



The Hon Graham Annesley MP

Minister for Sport and Recreation

MEDIA RELEASE

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Minister removes members of Hunter Region Sporting Venues Authority

Minister for Sport and Recreation, the Hon Graham Annesley MP, today announced the removal from office of all members of the Hunter Region Sporting Venues Authority following the identification of a budget blowout in funds available to complete the \$78 million western grandstand redevelopment at Ausgrid Stadium.

"I'm taking control of the Authority, and will delegate the day to day running of its operations to the Office of Communities, which will include the efficient completion of the western grandstand redevelopment," Mr Annesley said.

"After being made aware the western grandstand redevelopment would exceed its budget I immediately requested an audit be undertaken," Mr Annesley stated.

The scope of the audit carried out in May by Deloitte Touché Tohmatsu was limited to transactions occurring during the period 1 January 2009 up to and including 30 April 2011, with the objective being to examine the way the project had been run and how the finances have been managed.

The full extent of the financial shortfall is yet to be determined, but it is believed to be in the vicinity of \$3 million based on the Authority's request for Government approval to borrow \$3 million to complete the project.

"The budget blowout is totally unacceptable, and the Authority's capacity to service such a loan at this stage is questionable based on cash flow projections," Mr Annesley said.

"I want to make it perfectly clear it is business as usual for hirers of Ausgrid Stadium, particularly the Newcastle Knights and Newcastle Jets.

"The NSW Government is committed to ensuring communities across the State continue to have access to high level sports and sporting facilities, but it is imperative that those in charge meet budgets and are fiscally responsible with taxpayer funds.

"I again stress my decision to take control of the Hunter Region Sporting Venues Authority is to allay any concerns, about the operation of these facilities, outstanding payments due to suppliers and ensure stringent controls are in place to guarantee the completion of the Ausgrid Stadium redevelopment," Mr Annesley reaffirmed.

"The NSW Government is committed to restoring accountability and talking honestly with the community," Mr Annesley said.