

Update 19 November 2009

Current status of the project to develop a major regional motorsports complex in Barrabool

The Barrabool Rural Protection Group (BRPG) has had a busy time.

On 27 October 2009 we were notified by Surf Coast Shire officers that Motorcycling Australia has withdrawn its application for a planning scheme amendment and has indicated to Surf Coast Shire that it wished to resubmit the application in the first quarter 2010.

This news was welcomed, as the delay provides us with valuable time to prepare our objections to the rezoning of McAdam Park.

We believe that settlement of the sale of the land was due to occur on 9 November 2009, but to the best of our knowledge this has not yet occurred. We have heard suggestions that settlement was deferred by one week to 16 November. We will provide an update when we have more information.

What we have done

BRPG and its members have:

- lodged multiple applications under the Freedom of Information Act, and have started to receive some interesting responses;
- not yet been able to access a copy of the business case that formed the basis for this flawed project, but are continuing to seek access;
- continued to actively question why state and local governments have allocated more than \$2 million to assist Motorcycling Australia to purchase and develop McAdam Park. We have written to the Premier, Treasurer, various state government ministers, members of the opposition and the press, conveying our objections to the project which was conceived without any consultation with the local community;
- spoken on ABC radio (Jon Faine, and country hour);
- released lots of press releases;
- continued to seek (without success) meetings for our group with the City of Greater Geelong (CoGG) and various government representatives including Michael Crutchfield MP;
- notified the Auditor General and the Ombudsman of our concerns, and are hoping that they will investigate and hold the State Government, CoGG and Surf Coast Shire to account for their decisions;
- attended every Surf Coast Shire and CoGG council meeting and raised questions (and received some very interesting answers) about the project status and the current status of their support;
- published advertisements in the Surf Coast Times and the Geelong Independent to ensure our views are understood by the community and by decision-makers;
- written letters to the editor of various papers, many of which have been published;
- written to Motorcycling Australia, conveying our concerns about the project; and

- met with Motorcycling Australia to convey our concerns and hear about their plans and aspirations for the site (more about that later...).

Our concerns

We have put forward the following concerns:

- More than \$2 million of public funding has been allocated by the State Government, CoGG and Surf Coast Shire to help Motorcycling Australia to purchase 300 acres of prime rural land with expansive views at a huge cost.
- The processes for the allocation of public funding by State Government and the two local governments have not met even basic standards of transparency or accountability.
- It is extremely unusual for the State Government to allocate substantial funding to a private organisation for the specific purpose of purchasing valuable prime rural land, without any apparent conditions.
- Neither the views nor the acreage are necessary for the sport. The sport is acknowledged to have low participation rates. Free land, which was assessed by the CoGG as suitable, is available at Dandos Road Avalon. We believe the McAdam Park project is a waste of public money.
- State Government Departments are required to comply with the Financial Management Act and the Standing Directions of the Minister for Finance when they allocate grants. The Act and Standing Directions are designed to ensure “a transparent process delivers measurable efficient and effective financial management and accountability outcomes sought by Government policy”. Motorcycling Australia has told BRPG that they are unaware of any conditions attached to the provision of State Government funds. BRPG asks what basic controls have been implemented in relation to this project, including a proper appraisal of the business case underpinning the project or the inclusion of conditions that would enable recovery of the grant if the project is not delivered satisfactorily.
- The CoGG’s grant is subject to it acquiring title to one of the blocks of land. BRPG acknowledges that the CoGG has made efforts to protect the public interest in its ratepayers’ investment. Nevertheless, for good reasons, Councils that purchase land are required to meet stringent conditions defined in the Land Acquisition and Compensation Act. The Local Government Act also requires Councils which enter a ‘union of interest’ or ‘co-operation’ with a corporation to comply with other stringent requirements, which BRPG believes attach to this project. BRPG asks whether the necessary processes have been complied with. BRPG does not believe that the transaction should proceed especially if these requirements are not complied with.
- The CoGG’s grant is subject to achievement of a significant stage of the business case underpinning the project. That business case has been publicly repudiated by the CEO of Motorcycling Australia, the individual who would ultimately be responsible for implementing it. Motorcycling Australia has also withdrawn the rezoning application to Surf Coast Shire - achievement of the business case depends on achieving rezoning. Councillors and the Mayor of the CoGG are aware that the business case has been

repudiated and the rezoning application withdrawn. How can they continue with the allocation of funding which is conditional on achievement of the business case, when they know the business case has been repudiated?

- The CoGG Council's resolution of 25 August 2009 to allocate the money to this project provided that its offer lapsed if full funding was not secured prior to 30 October 2009. Release of the State Government funding is conditional on the Treasurer's approval. BRPG believes that the Treasurer needs to be satisfied that appropriate accountability arrangements are in place. To the best of BRPG's knowledge, the Treasurer had not approved the release of the funds at 30 October 2009. BRPG also understands that the CoGG's own funding was not secured by 30 October 2009 because its own fundamental conditions had not been met. The CoGG has indicated to BRPG, however, that it intends to continue with its allocation.
- In the absence of any accepted business case, the ability of Motorcycling Australia to generate sufficient surplus from the operations of McAdam Park to fulfil their stewardship obligations to the land is totally unclear. The land is currently in poor condition. The cost of land remediation and the recurring cost of maintenance, weed control and erosion control over 300 acres will be significant. Government support for the project imports an obligation to ensure its viability, at least with respect to basic stewardship of the land. There is no indication that this has been considered or addressed.
- Even if all proper public processes had been followed, the project is extremely poorly conceived. The proposed development is totally inappropriate to the Barrabool area:
 - Barrabool contains the highest quality farming land in the Surf Coast Shire;
 - the project is incompatible with the Surf Coast Shire planning scheme;
 - there is insufficient infrastructure available at Barrabool (roads, water, sewerage) to support a major regional development;
 - the Barrabool Hills are recorded in the National Trust's register. According to the National Trust, classified places are an essential part of Australia's heritage and must be preserved;
 - residences and working farms are in close proximity. The tolerance of residents has diminished to the point where nuisance caused by noise, litter and unsociable behaviour will be vigorously objected to. The project is likely to result in ongoing complaints and enforcement action with respect to nuisance, in particular noise;

Our meetings with Motorcycling Australia

Representatives of BRPG met with Motorcycling Australia twice, on 6 October and 15 October. At those meetings we advised Motorcycling Australia that the BRPG and almost all individual residents of Barrabool will not support any increase in size or intensity of activity beyond that which was occurring up to approximately two years ago.

At the first meeting:

- Motorcycling Australia representatives advised that Motorcycling Australia intended to “draw a line in the sand”. They acknowledged that there had been no consultation in the past but advised that they were now starting a consultation process. They asked BRPG to refrain from public comment whilst we are “in negotiations”.
- BRPG representatives advised that they were there to convey information and listen to Motorcycling Australia’s plans, but had no authority to negotiate on behalf of residents and were not prepared to forego their right to make public comment or question public processes as a condition of consultation.

At the second meeting:

- Motorcycling Australia representatives advised that they were extremely angry about the public comments and inquiries of public bodies made by BRPG and some of its members and that they could see no point in continuing any consultation with the BRPG unless we committed to refraining from those processes.
- BRPG representatives again advised that they were not prepared to forego their right to make public comment or question public processes as a condition of consultation.

Subsequently:

- Motorcycling Australia’s CEO, Mr David White was quoted in the Surf Coast Times on October 27 2009 saying: “...we ... had said that no-one should go public with anything and they have continued to go public”.
- BRPG has continued to exercise its right, representing citizens, to query government processes for the allocation of public monies.
- BRPG wrote to Motorcycling Australia board and CEO re-stating residents’ opposition to the proposed development and re-offering to meet and continue to consult in good faith. To date, we have not had a response.

Summary

BRPG believes that this entire project is ill-considered and involved *ad hoc* political support and has been driven with this background rather than with common sense. The project is flawed in virtually every aspect. Processes for allocating public funding have been characterised by secrecy and decision making that is based on future hopes rather than measured projections and viability studies.

BRPG expects that the project will continue to be subject to ongoing scrutiny by various bodies. BRPG does not believe that this project should proceed, nor receive public monies. There should be a transparent and accountable process for reviewing its merits and the alternatives.

BRPG continues to convey to decision-makers and funders that any increase in the size of the tracks at McAdam Park or the intensity of their use is unacceptable and will be opposed vigorously.

BRPG will continue to represent residents and to fight to protect the Barrabool Hills.

Heather Wellington
Ian Kelly
Paul Morgan