

**SUBJECT** Queen’s Wharf Brisbane (QWB) Longitudinal benefits and impact study (the study)

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| <input type="checkbox"/> Approved<br><input type="checkbox"/> Not approved<br><input type="checkbox"/> Noted<br><input type="checkbox"/> Further information required (see comments) | Signed..... Date...../...../.....<br><br>Hon. Steven Miles MP, Deputy Premier and Minister for State Development,<br>Infrastructure, Local Government and Planning<br><br>Comments: |
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**ACTION REQUIRED BY** There is no specific timeframe required

**RECOMMENDATION**

It is recommended that you:

- **note** the cost to the State of undertaking the QWB study to date, being \$2.1 million.
- **note** that to obtain any real value in measuring the benefits of QWB the study needs to continue, requiring funding of approximately [redacted] between now and 2027, with QUT committing \$553,000, the Star Entertainment Group (Star) or developer (Destination Brisbane Consortium (DBC)) committing [redacted] and the State contributing \$72,000 (GST exclusive). Should Star/DBC not provide funding, the study would cease at its current stage.
- **endorse** for QUT to publish reports and studies as outlined below to permit QUT to do further research and studies.

**BACKGROUND**

- In November 2015, the State entered into Development Agreements with DBC, a joint venture between Star (50 per cent), Far East Consortium (25 per cent) and Chow Tai Fook Enterprises (25 per cent) to develop the \$3.6 billion QWB integrated resort development (IRD).
- The defined benefits of the project at that time were:
  - **Tourism:** Increased attraction of Brisbane as a tourist destination, increasing incremental interstate and international tourism spend
  - **Construction:** Significant capital investment stimulating the Queensland construction sector over an extended period (2017 to 2025)
  - **Public amenity:** Urban renewal within the precinct, increasing the public’s use, access and appreciation of the area, improving amenity and reducing commuting and travel time
  - **Financial return:** Additional (direct) operating revenues to the State arising from the IRD and reduced or avoided maintenance/capital costs associated with existing building stock.
- In June 2017, QUT was engaged to undertake a further benefits realisation assessment – *Preparing for QWB: A roadmap for impacts and monitoring and integrated learning*.
- QUT proposed seven socio-economic themes and 23 impacts as the basis of possible studies to measure the benefits and impacts as illustrated at **Attachment 1**.
- This proposed framework was refined down to a more manageable and relevant study aligned to the State’s and DBC’s key performance indicators (KPIs). **Attachment 2** is a summary of the refined benefits and target measures.

- Subsequently the State, QUT and Star entered into a memorandum of understanding which describes the collaborative approach to the delivery of a Longitudinal Benefits and Impacts Framework for QWB and joint engagement on other initiatives which may arise.
- In late 2017, QUT was engaged to undertake a pilot to establish base lines for three priority study areas – connectivity, public sentiment and gambling impacts.
- In 2018-19 QUT was engaged to complete the baseline studies.
- QUT produced reports for phases 1 and 2 which include benchmarks for all measures required:
  - *Queen’s Wharf Brisbane Longitudinal Benefits and Impacts Study: Phase 1 Final Report 30.11.18* which, among other things, included an extensive Gambling Impacts Report.
  - *Queen’s Wharf Brisbane Longitudinal Benefits and Impacts Study: Phase 2 Final Report 30.10.19* which included a study for each of the following: Finance and Construction, Tourism and Business Returns, Safety, Public Sentiment and Connectivity.
- A digital Data Dashboard was also built to track data benchmarks and progress over time.

### Completion of the Longitudinal Benefits and Impact Study

- Undertaking the phases post-completion of the development (phases 5, 6 and 7) is essential to provide value from the work undertaken to date, to ensure a rigorous longitudinal study is undertaken over time and to provide meaningful measurement of the State’s and DBC’s KPIs for the development.

| Study Phase                               | Year/s | Funding (exc. GST)  | By               |
|---|--------|---|------------------|
| 3 – 2 <sup>nd</sup> baseline observations | 2020   | Sen. 44(7)(1)(c) - Disclosing trade secrets, business affairs or research | QUT = \$553,000  |
| 4 – 3 <sup>rd</sup> baseline observations | 2021   |   | State = \$72,000 |
| 5 – first year after opening measurements | 2023   | Sen. 44(7)(1)(c) - Disclosing trade secrets, business affairs or research | DBC              |
| 6 – third year after opening measurements | 2025   |   |                  |
| 7 – fifth year after opening measurements | 2027   |   |                  |

- Should the study not continue, the State would need to examine other ways to measure the public benefit and other KPIs or rely solely upon advice from DBC.

### Effects of Pandemic

- QUT has advised that there are standard methodologies to adjust data and measures to account for the effects of the pandemic on baselines and KPI measures.

### Publication of Reports/Studies

- Agreements were entered into, with most of the data sources requiring anonymisation and confidentiality, meaning QUT was required to keep the data and the reports confidential.
- Under the agreement with QUT the State’s consent is required for release of any reports or data. In April 2020 QUT wrote to the then Minister for Innovation and Tourism Industry Development requesting permission to publish the reports and to use data to undertake other research, including offering to do similar studies with other major CBD projects (e.g. Cross River Rail and Brisbane Metro).
- QUT proposed several options. At the time, advice to the then Minister was to agree to the option of permitting publication of summaries of the study reports and public release of the dashboard without the underpinning data in the first instance, with future publication of the full reports to be considered by the Director-General, in consultation with the Minister’s Office. This advice remains current.
- QUT has provided a project plan/proposal for phases of the study until 2027 (which takes the study to five years post opening) as outlined in **Attachment 3**.



## RESULTS OF CONSULTATION

- Nil.

## RESOURCE/FINANCIAL IMPLICATIONS

- Phases 1 and 2 of the study, completed by QUT between 2016 and 2020, were funded by the State to the value of \$2.1 million.
- QUT has committed a contribution of \$553,000 to undertake phases 3 to 5.
- The State has a budget of \$72,000 (GST exclusive) to fund QUT for the shortfall in phase 3 in 2021.
- Phases 4 and 5 in the period 2021 to 2023 will require additional funding of \$145,000 for QUT.
- For phases 6 and 7, from 2023 until 2027, QUT will require funding in the order of \$1.2 million.

Sch. 4(4)(7)(1)(c) - Disclosing trade secrets, business affairs or research

- The total value of the study, including State, QUT and the Star/DBC contributions, will be in the order of

Sch. 4(4)(7)(1)(c) - Disclosing trade secrets, business

## SENSITIVITY RISKS

- Media has been aware that the study is being undertaken by QUT. There has been two RTIs on the study and to date no information has been released.
- Therefore, there may continue to be interest in the study in terms of work done to date and whether the study will provide any benefit to the State

## HUMAN RIGHTS ACT

- There are no human rights identified as being relevant to this decision.

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| <b>Author</b><br>Name: Paul Krautz<br>Position: Project Executive<br>Director<br>Unit: Queen's Wharf Brisbane<br>Tel/Mob No: [Redacted]<br>Date: 26 February 2021<br>Sch. 4(4)(7)(1)(c) - Disclosing personal information | <b>Approved by (DDG)</b><br>Name: Michele Bauer<br>Division: State Development<br>Tel/Mob No: [Redacted]<br>Date: 5 March 2021<br>Sch. 4(4)(7)(1)(c) - Disclosing personal information | <b>Director-General Endorsement</b><br>Name: Damien Walker<br><br>Signed<br><br>Date ...../...../..... |
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**ATTACHMENT 1 – QUT proposed impacts**



RTI RELEASED

**ATTACHMENT 2 – State and DBC KPIs and measures**

**1 FINANCIAL RETURN**

Sch. 4(4)(7)(1)(c) - Disclosing trade secrets, business affairs or research

**2 TOURISM**

**3 PUBLIC AMENITY**

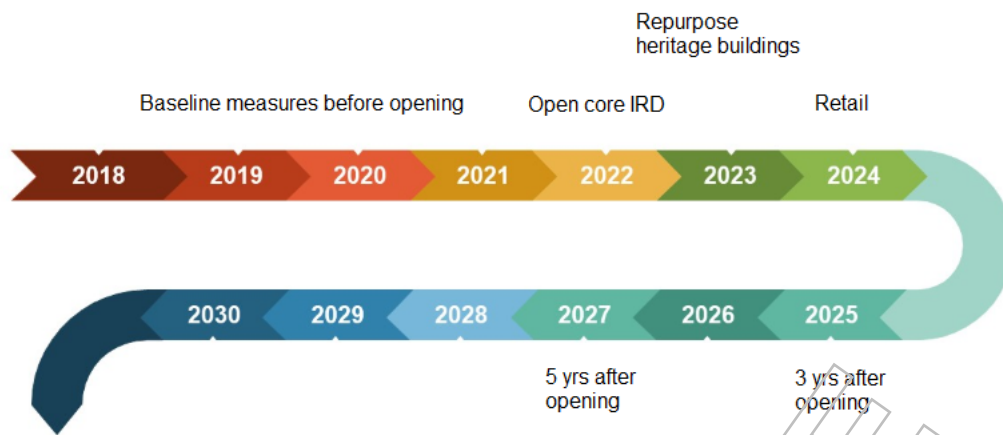
**4 CONSTRUCTION**

**5 LIVEABILITY**

RTI RELEASE

Sch. 4(4)(7)(1)(c) - Disclosing trade secrets, business affairs or research

### ATTACHMENT 3 – Proposal for phases of the study until 2027



- Based on the above timeline, to assess the impact of the Longitudinal Benefits and Impacts Study, the following observations through time have been proposed in phases:
  1. 2018 1<sup>st</sup> Baseline Observation – **Completed** using data from 2016-2017
  2. 2019 1<sup>st</sup> Baseline Observation – **Completed** using data from 2018
  3. 2021 2<sup>nd</sup> Baseline Observation + 1<sup>st</sup> Baseline Observation for Gaps (data from 2019)
  4. 2022 3<sup>rd</sup> Baseline Observation + 2<sup>nd</sup> Baseline Observation for Gaps (data from 2021/2022)
  5. 2023 1 Year After Opening Observation (data from 2022 & early 2023)
  6. 2025 3 Years After Opening Observation (data from 2024-2025)
  7. 2027 5 Years After Opening Observation (data from 2025-2027)