

Tasmanian Industry Participation Plan

Procurement details

Procurement ID	
Procurement Title	Royal Showground Renewal Project
Name of Responsible Agency/ Entity	Royal Agricultural Society Tasmania 56009475898 2 Howard Road, Glenorchy, TAS. 7010

Supplier details

Name of Supplier	Stanton Management Group (SMG) Commercial Project Consulting (CPC)
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The Royal Agricultural Society of Tasmania 'RAST' recently celebrated its 200th Royal Hobart Show.

RAST traces its history back to 1821 when a group of residents of Van Diemens Land corresponded with the Official Secretary and gained approval for the establishment of a Society for the protection of animals. Tasmania has the distinction of being the first colony in Australia to form an Agricultural Society when the "Van Diemens Land Agricultural Society" was formed in Hobart Town on 1st January 1822. The first show was conducted in January 1822, in the Old Market Place, just in front of the present State Parliament House.

The Royal Hobart Show venue has changed many times over the past 198 years and has included Salamanca Place, Hobartville, Bridgewater, New Town, Elwick Race course and even the Hobart Town Hall. In 1903, the Society purchased the 40 acres of bushland then known as the “Elwick Knoll” at a cost of 2525 pounds, and the first Show, at the Elwick Showground, our present site, was held in 1904. In 1922 His Majesty King George V approved the granting of the prefix ‘Royal’ to the Society and thus we became known as The Royal Agricultural Society of Tasmania.

In the intervening years the Society has grown in strength and stature and in addition to the [Royal Hobart Show](#) conducts annually the [Royal Hobart Wine Show](#), the second largest Wine Show in Australia. In recent years The Royal Agricultural Society of Tasmania has added the [Royal Hobart Fine Food Awards](#) and the [Tasmanian Vineyard of the Year](#) Competitions to its portfolio.

The current focus for RAST is to draw from its rich, long history and evolve the showground site and show model into something innovative and relevant for a long-term, sustainable future.

The Showground renewal project provides new facilities for community, business, sporting, tourism and commercial uses. The showground is designed for high levels of utilisation with events, activities, shows, trade shows, markets, music, conferences and commercial activities for Tasmanians and visitors to Tasmania to enjoy. It will be an important precinct for employment, enterprise, volunteerism, community connection, social and affordable housing. Its central location delivers enormous benefit utilising existing road, transport and services infrastructure. The Showground renewal project includes the following components;

- New showground pavilion, including an exhibition hall, tiered seating, and a commercial precinct,
- New showground arena, capable of supporting multi-purpose activities,
- New and upgraded on-site infrastructure, including internal roads and walkways, carparking, water and sewerage, and telecommunications,
- Open green space, and
- New showground access and entrance.

To deliver the project RAST have curated a consultant team of Tasmanian professionals including;

Partners Hill Architects

Ireneinc – Planners

Aldanmark – Engineering Services

Playstreet – Landscape Architects

NVC – Acoustic Engineers

SGS Economics

Shaun McElwane – Legal

WLF – Financial Modelling

SCA Marketing – Feasibility

New Insights Australia – Owner’s Representative

Geosolutions – Geotech and Environmental Services SMG

and CPC – Construction Project Management.

RAST have appointed SMG and CPC to oversee and manage all aspects of the construction of the Showground Renewal Project. SMG and CPC have detailed the plan for the participation of Tasmanians and Tasmanian businesses in the construction of the project.

Stanton Management Group (SMG) & Commercial Project Consulting (CPC) **Management Summary**

SMG is a Tasmanian commercial consulting company owned by its key employees. SMG employ support staff and engage specialised support consultants.

SMG is a project management consultancy firm who have been operating in Tasmania since 1999. SMG specialises in providing project management expertise to government and corporate business predominately in the commercial building industry.

SMG provides advice for commercial development assessments and feasibility evaluations including managing the process for project initiation and procurement preferences. SMG also provides specialist advice for building design and construction sustainability, including the establishment and management of building contracts involving the development of structures for costing and budget control, notwithstanding managing growth sustainability and project lifecycle maintenance management.

SMG has contracted CPC for this project. Collectively, this collaboration brings specialist experience, key skills to undertake project management assignments for major projects. SMG and CPC have previously worked together on many successful major projects.

SMG and CPC are both Tasmanian owned companies, employing highly skilled staff, with support from specialist external consultants as required. The Directors of SMG & CPC will be fully engaged with this project having a “hands on” involvement throughout the Showgrounds Renewal project.

The design consultants being commissioned on this project are suitably qualified professionals and are all Tasmanian -based.

The project management team will be permanently engaged with the project both on and off site for the duration of the project.

A project management plan has been established to ensure that the building design development and construction processes are documented for the project lifecycle.

SMG and CPC will ensure the tender documents and contract agreement provides an opportunity for local Tasmanian builders, suppliers, and agents to participate. The tender evaluation process will require builders to submit a Tasmanian Industry Participation Plan, and this will be assessed with other tender criteria. Additionally, a weighting process will apply that will form the selection evaluation for establishing the successful bids.

The project will benefit from using Tasmanian contractors and suppliers with the objective to reduce costs and time frames. SMG and CPC Directors are well experienced in working with local contractors and suppliers, and have been doing this collectively for over 40 years.

SMG and CPC will work closely with the design team ensuring the project design considers local products and is staged into smaller packages which provides for local contractors and suppliers to participate in this project.

It is our experience that employing interstate contractors and subcontractors increases the cost to the project significantly therefore, it is beneficial to work with the local Tasmanian market.

Early estimates (Stage 01) indicate that the project will employ on average 60 full time trades people on site and 75 workers off site for approximately 80 weeks. This will have a peak of 100 people at the critical phase of the project.

SMG and CPC will work with the local market to ensure resources are available. We have a full understanding of the local and ever-changing Tasmanian market; therefore, we can quickly adapt and change our methodologies to securing resources and materials that meet the needs of this project. This will be achieved by our management processes and direct involvement with the design development stages, development and progression.

Are you a Tasmanian SME*? Do you employ Tasmanians?

RAST is a 200 year old Tasmanian organisation. It employs 7 full-time, 9 part-time and 3 casual Tasmanian staff. It has many volunteers including its board and various councils and associated societies. At show time the volunteer numbers increase considerably. RAST serves its Tasmanian member organisations, local businesses and the Tasmanian Community.

SMG and CPC are Tasmanian SME companies.

SMG is a Tasmanian owned and operated company employing local staff.

CPC Tasmanian owned and operated company employing local staff.

Where are the goods or services to be used in the contract sourced from?

Qualified contractors suitable for this project – Tasmania based. e.g., Fairbrother, Hansen & Yuncken, Vos Construction and Hutchinson Builders.

Qualified subcontractors - JMK, Stephen Little Construction, SLC, BSH, Weatherfoil, FIP, Degree C, Unique Floors, Brock Plaster, Frank Hill Roofing, Tatnell Painters Topcoat, Buildtech, Spectran, Hazell Bros, AWC, etc. These subcontractors are all Tasmanian based.

Building supplies – local suppliers e.g., Bunnings, Mitre 10, Buildtech, etc

Concrete- local suppliers e.g., (Boral, Hazels, Hansen)

Other Material - local agents, local suppliers

All the above are examples and employ all Tasmanian tradespeople and apprentices

Opportunity for Tasmanian SME* involvement

All works for this contract will be carried out where possible by local-based building companies and subcontractors. The tender process will encourage pricing by Tasmanian suppliers and trades.

The design will consider local workforce limitations and products. Our team will work with local suppliers and contractors to provide advice and assistance to price the works and or, if required will collaborate with other companies to complete the works.

SMG and CPC have previously collaborated with trades and contractors and have achieved successful outcomes for the project and the trades involved.

Broader social and economic opportunities

At a construction level of the new RAST facilities the broader social and economic opportunities will come from the successful builder tenderer, subcontractors, and suppliers.

This would include the following:

- a) Employment of trade people, apprentices, and subcontractors.
- b) Purchasing from Tasmanian suppliers.
- c) Local businesses will benefit from the construction workforce by buying local.

We are of the view that trades who are successful in participating in major projects will have the confidence to employ more staff, including apprentices and this will also create the opportunity to upskill existing employees.

We feel participation in major projects provide the opportunity for businesses to future proof their workforce. This in turn, gives employees confidence that they will have long term employment and make plans for their future.

Further, we feel it is probable that some of the workforce will purchase a house that will be built onsite.

Additionally, local businesses will benefit from the increase in people living in and or, people who will access the area in terms of increased patronage to café's, petrol stations and the like.

We feel when completed, the local community will grow and prosper with the increased patronage and activity that will be created in the area.

At a macro level, the economic impact of the entire project is much broader.

This project will provide much needed economic stimulus in the short term with long term community benefits.

This proposal will provoke immediate budget stimulus, capital expenditure locally with Tasmanian business and long-term economic benefit. The project will stimulate future development within the surrounding areas.

There are two distinct economic impacts of the RAST Showground Renewal Project:

Construction phase (2022 to 2025)

- Total construction costs of \$234,525,000 capital spend on facilities and residences
- Create between 170-200 construction jobs for builders and related trades (including RAST facilities, commercial and housing construction)
- Tender to be directed to local architects, engineers, builders and affiliated tradespeople, consistent with the Premier's Economic and Social Recovery Advisory Council's recommendation of purchasing local on an 'if not, why not basis'.

It is expected that this large-scale project would have economic multipliers of between x2 to x3 suggesting a total economic impact during construction of between \$469,050,000 and \$703,575,000.

Showground Activation phase (>2024)

- Creates a vibrant community medium density housing project with over 450 new residencies occupied by 900 to 1,000 new residents
- As a guide, each family unit would have an average family income of (say) \$45,000 pa resulting in gross expenditures of \$20,295,000 pa of which about 80% would be spent in the Greater Hobart area amounting to \$16,236,000 pa. The recurrent economic multipliers are likely to be in the range of x1.5 to x2.0 delivering a total economic impact of \$24,354,000 to \$32,472,000 annually.

Social and Community Benefits

The project is the catalyst for the "Highest and Best" use of this strategic site ensuring that the site is activated for 365 days each year.

Community benefits include:

- Revitalised RAST Pavilion for Australia's oldest continuous Agricultural Show
- Leverage the new facility as an entertainment, retail, sporting, community and housing precinct
- Support the agricultural community with a resource to better serve the welfare of their animals and affiliated communities
- Serve as a digital showcase of all things Tasmanian with an agricultural focus
- Support the proposed Northern Transit Corridor to Glenorchy – with a new state of the art transport stop at the main showground entrance
- Provide an emergency evacuation, distribution and recovery for Hobart and surrounding districts

This would make the Showground renewal project the largest single non-infrastructure construction stimulus project in Tasmania in the past decade.

Local innovative solutions

SMG and CPC will work closely with the design team to ensure the building is designed and staged to encourage local suppliers and trades to complete the works.

Directions will be made to local industry to submit alternate solutions that may allow local products to be used within the construction phase. Innovative solutions will also be encouraged to utilise local products that have significant cost benefits.

Tasmania has a skilled work force that can be employed for this project. We feel confident by employing a local work force that we will achieve and deliver a successful outcome for this project.

SMG and CPC have worked with local builders and suppliers within Tasmania for over 40 years. We will utilise our knowledge and experience to collaborate and foster relationships with the objective to ensure the design team work successfully with the local market.