



Infrastructure
Western Australia

Major Infrastructure Proposal Assessment

Office of Major Transport Infrastructure Delivery
Perth Entertainment and Sporting Precinct
Summary Assessment Report

Infrastructure WA

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Acknowledgment of Country

Infrastructure WA acknowledges the Traditional Custodians of Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders both past and present.

Purpose

This assessment report has been prepared in carrying out Infrastructure WA's (IWA) legislative function to assess and report to the Premier on major infrastructure proposals. The assessment is of the Office of Major Transport Infrastructure Delivery's business case (dated 13 November 2025), for the proposed Perth Entertainment and Sporting Precinct (PESP). Additional supporting information received from the proponent and consultation with relevant key stakeholders has also been used by IWA to support its analysis.

The MIPA report was focused on the proposal's strategic merit, economic benefit analysis, cost analysis, program deliverability, environmental and geotechnical risks.

1. IWA observations

The PESP proposal responds to an election commitment of the Western Australian (WA) Government, which, following the WA Government's election win in March 2025, establishes a strong imperative and mandate for its development.

The PESP business case outlines this commitment, and further demonstrates that the proposal has strong strategic alignment with a number of key WA Government policies and strategies, including *Foundations for a Stronger Tomorrow – the 2022 State Infrastructure Strategy; Thrive 2030, The Re-Imagined Visitor Economy; Future State, Accelerating Diversify WA; Western Australia Visitor Economy Strategy 2033; Destination Perth – Tourism Destination Management Plan; Events Experience Strategy; and the Burswood Park 20 Year Vision.*

The business case outlines how the project and its proposed scope will respond to these strategic imperatives and demonstrates that the proposal is expected to generate a positive economic benefit for WA on the basis the expected event program and visitor profile materialises.

IWA understands that detailed planning and design development has been ongoing since the production and issue of the business case to IWA in November 2025 under an alliance contract. While no further project information has been provided to IWA since, under this contractual arrangement, project development would ordinarily continue to be refined as the alliance develops a detailed design, finalises the Target Outturn Cost (TOC), and creates a commercial framework for project delivery.

Given the high public interest in the project and resulted expected scrutiny of the investment, and notwithstanding its apparent expected benefits, IWA recommends Government fully satisfy itself that commercial and delivery risks are adequately managed prior to final contract award.

2. Context

The business case describes how the PESP originated from a proposal to bring a Supercars street racing event to Perth, aiming to replace the existing event at Wanneroo, to better showcase the city to national and international audiences. The proposal evolved to include not only motorsport facilities but also an outdoor amphitheatre and enhanced transport infrastructure, aligning with the Burswood Park Board's 20 Year Vision. As a result, the PESP is now set to become a multi-purpose venue supporting entertainment, sports, cultural, and community events in Perth.

Following further planning and stakeholder engagement, the WA Government allocated funding and resources to advance the project, culminating in the PESP being announced as an election commitment in January 2025.

The government has since initiated community consultations and committed \$217.5 million in the 2025-26 State Budget to deliver the precinct. An alliance contract has been awarded, with Stage 1 of the contract, which includes detailed planning and design development, underway. Stage 2 - the main construction works - is expected to be executed later in Q1 2026.

3. Strategic merit

3.1 Alignment

As noted earlier, the PESP project responds to an election commitment of the WA Government, which, following the WA Government's election win in March 2025, establishes a strong imperative and mandate for its development.

In addition, the business case demonstrates that the proposal has strong strategic alignment with a number of key WA Government policies and strategies, including *Foundations for a Stronger Tomorrow – the 2022 State Infrastructure Strategy; Thrive 2030, The Re-Imagined Visitor Economy; Future State, Accelerating Diversify WA; Western Australia Visitor Economy Strategy 2033; Destination Perth – Tourism Destination Management Plan; Events Experience Strategy; and the Burswood Park 20 Year Vision*.

To that end, the development of the PESP is expected to help address concerns about WA's ability to attract and retain major events and other live entertainment content, and the difficulties in hosting cultural and outdoor events. The development of the PESP is also expected to help support community and high-performance sport in WA.

3.2 Problems and opportunities

The business case outlines the proposal has been developed to address the following three problems:

- Problem 1: WA is not securing selected major events and other live entertainment content, including international touring artists.
- Problem 2: WA is at risk of losing existing, major events.
- Problem 3: Cultural and other outdoor events are affected by poor access and connectivity to existing venues.

The business case outlined how problems were then translated into the following Project Objectives and a further Project Opportunity.

- Objective 1: Increase the number of major events and other live entertainment content hosted in WA, particularly for international artists touring Australia.
- Objective 2: Retain existing major events hosted in WA.
- Objective 3: Improve access to and connectivity across venues used to stage major events.
- Objective 4: Provide facilities that support both community and high-performance sport in WA, including for events and training.
- Opportunity 1: Increase support for community and high-performance sport in WA by providing facilities that support events and training (e.g. cycling and triathlon).

The definition of these problems and objectives help articulate a clear rationale for the project proposal and help reinforce its strategic merit.

4. Options assessment

Following the selection of the preferred site at Burswood Park, which was described in the business case as the only feasible option, several options for various configuration of the PESP were developed and assessed as part of the detailed design process.

This led to identification of a preferred option that included the following project scope:

- an outdoor amphitheatre capable of hosting live music, arts, cultural and community events
- a multi-use track, including for use by FIA-approved Supercars, cycling criterium, and community sport
- a multi-use building, including event and function facilities and meeting spaces
- better transport and connectivity with Optus Stadium and the broader precinct, particularly for people with disability
- enhancement of the local environment through landscape improvements (such as an urban forest) and renewal.

In addition, the PESP alliance has put forward an option for a “Pavillion” above and beyond the preferred scope above, which is defined a separable proposal component not included in the current business case.

At the time of IWA’s assessment, while only high-level details of the project scope of the preferred option were outlined in the business case, they were understood to be further refined and developed during later parts of Stage 1 of the alliance contract.

As a result, IWA recommends that Government satisfy itself that prior to acceptance of the final contractual framework under the alliance contract, there is sufficient definition of the project scope (including key functional characteristics such as floor areas, schedules of accommodation, scale of facilities, etc.) to adequately evaluate the value-for-money of the final offer.

5. Societal impacts

The business case was underpinned by a cost benefit analysis (CBA) of the preferred option for the project, which was found to have a benefit cost ratio (BCR) of 1.35, or, when excluding the contingent value of events to Western Australians, a BCR of 1.13. On this basis, the proposal is expected to generate a positive economic return for WA.

The general framework used to develop the CBA within the business case was consistent with good practice in government templates and guidelines.

IWA understands that the Environmental Protection Agency (EPA) made a decision not to assess the project under Part IV of the EPA Act. As such, IWA has not undertaken a detailed assessment of the environmental impacts as part of the proposal.

IWA suggests that Government take the opportunity to recognise and strengthen the projects connection to Aboriginal and cultural heritage, as well as provide opportunities for Aboriginal participation during construction.

The project’s expected benefits are sensitive to the number of major events, the attendance profile of these major events and the assumptions underpinning out-of-state visitation of these events. IWA therefore recommends that Government satisfy itself of the certainty of the proposed event program, its expected attendance and visitor profile, and their relationship to the final project scope and its expected costs prior to acceptance of the final contractual framework under the alliance contract.

In terms of project costs, the business case outlines that the estimated project capital cost is \$217.5 million. This is within the approved funding envelope of \$217.5 million for the project as confirmed in the 2025-26 State Budget.

However, given the level of design development at the time of the assessment, the business case and supplementary information did not provide sufficient detail to ascertain the veracity of these cost estimates.

Consequently, IWA recommends that prior to acceptance of the final contractual framework under the alliance contract, Government satisfy itself that the detailed cost estimates are based on a clearly defined and agreed project scope, are reflective of the expected construction program and risk allocation, and make appropriate allowances for project contingency.

6. Deliverability

The business case outlines that “The PESP project is expected to be completed by mid-2027, given that the objective is for the precinct – and the racetrack specifically – to be ready to host a Supercars Australia event in February 2028”.

While only high-level details of the construction program are provided in the business case and supplementary information, IWA understands that since provision of the business case, the PESP alliance has continued to develop and refine the construction program. In any case, the high-level construction program outlined in the business case appears achievable, with generous time contingency between expected project completion in mid-2027 and the first major event in February 2028.

The project itself is not considered overly complex or high-risk relative to the benchmarks of recent major project delivery by OMTID. Notwithstanding this, given the expected progression of design development, IWA recommends that prior to acceptance of the final contractual framework under the alliance contract, Government satisfy itself that the detailed project program and critical path for the project makes sufficient allowances (and contingency) for key program risks. Risk management protocols and plans should also sufficiently address these key risks, articulate their potential impact on project scope, time and cost, and clearly allocate accountability to the appropriate parties in the project governance arrangements.