amendments and supports the SOPA Act.

2.2 The Regulatory Impact Statement

A key aim of the SL Act is to improve the quality of regulatory proposals and to assess the economic and social impacts of the Regulations and alternative options before they are introduced. This process helps to ensure that Regulations have continuing relevance and that they provide the best approach to meet the objectives proposed.

Before a new Regulation can be made, a RIS must be prepared and public consultation undertaken. The purpose of the RIS is to ensure that the new Regulation provides the best approach for achieving the desired objective. The RIS must provide justification for a proposed Regulation by showing that it provides the greatest net benefit or least cost to the community compared with its alternatives.

A RIS generally contains the following:

- a statement of the objectives of the Regulation and the reasons for them;
- an identification of alternative regulatory options;
- an assessment of the costs and benefits of the proposed Regulation and alternatives (including the option of doing nothing);
- an evaluation as to which option provides the most cost effective outcome; and
- a statement of the public consultation process to be undertaken.

Where possible, quantification of costs and benefits should be attempted. Where quantification is not possible, the anticipated impacts of the proposed Regulation and the alternative options should be described to facilitate a clear comparison of costs and benefits.

This RIS is consistent with the NSW Better Regulation Office's Guide to Better Regulation.

2.3 SOPA Act Objectives

SOPA Act

The objects under section 3 of the SOPA Act are to make all reasonable attempts to:

- (a) ensure that Sydney Olympic Park becomes an active and vibrant centre within metropolitan Sydney;
- (b) ensure that Sydney Olympic Park becomes a premium destination for cultural, entertainment, recreation and sporting events;
- (c) ensure that any new development carried out under or in accordance with this Act accords with best practice accessibility standards and environmental and town planning standards; and
- (d) ensure the protection and enhancement of the natural heritage of the Parklands.

SOPA has specific functions under sections 13 and 14 of the SOPA Act, which include:

- (a) to promote, co-ordinate and manage the orderly and economic development and use of Sydney Olympic Park, including the provision and management of infrastructure;
- (b) to promote, co-ordinate, organise, manage, undertake, secure, provide and conduct cultural, sporting, educational, commercial, residential, tourist, recreational, entertainment and transport activities and facilities;
- (c) to protect and enhance the natural and cultural heritage of Sydney Olympic Park, particularly the Parklands; and
- (d) to provide, operate and maintain public transport facilities within Sydney Olympic Park.

Parklands Plan of Management

The objects of the Plan of Management in accordance with section 28 of the SOPA Act include:

- (a) to maintain and improve the Parklands;
- (b) to encourage the use and enjoyment of the Parklands by the public by promoting and increasing the recreational, historical, scientific, educational and cultural value of the Parklands;
- (c) to maintain, in accordance with the Plan of Management and the regulations, the public's right to the use of the Parklands; and
- (d) to ensure the protection of the environment within the Parklands.

Master Plan 2030

The Master Plan is the blueprint for the future development of Sydney Olympic Park. It sets the context in providing for population growth and economic development at the same time as protecting the natural, cultural, and heritage values of Sydney Olympic Park. The Master Plan builds on Sydney Olympic Park's internationally recognised initiatives in energy and water management, green building design, and sound economic management and ecological sustainability.

The Master Plan is reviewed every 5 years to ensure that it remains relevant as required by NSW Planning and Environment.

SOPA Regulation

The existing Regulation is made under section 82 of the SOPA Act. The regulation may create offences carrying a maximum penalty of 50 penalty units (currently \$5,500). Section 82(2) of the SOPA Act includes the following matters to which regulations may be made:

- (a) the functions of SOPA and any member of staff of the relevant Government Service Division, including Rangers;
- (b) the fees and charges that may be imposed for the purposes of the SOPA Act;
- (c) regulating or prohibiting the use by the public of any land within Sydney Olympic Park;
- (d) regulating or prohibiting the use of facilities of SOPA, or in Sydney Olympic Park, and the provision of services by or on behalf of SOPA, or in Sydney Olympic Park;
- (g) ensuring the proper conduct and safety of persons on any land within Sydney Olympic Park or while using any facility or service operated or provided by SOPA;
- (h) providing for the removal of trespassers and persons causing nuisance or annoyance to others while within Sydney Olympic Park; and
- (i) conferring on SOPA any function that may be exercised by a council in relation to a public place.

2.4 SOPA activities

The Government's ambitions for the Park, within the broader portfolio of NSW public assets, are reflected in the activities conducted within the Park. The broad themes are as follows:

- (a) **Community use:** The Park offers events such as Australia Day ceremonies and major cultural festivals, through to 'the 'Kids in the Park' holiday program and 'Movies by the Boulevard'. These events conducted are a high priority for the Park as they promote local community attendance and participation.
- (b) **Environment and Parklands:** In 2017 there were about 2.8 million visits to participate in recreational activities such as cycling, walking, picnicking and to attend community events. The Parklands are home to some endangered and threatened species, and contain valuable wetlands, woodlands and river lands. The Parklands, at 430 hectares, comprise one of the largest urban parks in Australia.
- (c) **Major Events:** The success of the Park's nine major venues in attracting significant entertainment and sporting events continues to grow:
 - (i) Qudos Bank Arena has been ranked sixth on a global list of the world's best performing venues and arenas over the past 15 years based on the number of concerts and ticket sales.
 - (ii) The Park continues to attract major international events.
 - (iii) The Park hosts premier entertainment events, including Adele in 2017 and Ed Sheeran in 2018.
- (d) **Sporting events:** The Park is one of the most active sporting precincts in the world, with over 50 different sports played at the Park, by more than 1.5 million participants.
 - (i) 2.3 million spectators attended 80 major national and international sports events held at the Park during 2017.
 - (ii) Major upcoming sporting events include Invictus Games, X-Games, Womens T20 Cricket World Cup, APIA International Tennis, NRL Grand Final, State of Origin.
 - (iii) The Park hosts premier entertainment events, including Adele and Ed Sheeran.
 - (iv) Over 1.5 Million spectators attended events at ANZ Stadium in 2017, making it one of Australia's busiest sports venues. In addition, ANZ Stadium has recently hosted Adele, Guns'n'Roses, Justin Bieber and Ed Sheeran.
 - (v) Over 1.2 million people visited the Sydney Olympic Park Aquatic Centre each year.
- (e) **Education:**
 - (i) In 2017 almost half a million school students participated in the Park's educational programs – including sport carnivals, weekly school sports, art exhibitions and curriculum based excursions.
 - (ii) Several major educational institutions are also on-site, such as SP Jain School of Global Management, Western Sydney University, and the Australian college of Physical Education.
 - (iii) Sydney Olympic Park Lodge is a 70 bed accommodation facility within the heart of the Parklands, providing a campus-style environment.

- (f) **Business events:** The Park is Australia's most diverse business events destination, with ten major venues, over 100 different functions spaces, four hotels, including a five-star hotel and budget hotel including serviced apartments. In 2017, almost 1 million visitors attended business events within Sydney Olympic Park.
- (g) **Commercial development:** The Park has particular attributes that are attractive to certain types of businesses and employees – such as its central location, public transport and car parking, sporting infrastructure, hotels and Parkland. Commercial buildings are being designed and constructed to very high environmental standards. This builds on the original investment in water and energy saving initiatives for the 2000 Olympics. Every new building at the Park is supplied with recycled water and has access to solar energy. SOPA considers that the combination of 'green buildings' within a 'green campus' gives the Park a competitive advantage that will underpin its emergence as a commercial hub in the years ahead.
- (i) The Park is developing and demonstrating the know-how for a green and sustainable urban development.
 - (ii) Already 230 corporations and 18,860 workers have relocated to the Park, including international brands and leading Australian companies.
 - (iii) Since 2010, SOPA has transacted land sales of \$190 million.

SOPA's Master Plan 2030, is for a process of urban change that will create the critical mass of residents, workers, students and visitors that is required to establish a vibrant and economically sustainable township. The next 5 years will see a significant level of further development will take place across all sectors – including residential, retail, office, education, food and beverage, and hotels. It is anticipated that the Park will accommodate a residential population of 23,500 and a daily population of up to 39,000 workers and students.

2.5 Reasons for the Regulation

The effect of the Regulation is to constrain individual decisions about how the Park is used, requiring that some things will not happen at the Park, that other things will happen, or that they will be conducted in a certain fashion if they do happen. In considering the reasons for regulatory constraints, it is useful to distinguish between:

- regulatory provisions that make or influence decisions about how the Park is used; and
- regulatory provisions that are used to implement or enforce decisions about how the Park is used.

- (a) **Use of regulation to make or influence decisions about how the Park is used**
 The presence of 'use-determining' or 'use-influencing' provisions raises the possibility that some aspect of the regulation prevents people from using the Park in a socially preferred manner. These issues need to be addressed by the RIS, but only to the extent that the decision about use is influenced by a regulatory provision. For example, Government policy decisions expressed in the SOPA Act are matters for Parliament and are not subject to the regulatory review process.

The Regulation contains use-determining and use-influencing provisions of the kind that need to be reviewed in a RIS. Specifically, the Regulation:

- (i) provides for an 'application and approval' process for a range of commercial and other activities, giving SOPA discretionary power with respect to activities conducted at the Park
- (ii) empowers SOPA to:
 - determine fees and charged for approved activities;

- control access by persons, animals, vehicles and boats;
 - prohibit the possession or consumption of liquor;
 - make reasonable requests and directions to secure the good order; management and enjoyment of the Park;
 - issue orders, such as for the abatement of a public nuisance;
 - determine seating arrangements and entitlements; and
 - prohibit entry to playing fields;
- (iii) lists the public services and facilities that SOPA can provide or authorise at the Park; and
- (iv) establishes SOPA as the consent and certification authority for certain types of development.

(b) **Use of regulation to implement or enforce a decision**

The second type of regulatory provision applies where decisions about the use of the Park have been made but need to be implemented. The reason for a regulation in such cases is to implement or enforce decisions. Importantly, implementation and enforcement provisions may be needed even where there are no regulatory provisions affecting the use of the Park. For example, SOPA would still need to enforce decisions arising from the primary legislation. Consider that:

- (i) SOPA needs to implement Government decisions about the purpose of the Park, as expressed in the SOPA Act; and
- (ii) The SOPA Act requires SOPA to prepare and maintain a Master Plan for the Park and a separate Plan of Management for the Parklands, and provides for certain review and Ministerial approval processes.

In both cases, SOPA needs to prevent uses that are inconsistent with legitimate decisions about the use of the Park that have been made through legislative and planning processes.

The Regulation contains decision-implementing and decision-enforcing provisions of the kind that need to be reviewed in a RIS. The Regulation variously provides for:

- Inspection of personal possessions;
- Confiscation of articles;
- Removal and banning of persons;
- Use of reasonable force to remove persons;
- Photographing of persons who have been removed from a sportsground;
- Orders to remove obstructions;
- Taking of names and addresses from persons reasonably suspected of committing an offence, and requiring proof of age where relevant;
- Entry and inspection of premises;
- Penalties and penalty notices for offences against the SOPA Regulation; and
- The bringing of charges and Court action.

With respect to the 'implementation and enforcement' rationale for regulation, a RIS needs to consider whether the regulatory arrangements are efficient and reasonable. For example, they would be inefficient if the regulatory functions duplicated those of another authority, conflicted with the functions of another authority, or could be applied more cost-effectively if undertaken by another authority. They would be unreasonable if they were unduly invasive, imposed excessive or arbitrary penalties, or were otherwise not commensurate with the harm that the regulation is designed to prevent.

(c) **Need for regulation explained in economic concepts**

The need for regulation can be explained in terms of three economic concepts, as follows:

- (i) **Rival goods:** A good is said to have the quality of rivalry if its use by one consumer can reduce the amount of the good that is available to another consumer. For example, a cup of coffee is a rival good because its consumption by one consumer means that it is not available to another consumer; a fresh cup is made for each. Most goods have this quality but not all. For example, a television signal is a non-rival since you can tune into a TV signal without reducing the quality of the signal that is available to your neighbour. Importantly, the Park is a rival good. If some use the Park in certain ways, its value to others is reduced.
- (ii) **Excludable goods:** A good is said to be excludable if there are practical ways of rationing access to the good and ensuring that everybody gets their fair share. For example, cups of coffee are excludable, since it is generally accepted that you only get a cup of coffee if you pay for it. We thereby avoid the situation where several people scramble for the same cup of coffee. However, the Park does not fall naturally into this excludable category. In the absence of specific arrangements for excluding people or activities, the Park would be a non-excludable good.
- (iii) **Tragedy of commons:** The combination of rivalry and non-excludability is fatal, with an outcome that economists have labelled 'the tragedy of the commons'. The phrase originally referred to the destruction of grazing land held in common by the members of a farming community, but with a limited carrying capacity (rivalry) and no means of limiting the number of animals allowed to graze (non-excludability). It refers now to matters like congestion on unpriced roads at peak hour, the destruction of fisheries by overfishing, and scenarios for climate change in the absence of effective arrangements to limit greenhouse emissions.

The potential for the Park to succumb to the tragedy of the commons is the bare bones of the economic case for regulation. The Park is not big enough to absorb all of the damage that people might do and still leave enough of the Park left over to satisfy all of the damage that people might do and still leave enough of the Park left over to satisfy the needs of others. The value of the Park would degrade over time. By some means, community demands on the Park must be rationed and reduced until they are commensurate with its carrying capacity. In modern parlance, demands must be reduced to a sustainable level.

The decision rules for excluding people and activities from the Park have been decided in broad terms by the SOPA Act, which defines the purposes of the Park, then in more detail by master plans and plans of management, and finally in operational terms by the SOPA Regulation. The regulation completes the regime for excluding people and activities from the Park. It provides for operational decision-making and for the implementation and enforcement of all decisions of the decision-making hierarchy.

3. Identification of feasible options

Chapter 2 explained that it is necessary to devise some means of rationing and reducing community demands on the Park to a level that is commensurate with the Park's 'carrying capacity'. Given the legislative set-up, this cannot be achieved without some form of regulation that gives SOPA power to exclude unsustainable activities from the Park.

The question addressed in this part is whether there are feasible alternatives to the SOPA Regulation as currently proposed. The issues are examined in relation to the appropriateness or otherwise of the following:

- assignment of council functions;
- control of activities on the Park;

- special arrangements for sportsgrounds;
- use of pricing as a rationing device;
- powers of entry, search, inspection and removal; and
- penalties.

These are analytically useful categories that, unfortunately, cannot be addressed strictly in their order of appearance in the SOPA Regulation.

3.1 Local government and environmental planning functions

Division 2 of the SOPA Act gives the Authority local government and environmental planning functions. It requires the Authority to prepare Master Plans for the Park and gives the Authority certain functions of a council under the LG Act. Division 2 also requires development to be consistent with environmental guidelines and provides for functions of a council under certain subdivision legislation to be exercised by the Authority.

(a) **Functions conferred on SOPA**

Part 4 of the Regulation confers on SOPA various functions that councils have under the following legislation:

- (i) Elements of the EPA Act that deal with:
 - the development consent process;
 - the issue of complying development certificates;
 - development contributions and planning agreements;
 - conditions requiring land or contributions for affordable housing;
 - post-consent provisions, such as those dealing with lapse, modification or revocation of consent;
 - liability of planning authorities when exercising planning functions; and
 - issue of building certificates.
- (ii) elements of the EPA Regulation that deal with:
 - rules for developer contributions and forms for planning agreements and developer contribution plans;
 - procedures for developer applications, including where the concurrence of another authority is required;
 - environmental impact statements and public consultation for designated developments;
 - certification of developments, including for compliance, construction and occupation;
 - fire safety matters – scheduled, orders, certificates and statements;
 - accreditation of building products and systems;
 - recording of development applications and consents;
 - fees, penalties and penalty notices; and
 - information that must be included with applications for development and constructions certificates.
- (iii) elements of the LG Act that define:
 - requirements to obtain approvals relating to moveable or temporary structures, places of public entertainment, waste management, obstruction of public roads, and a range of other activities such as operating car parks, caravan parks manufactured home estates, installing certain heating appliances and the carrying out of other activities prescribed in the LG Regulation;
 - powers to make orders requiring or prohibiting the doing of things to or on premises, requiring that premises be used or not used in specified ways,

requiring the preservation of healthy conditions, requiring the protection or repair of public places, requiring compliance with approval, and abatement of public nuisances;

- powers of employees to enter premises, inspection and investigate;
- offences associated with failure to obtain or comply with approvals or failure to comply with an order;
- offences associated with the following activities in public places:
 - injuring or removing plants, animals, rocks or soil;
 - breaking of glass and other matter;
 - damage to a public bathing space;
 - acting contrary to notices; and
 - use of skateboards, roller blades/skates in a way that obstructs, annoys, inconveniences or causes danger;
- miscellaneous offences relating to:
 - requirement for authorised persons to produce written authorities for entry to premises;
 - obstruction of the functions of authorised persons;
 - requirement to give names of owner, occupier or manager of premises;
 - misuse of information;
 - provisions of false and misleading information;
 - destruction of documents, notices or signs; and
 - attempts to commit offences;
- elements of the LG Regulation that define:
 - forms of applications for approvals and the matters to be taken into consideration when granting approvals and attaching conditions to approvals (such as building and waste management standards);
 - standards and other matters to be taken into consideration when making order; and
 - offences and penalties.

(iv) The Food Act 2003 and the Food Regulation 2015. The purposes of this act are to ensure that food on sale is safe and suitable for human consumption, to prevent misleading conduct and to provide for the application of the Food Standards Code. This regulation is mainly concerned with the workings of food safety schemes. The effect of the Regulation is to give SOPA the status of an enforcement agency for this legislation, including power to appoint authorised officers for the purposes of this legislation.

(v) Elements of the Public Health Act 1991 and the Public Health Regulation 2012 that deal with the installation, operation and maintenance of systems to prevent or reduce the growth of micro-organisms that cause Legionnaires' disease and other diseases. These are mainly air handling systems and hot water systems.

(vi) The Swimming Pools Act 1992 and the Swimming Pools Regulation 2008. Section 5 of this act identifies council functions with respect to swimming pools. This regulation defines standards for fencing and other forms of restricting access to swimming pools, and provides for certification and penalty offences.

(b) **No feasible alternative to Part 4 of the Regulation**

Given the Government's legislated decision to form SOPA as a statutory authority with direct responsibility for the Park, there seems to be no feasible alternative to the conferral of the above council functions on SOPA. Relevant considerations are that:

- (i) All of the decision-making systems identified above are of a generic nature and apply generally across the state of New South Wales. The Park does not present issues that are so fundamentally different that special arrangements need to be devised – say, for developments consents and building approvals, approvals and orders, public health and safety, and related offences and penalties.
- (ii) These are matters that need to be dealt with locally to some extent, and benefit considerably from the application of local knowledge. It would be inefficient for these matters to become, by default, the responsibility of a state government department.
- (iii) There are no council functions that have fallen into a 'black hole', in the sense that they have not been transferred to SOPA and not otherwise provided for. Review of the relevant legislation indicates that:
 - Excluded parts of the EPA Act deal with a variety of matters that don't affect council functions or have been provided by some other means, such as:
 - the administrative and accreditation functions of non-council bodies;
 - the making of local environmental functions and other planning processes that have been replaced by the master planning and management planning provisions of the SOPA Act;
 - certification functions that SOPA performs under an instrument of delegation granted by the Minister for Planning and Infrastructure; and
 - environmental assessment of development proposals, which remains the responsibility of the consent authority, which is the Department of Planning, except where SOPA exercises these powers through instruments of delegation granted by the Department.
 - Most of excluded parts of the LG Act deal with a variety of matters that relate specifically to the governance of councils but not to statutory authorities like SOPA, such as establishment processes, elections, staffing, operations, financing, disclosures and accountability. Statutory authorities are generally governed by their own legislation.
 - Other excluded parts of the LG Act deal with matters that are outside the responsibility of SOPA, such as water and sewerage, or have been provided for elsewhere in the SOPA Act, such as the management of community land.

3.2 Control of activities in the Park

(a) Regulation of activities at the Park

Part 2 of the Regulation provides for the general regulation of activities at the Park. The provisions in Part 2 fall into the following broad categories:

- (i) **Clause 4 – activities requiring authorisation:** this clause lists 37 activities requiring authorisation, the effect of which is to provide SOPA with the power to exclude activities that are destructive, obstructive or inconsistent with the purposes of the Park, and otherwise adjudicate between competing demands in such a way as to promote the 'greater good'. The Park is thereby protected from destruction and misuse of public assets, inappropriate commercial activities, unsafe activities, littering and noise.
- (ii) **Clause 5 – controls over admission to the Park and movement around the Park:** this clause provides a general power to limit entry to and movement at the Park, for both people and vehicles, including by imposing conditions in terms of total numbers, categories of people, payment of a fee, sobriety and the

articles in the visitor's possession. The control mechanisms can include signage and the giving of directions.

- (iii) **Clauses 6, 7 and 8 – liquor control:** these clauses require SOPA approval for bringing liquor into the Park, prohibit under-age sales, allow for admission that is conditional on specified disposal of liquor, and allow SOPA to prohibit drinking. Offences against the latter are subject to certain safeguards in the form of prior notice and warning.
- (iv) **Clauses 9, 10, 11 and 13 – parking, vehicles and vessels:** these clauses provide for general control over the parking and removal of vehicles, including the securing of vessels to wharves.
- (v) **Clause 12 – personal conduct:** this clause is an outright prohibition on various forms of offensive language and behaviour, obstruction of a person's work, and failure to comply with reasonable requests and directions. There is a further specific provision that it is reasonable for SOPA to ask for personal possessions to be opened or inspected.
- (vi) **Clause 14 – provision and operation of public services and facilities:** this clause lists a comprehensive range of public services that SOPA may cause to be provided at the Park – variously for the safety, comfort, refreshment, information and entertainment of visitors.

There is a supplementary power in clause 28 (Part 5) of the Regulation. It allows SOPA to attach conditions to an authorisation, including the giving of securities in such amounts and forms as SOPA considers appropriate.

There is also a general power in clause 19 (Part 3) of the Regulation, allowing SOPA to ban a person from entering any part of the Park, for a period of up to six months, if they contravene any part of the Regulation. This power complements the more extensive powers of removal and banning from sportsgrounds (discussed below) and reflects the fact that SOPA holds free and ticketed events in non-sportsground precincts as well.

(b) **No feasible alternative to Part 2 of the SOPA Regulation**

There seems to be no feasible alternative to the conferral of these regulatory powers on SOPA. Relevant considerations are that:

- (i) as discussed in Section 2, the 'tragedy of the commons' can only be avoided by reducing demand on the Park to a sustainable level;
- (ii) there is a minimum of outright prohibitions, being restricted solely to offensive language and behaviour. Otherwise, SOPA has discretionary power to refuse, allow, modify or impose conditions on particular activities, depending on the amount of other concurrent demands on the Park;
- (iii) it is not feasible to fully codify the exact circumstances in which an application should be refused, allowed or modified. It is therefore unavoidable that SOPA exercises considerable discretion;
- (iv) the control mechanisms include both quantitative controls and entrance pricing. There are circumstances where pricing is the preferred rationing device, limiting entry to people who are more willing to pay for a particular event. The appropriate use of pricing is discussed further in Section 3.4;
- (v) to a degree, Part 2 of the Regulation duplicates clauses 629-633A of the LG Act, which creates offences regarding the use of public places, such as damage to plants, animals and infrastructure, breaking of glass, dangerous use of skateboards, and acting contrary to notices. This is not a practical objection,

since it is convenient and informative to have these matters clarified and listed in the Regulation; and

- (vi) the Master Plan for the Park and the Plan of Management for the Parklands, which are legislated requirements, provide SOPA with guidance on the matters it should take into account when deciding whether to refuse, grant or modify an application.

Note that Sections 3.5 and 3.6 of this chapter deal separately with the appropriateness of (a) the powers that are exercised by authorised persons, and (b) penalties.

3.3 Special arrangements for sportsgrounds

(a) Powers relating to sportsgrounds

With the exception of clause 19, the provisions of Part 3 of the Regulation provide SOPA with additional powers on the 'sportsgrounds' (as defined in the Regulation) that are provided at the Park. These powers do not apply in the 'public domain', which is part of the Park that is not a sportsground. The need for these powers arises only when crowds of spectators gather for specific events with commercial value, as follows:

- (i) **Clauses 15 and 21** provide SOPA with ticketing and seat allocation powers, including power to direct people to take seats in accordance with their tickets; and
- (ii) **Clauses 16, 17, 18 and 20** provide powers designed to discourage spectators from running onto playing fields or otherwise disrupting an event, causing annoyance or inconvenience. The specific powers are to prohibit entry to playing fields by unauthorised persons, remove offenders from the sportsgrounds, photograph persons removed from sportsgrounds, use reasonable force for removal, ban offenders for 12 months in the first instance, and ban for life for a repeat offence.

(b) No feasible alternative to the sportsground-related elements of Part 3 of the Regulation

There seems to be no feasible alternative to the conferral of these regulatory powers on SOPA. Relevant considerations are that:

- (i) the enforcement of the property rights of any one ticket holder requires that all other ticket holders comply with the conditions of their tickets;
- (ii) the circumstances within a sportsground – large numbers, liquor, high feelings and charged emotions – can be such that inappropriate behaviour by one person can do considerable damage, such as:
 - delays and inconvenience to all other spectators;
 - unfair influence on the outcome of the competition;
 - costly disruptions to TV schedules and satellite bookings; and
 - physical harm to the offender, other spectators and to participants/competitors.

These dangers are magnified when there is a snowballing of inappropriate behaviour, for example, when there is retaliation by other spectators.

Note that Sections 3.5 and 3.6 deal separately with the appropriateness of (a) the powers that are exercised by authorised persons, and (b) penalties.

3.4 Use of pricing for cost recovery and as a rationing device

(a) Setting and applying fees

Clauses 23-27 of the Regulation deal with the setting and application of fees. They define where fees may be charged (for authorisations, supply of goods and services, entry to a sportsground, building or enclosure, and inspections), the factors to be considered when setting a fee, and the discretion to waive fees, reduce fees, publish a schedule of fees, and charge fees additional to those specified in Acts and statutory instruments.

Also, it has already been noted that Part 2 (Clause 5(1)(d)) provides a general power to charge admission to any part of the Park.

Pricing has welfare implications, with the potential for significant inequities and inefficiencies if prices are set too high, too low, or not properly structured. The Regulation provides some guidance on this important matter, providing that SOPA should take account of the following:

- (a) cost to SOPA of the activity that is authorised or the service that is provided;
- (b) nature of the authorisation, particularly with respect to the complexity of the authorisation and the risks to which SOPA is exposed as a result;
- (c) prices suggested by industry bodies or government agencies with relevant experience; and
- (d) expedited services such as those that are required urgently.

Clause 24(5) provides generally that cost needs not be the only basis for determining a fee.

(b) **Feasible alternatives**

The pricing provisions are primarily designed to recover costs. While this is appropriate in most situations, there may also be circumstances where it is economically efficient to apply a congestion charge.

Specifically, there can be excess demand for access to the Park, even in situations where SOPA has taken all feasible measures to accommodate more people and has priced access to recover the cost of those measures. Pricing can then take on the additional role of rationing the available spaces to the people who value it most highly, and incidentally generating a profit for SOPA. Rationing would still take place in the absence of a congestion charge, but on the arbitrary basis of first-come-first-served.

Congestion is not a practical concern at the present time. The current pricing provisions are adequate.

3.5 Powers of inspection, questioning and removal

(a) **Civil liberty provisions**

The following provisions¹ of the Regulation have implications for civil liberties:

- (i) **Clause 13 (2)** requires compliance with an authorised person's request to open a bag or container so that its contents may be inspected or to permit any thing to be inspected. The request must be for the purpose of securing good order, management and enjoyment of the Park;
- (ii) **Clause 17** enables authorised persons or police officers to remove offenders from a sportsground. Force that is reasonable in the circumstances may be used;

¹ Clause 22 of the Regulation gives SOPA powers and enter and search powers that are derived from the *LG Act*. It is assumed that these are appropriate powers if related council functions are judged to be appropriate, as argued in Section 3.1. Section 3.5 is therefore concerned solely with additional powers arising directly from the *Regulation*.

- (iii) **Clause 20** allows SOPA to photograph a person who is removed from a sportsground;
- (iv) **Clause 29** allows an authorised person or a police officer to require a person to state their age, name and address, provided there is reasonable grounds to suspect the person in relation to an offence;
- (v) **Clause 30** permits authorised persons to request a person to leave the Park if they are doing certain things, such as contravening any provisions of the Regulation, and remove any person if they fail to comply with the request. Reasonable force may be used; and
- (vi) **Clause 32** gives authorised persons the power to confiscate articles possessed or used by a person in contravention of the Regulation.

(b) **Principles that govern the grant of powers**

In considering the reasonableness of these provisions it is useful to refer to a Discussion Paper from the Victorian Law Reform Commission.² This publication outlines the principles that govern the granting of powers of entry, search, seizure and questioning. It also poses a series of questions that should be addressed when devising such provisions. The principles are:

- (i) People have a fundamental right to their dignity, to their privacy, to the integrity of their person and to their reputation. No person should intrude on this right without good cause. The only circumstance when this intrusion is appropriate is where the intrusion serves the public interest.
- (ii) The matter at issue must be sufficiently serious to justify a grant of power.
- (iii) The grant of power should be no greater than is necessary.
- (iv) Where consent is required for entry or inspection, it should be made clear that the consent must be genuine and ongoing.
- (v) Such powers may only be conferred on officials who are accountable for any use or misuse of power, and who have sufficient maturity and training.
- (vi) Power should be exercised in a manner consistent with human dignity and property rights.
- (vii) Authorised persons are entitled to exercise a power without being subjected to violence, harassment or ridicule. They are also entitled to the protection of the law and respect as persons carrying out their duty on behalf of the community.
- (viii) With regard to the power to exercise reasonable force:
 - it is preferable that such a power should only be exercised by police officers;
 - if this type of power is granted to people who are not police officers, their maturity, training and experience should be comparable to that of the Australian Federal Police; and
 - there are sufficient complaints procedures.

(c) **Questions that should be addressed when designing regulatory provisions**

- What public interest is served by the grant of the power?
- Does the public interest justify both the existence and extent of the power?
- Is the power granted any greater than that which is necessary to achieve the required result?
- Are there sufficient procedures and safeguards that make sure consent is ongoing and informed, and that the authorised person knows to end the inspection if consent is withdrawn, as the legal basis for the inspection has ended?
- Are there sufficient complaint procedures?

² Victorian Law Reform Commission (2001) *The Powers of Entry, Search, Seizure and Questioning by Authorised Persons*

(d) **No feasible alternatives to the SOPA powers**

Based on the comparison with the crowd management powers at major venues, there seems to be no feasible alternative to the arrangements applying at the Park, when compared to the following legislation:

(i) **Sydney Cricket Ground and Sydney Football Stadium By-Law 2014**

- Regulation 35 - a person who commits an offence under this By-Law must state their name and address if an authorised person or a police officer requests them to do so.
- Regulation 30 - allows a member of the Trust, an authorised person or police officer to remove a person from the area who has contravened a provision of the By-Law. Reasonable force may be used.

(ii) **Major Events Act 2009**

- This Act applies to major event facilities and their adjacent areas in New South Wales.
- Sections 45 and 46 - an authorised officer may undergo a search of a person, their belongings or clothing as a condition of entry, or inspection at the facility. A person who refuses to comply may be refused entry to the premises or asked to leave. An authorised person may remove a person from the premises any person who has failed to comply with Section 46. Reasonable force may be used.

3.6 Difference in penalties

(a) **Comparison with the LG Act**

There are some differences between penalties in the Regulation and penalties for similar offences in the LG Act.

- (i) The most significant difference relates to the prohibition on people entering or remaining on a playing field or other competition area within a sportsground. The maximum penalty is 50 units under clause 16 of the Regulation, whereas the penalties for public space offences in the LG Act range between 10 and 30 units.
- (ii) General offences such as use of a skateboard, roller skates or in-line skates carry a penalty of 20 units under clause 4 of the Regulation, compared with 10 penalty units under the LG Act. There are similar differences for general offences such as acting contrary to a notice, or a sign erected by a council or SOPA.

(b) **Comparison with the Sydney Cricket Ground and Sydney Football Stadium**

The Regulations governing the Park are similar to those governing the Sydney Cricket Ground (SCG).

- (i) The maximum penalty for entry onto a sportsground is 50 penalty units under section 24A of the Sydney Cricket and Sports Ground Act 1978. The Regulation imposes the same penalty.
- (ii) An offence under the personal conduct of the Sydney Cricket Ground and Sydney Football Stadium By-Law 2014 (**By-Law**) carries a maximum penalty of 10 units. This section is almost identical to the personal conduct section in the Regulation, and the penalties are the same.
- (iii) The penalty for certain prohibited behaviours in the SCG is 10 penalty units, referring to offences such as the selling of goods and climbing into, on or over trees, buildings, fences, seats, tables and enclosure. Clause 4 is the comparable section in the Regulation and imposes a penalty of 20 units.

- (iv) The By-Law imposes a penalty of 10 units for the consumption of alcohol in any part of the ground contrary to any sign erected by the Trust (clause 12(2)(b)). A comparable offence under the Regulation carries a penalty of 1 unit.
- (c) **Comparison with the Major Events Act 2009**
Under sec 47 of the Major Events Act 2009, entry onto a playing field carried a penalty of 50 units.
- (d) **Conclusion**
The penalty for entry onto a sportsground under the Regulation appears to be very similar to penalties for this offence under comparable legislation.

Although some general offences under the Regulation carry a slightly higher penalty (20 units compared to 10-20 units) to other legislation, other offences carry the same penalty. For example, personal conduct offences carry the same penalty across the Regulation and the SCG By-Law.

It appears the penalties in the Regulation are comparable to penalties in similar legislation, and as such it is submitted that the penalties are reasonable.

4. Assessment of feasible options

To comply with Schedule 2 of the SL Act, the options for the regulation are required.

4.1 Option 1 (Base Case)

- (a) **What would happen if the Regulations was repealed?**
There would be no regulation if the Regulation was repealed on 1 September 2018, as currently scheduled.

The Regulation is fundamental to the management of the Park, to the point where it is difficult to know what patterns of management and use would emerge if the Regulation was repealed. SOPA has not considered these issues in detail, but it is apparent that there would be significant changes. The Park is not established, but has increasing development and increased visitation, events and commercial and regional populations. With respect to SOPA's management of the Park, it is likely that:

- (i) there would be more extensive use of physical barriers to protect natural assets and physical infrastructure from inappropriate use, and to prevent intrusion onto playing fields;
- (ii) some activities may be discouraged by indirect means, for example, by not providing utilities and waste management services, or simply allowing infrastructure to acquire the look and feel of being rundown and uncared for;
- (iii) the best alternative use of public assets that cannot be adequately protected would be to convert them to private use – that is, to sell them. However, this is not an option;
- (iv) police and security firms would be used more intensively;
- (v) plans for the renewal and enhancement of facilities would be curtailed; and
- (vi) the Plan of Management would need to be revised.

By default, some of SOPA's functions would revert back to government departments - for example, for planning approvals.

The public would modify its pattern of usage. The incidence of uncivil conduct would increase – for example, involving the consumption of liquor, inconsiderate use and parking of vehicles, camping, littering, noise, theft, vandalism, damage to assets and personal behaviour that is offensive or dangerous. Many existing visitors would respond by making less use of the Park.

Finally, business activity at the Park would decline. Most obviously, the absence of effective crowd management would make the Park's sportsgrounds much less attractive to the events that they currently host. Environmental qualities that currently attract tourists and conventions would be lost. In general, plans for further residential and business development would need to be deferred or otherwise modified significantly.

(b) Impact of repeal on SOPA's financial performance

SOPA is not yet financially self-sustaining. Its recurrent appropriation from NSW Treasury was \$29.517 million in 2017-18. In real terms,³ SOPA's recurrent appropriation declined by 16% in the period from 2014 to 2018. This is an expression of SOPA's underlying financial structure. It has the large fixed costs associated with maintaining large capital assets and is using increased revenue – from growing visitor, residential and business activity at the Park – to reduce its reliance on NSW Treasury.

Any reduction in the size or growth of residential and business activity, and the associated revenue streams, has the effect of increasing and extending SOPA's reliance on NSW Treasury. Repeal of the Regulation would have this effect. For example:

- (i) SOPA's operating lease income was \$6.1 million in 2016-17. The loss of business activity would reduce the prospects for further growth in that income stream;
- (ii) Income from car parking would be lost, since that depends on the fee setting and parking regulation powers in the Regulation. This was an amount of \$22.1 million in 2016-17 and represents 40% of SOPA's revenue from non-taxpayer sources. This revenue stream has been growing at a trend rate of about 5% per year over the last five years; and
- (iii) SOPA's other revenue was \$25.1 million in 2016-17 and has remained stable over the last five years. Those revenues and their future growth would also be threatened.

Repeal of the Regulation would allow some types of expenditure to be reduced – for example, on parking inspections. However, the fixed nature of SOPA's operating costs relative to its expenses means that any reduction in activity will affect revenues disproportionately, creating an increased deficit that needs to be covered by NSW taxpayers. The impact of repeal on SOPA's financial performance has not been modelled in detail, since there has been no detailed planning for such radically changed circumstances. Such planning would only become a priority if it is decided that the SOPA Regulation is to be repealed on 1 September 2018.

(c) Impact of repeal on the value of the Park

SOPA's financial statements are not intended to fully account for the value of the Park as a provider of services to visitors, resident households, resident businesses, and even to members of the community who never visit the Park. These values are not measured by SOPA's revenues. From that more comprehensive perspective, therefore, how would repeal of the Regulation affect these groups?

³ A calculation 'in real terms' allows for the impact of inflation on the purchasing power of a dollar over time. The consumer price index indicates that the real value of a dollar declined at about 1.8% per year.

(i) **Reduced value to visitors**

There are losses to visitors who make fewer, shorter, less enjoyable or less useful visits to an unregulated Park than to a regulated Park. A 'before and after repeal' or 'with and without regulation' comparison of the impact on the typical visitor would show that:

- with regulation, the typical visitor is willing to spend a certain amount of time and money to visit the Park, revealing a preference for spending their resources in this way;
- all but marginal visitors would enjoy some 'consumer surplus'. This means that they would have been willing to spend somewhat more than they actually did, or that they 'profited' from the experience. Such profits are intangible rather than financial, but profits nevertheless.
- The redirection of expenditure is not necessarily important in itself. What matters is that it indicates that there has been a loss of consumer surplus: visits to the Park have become less profitable.

Profits of the non-financial kind are hard to measure and it is even harder to measure the reduction in non-financial profits that would be incurred as a result of a hypothetical change in the regulatory setup. However, there is evidence that significant non-financial profits are at risk, as follows:

- **Parklands visits**

Economists have devised survey methods for collecting information that can be used to estimate the non-market value of environmental and community assets. Although there has been no such study of the Park, estimates have been made for Centennial Park (Lockwood and Tracy 1995) and these can be taken as indicative. For recreational users at Centennial Park, Lockwood et al found that:

- At the time of study (1993) Centennial Park attracted about 3.1 million visits per year;
- The annual value to visitors was \$31.2-44.2 million per year. Although they were not required to pay entry fees, this is the study's estimate of the total amount of entry fees that the visitors were prepared to pay; and
- The value per visit was \$10-\$14.

Dollar estimates have been revalued from the mid-1990s to their equivalents in 2011 prices.

The corresponding visitors to the Park are those classified by SOPA as 'parklands' visitors, now running at about 2.8 million visitors per year. Using the lower estimate obtained for Centennial Park of \$10 per visit, this suggests that the annual value of the Park to SOPA's Parkland visitors is approximately \$28 million. However, it should be noted that there are many reasons why one park may be more or less valuable than others, relating to differences in the intrinsic qualities of the park, size of the population in the park's catchment area, and the cost of transport. The figure of \$28 million per year should be taken as only broadly indicative of the values that would be at risk if the Regulation was repealed.

There is supporting evidence that the value to Parkland visitors is non-trivial. Most importantly, SOPA estimates that two thirds of its Parklands visitors are from outside the local area that is defined by the

immediately surrounding suburbs⁴. The size of the catchment area is indicative of the willingness of people to spend significant time and money to visit the Park. Also, visits are of significant duration. 46% of visits are for 2 hours or more and 75% are for at least one hour.

In principle, the estimates obtained by Lockwood et al can be generalised to include all types of visits - that is, sport-related visits, visits for community events, educational visits, and business-related visits. However, there is even less information about the values that the Park provides to these groups.

- **Sport-related visits**

In 2017, 3.86 million of the visits to the Park were to participate in sports (1.58 million) or to watch sporting events (2.28 million). The impact of repeal would vary with the scale of the event and other determinants of the potential for disruptive crowd behaviour. At one end of the spectrum, repeal would have minimal impact on small-scale, community-based events with relatively few spectators. Informal means of crowd management may be quite ineffective in such cases and the regulation would not be missed. At the other end of the spectrum, however, it may not be feasible to hold events like the Rugby World Cup, and certainly not without significant investments in infrastructure to provide the physical protections that are now provided by regulatory means.

In the event that major events could not be hosted, it would be safe to put the lost value to spectators at several millions of dollars per year – that is, several hundreds of thousands of spectators who would value the lost opportunities at tens of dollars each.

- **Visits for special events and community events**

These events include the Royal Easter Show, concerts at Qudos Bank Arena, and SOPA-organised public events such as Movies by the Boulevard. There were 2.06 million visits for such events in 2017.

Again, this group presents a range of situations. Some would be on a sufficiently small-scale and attracting a demographic that can be managed without application of significant regulatory powers. Other events, including the Royal Easter Show, could not be hosted by the Park.

- **Business-related visits**

These are meetings, conferences, exhibitions and other business events held at the Park, and currently account for about 0.9 million visits per year. It seems likely that these gatherings are sufficiently well-behaved that they would not be directly affected by repeal of the Regulation. But there may be indirect consequences – for example, if the reputation of the Park is adversely affected.

- **Tourist visits**

Tourists visit the Visitors Centre and take organised tours of the Park, or visit the Park as part of coach tours. They contributed 0.4 million visits in 2017.

⁴ Concord West, North Strathfield, Homebush, Wentworth Point, Auburn, Newington, Silverwater, Lidcombe.

An unregulated Park is a significant threat to this traffic, not because tourists present significant management problems directly, but because of damage to the reputation of the Park.

- **Educational visits**

The majority of 0.5 million visits for educational purposes are for sporting carnivals and lessons, and would be adequately supervised by teachers and parents. Repeal of the Regulation would have minimal effect on these functions.

- (ii) **Reduced value to Park residents**

Residential and business activity at the Park would be put at risk if the sporting and environmental reputation of the Park were damaged. There would also be the losses associated with the transfer of major events to other venues, if it is judged unsafe to host these at the Park.

- (iii) **People who don't visit the Park**

Assets like the Park also have value to non-visitors. For example, non-users may enjoy the Park indirectly through the media or it may be important to them that they have an option to use the Park if they wish, that it will be available to their descendants (bequest value) or simply that the heritage and natural conservation values of the site are being conserved.

It is very difficult to estimate these values, but it is noted that Lockwood et al found that they were equivalent to about 10% of the value accruing to recreational users of Centennial Park. Some part of that value would be lost if the Park is unregulated, with consequences of the kind described in Section 4.1.

4.2 Option 2 (remake Existing Regulation)

For the reasons set out in Section 4, it is recommended that it is necessary to remake the Regulation.

4.3 Option 3 (Proposed Regulation)

- (a) **Prior consultation of proposed amendments to *Regulation***

The SOPA Regulation has already been the subject of local public consultation with major stakeholders resulting in the following proposed amendments contained in the draft Regulation.

- (i) Prohibition of operating a drone;
- (ii) Prohibition of releasing animals; and
- (iii) Prohibition of abandoning, leaving or docking a bicycle otherwise than in an area designated for that purpose

- (b) **Amendments of a machinery nature**

The following amendment is considered to be of a machinery nature in accordance with the SL Act and the better regulation principles:

Definition of sportsground

The definition has been amended to include all venues at the Park where sports and games are held, and to update the venues names and allow for a change in venue names.

sportsground means any place used wholly or in part for active recreation involving organised sports or the playing of games, including the following:

- (a) the ANZ Stadium;
- (b) Sydney Showground and any stadium or sportsground located within Sydney Showground and known under another name;
- (c) the Qudos Bank Arena;
- (d) the Sydney Olympic Park Aquatic Centre;
- (e) the Sydney Olympic Park Athletic Centre;
- (f) The Spotless Stadium;
- (g) the Sydney Olympic Park Hockey Centre;
- (h) the Sydney Olympic Park Sports Centre (also known as Quaycentre);
- (i) the Sydney Olympic Park Sports Halls;
- (j) the Sydney Olympic Park Archery Centre;
- (k) the Sydney Olympic Park Tennis Centre;
- (l) the Carnival Site;
- (m) the Exhibition Halls and Showgrounds;
- (n) the Olympic Boulevard;
- (o) Cathy Freeman Park;
- (p) the Bicentennial Park;
- (q) the Blaxland Riverside Park;
- (r) Newington Armory;
- (s) the Genea Netball Centre; and
- (t) the New South Wales Rugby League training field.

and includes, if the name of such a place is changed, the place with that new name.

(c) **Other amendments**

(i) Prohibited activities

Prohibited activities in Sydney Olympic Park have been amended to include operating a drone, releasing an animal and abandoning, leaving or docking a bicycle in a non designated area.

(ii) Conditions of admission to sportsground

Conditions of entry to a sportsground have been amended to include a requirement not to contravene or fail to comply with conditions of entry relating to that sportsground.

(iii) Parking on a no stopping sign

Parking conditions have been amended to include prohibiting parking in contravention of a no stopping sign

(d) **Recommendation**

It is recommended that the Regulation is remade, incorporating the above amendments in a new regulation, being the Proposed Regulation.

5. Assessment that provides the greatest net benefit

5.1 Summary

Based on the discussion in Section 4, there are no broad groups that would benefit from repeal of the Regulation. All groups would be worse off – taxpayers, visitors, household residents, business residents, and the community generally.

It is not feasible to quantify the losses. The Regulation is so fundamental to the current operation of the Park, including important revenue streams, that its repeal would trigger a major re-think of the Park's future and Plan of Management.

5.2 Recommendation : Option 3

Option 3 – the Proposed Regulation - is considered to best facilitate SOPA's ability to effectively manage the Park in accordance with the SOPA Act in a cost-effective way, providing the greatest net benefit for the community. The Proposed Regulation is considered essential for the effective and efficient operation of the SOPA Act.

The Proposed Regulation is consistent with current Government policy, community expectations and does not impose any unnecessary regulatory burden on the community.

The Proposed Regulation seeks to ensure that the statutory framework is efficient and effective. The costs and benefits of the Proposed Regulation provide the greatest benefit to the community.

The preferred option is therefore that Option 3 be adopted – that the Regulation be renewed to include the amendments, being the Proposed Regulation.

6. Consultation arrangements

The Proposed Regulation has already been reviewed in consultation with a wide range of stakeholders prior to the Amendment Act.

This is the "Public consultation draft" of the RIS. It will be used to consult with the community on the appropriateness of the Proposed Regulation. SOPA will initiate the process by placing advertisements in the media, notifying the public that:

- (a) it is proposed that the Regulation be renewed as the Proposed Regulation from 1 September 2018;
- (b) public comment will be accepted for a period of at least 21 days; and
- (c) copies of this document are available from SOPA, in both hard copy and electronic form.

SOPA anticipates that certain stakeholders will have a particular interest in the process - for example, resident and business groups in the Park, and sportsground operators. SOPA staff will be available to answer queries and attend community meetings when and if the need arises.

The results of the consultation RIS will be incorporated in the 'decision RIS' that will ultimately be submitted to the Legislation Review Committee of the New South Wales Parliament. Specifically, the decision RIS will contain a detailed account of community comments, and record SOPA's responses.

7. Evaluation and Review

The Proposed Regulation, once made, will be the subject of periodic review under the requirements of the SL Act, which provides for most regulations to be subject to repeal every five years.

July 2018