

'RISKY' PLANNING

Contract for stadium was offered before final design

EXCLUSIVE

Carrie Fellner

The state government offered Lendlease the contract to rebuild Sydney Football Stadium before the detailed designs were finalised, in a move experts say was "really unusual" and could have triggered the construction company's shock exit from the project.

Sports Minister John Sidoti on Friday announced Lendlease would not be building the new stadium because it was unable to complete the \$729 million project within budget. The *Herald* understands three Australian construction firms - Multiplex, John Holland and A W Edwards - are now in the frame to finish the knock-down rebuild. The project was put to tender in June 2018 by Infrastructure NSW, which is managing the redevelopment.

sion for termination of the contract, should Lendlease and Infrastructure NSW not reach agreement on the stage two offer," the spokesperson said.

Mr McInerney said it was likely when Lendlease viewed the finalised designs in recent months, the company discovered it wasn't able to complete the project within the government's tight cost parameters.

"They [Lendlease] wouldn't have given an open-ended tender, they're too smart for that," Mr McInerney said. "They would have had conditions that if we want to vary the final estimated cost then we're able to do that and if we're not allowed to, we can walk away."

City of Sydney councillor Philip Thalys is an architect with 30 years' experience in the design of public space, urban design and infrastruc-

The agency advertised for one contractor to carry out both stages of the project, covering both the demolition and construction works. It was not until October that Cox Architects was announced as the winner of a competition to design the future stadium.

In December Lendlease was unveiled as the successful bidder to carry out the demolition and construction work.

At the time, then Sports Minister Stuart Ayres was quizzed over how the contract for construction could be awarded, because developer consent had not been secured for stage two.

"I can't separate this contract into two stages to reflect the planning process," Mr Ayres told reporters. "We have two stages of construction. One contract."

Infrastructure NSW is still progressing through the approval process for stage two, with an architectural design statement and drawings finalised in June this year.

A response to the issues raised in public submissions is due September 26. According to industry figures, under normal circumstances a building would be fully designed before the project was put to tender for a construction contractor.

"It's a fairly standardised process and the way they've done it is really unusual," said architect John McInerney, a former manager of planning at the City of Sydney and national president of the Planning Institute of Australia. "How do you nominate someone to complete a project without having finished designing what they are going to do?"

An Infrastructure NSW spokesperson said the two-stage contract was to allow demolition of the existing stadium while the design for the new stadium was further developed.

"The contract included provi-

'How do you nominate someone to complete a project without having finished designing?'

Architect John McInerney

ture. He described Infrastructure NSW's approach as a "risky" arrangement. "The more conventional thing would have been to appoint a builder for demolition and then tender the rest when the design was better known," he said.

Cr Thalys argued it was "inevitable" that the aspects of the stadium design would have to be scaled back if the state government refused to budge on the contract price.

A community consultative committee on the redevelopment was still struggling to get answers to key questions about what the new stadium would offer, Cr Thalys added.

"Was this stadium over-scope, particularly in relation to corporate facilities, members' boxes?" he said. "We haven't been able to get any clarity around how much space they're getting."

Lendlease was approached for comment.

Premier Gladys Berejiklian said she was confident the stadium would be completed by 2022 as planned, despite there being no company contracted to build it.

"The advice provided to government was that we could get a better deal and that's what we're doing," Ms Berejiklian told reporters. "We won't be taken for a ride."

Ms Berejiklian said there were "many good people" who could build the stadium and the government expected to issue a contract shortly.