

2020 Election Commitment – Canberra Liberals

Name of Commitment:	Infrastructure - Canberra - South West Corridor Upgrade Package	Reference Number: LIB052
Request Submitted by:	Alistair Coe MLA, Canberra Liberals	
Date Request Received:	15-Oct-20	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2020-21	2021-22	2022-23	2023-24	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenues ^(a)	0.0	2,000.0	5,000.0	5,000.0	12,000.0
Expenses ^{(a)(b)}	0.0	-5,048.0	-328.8	-614.0	-5,990.8
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	-5,000.0	0.0	0.0	-5,000.0
- Cost of Financing	0.0	-48.0	-328.8	-614.0	-990.8
Depreciation	0.0	0.0	0.0	-600.0	-600.0
Net Operating Balance	0.0	-3,048.0	4,671.2	3,786.0	5,409.2
Capital Requirement	0.0	0.0	-22,500.0	-22,500.0	-45,000.0
Cash Surplus/Deficit	0.0	-3,048.0	-17,828.8	-18,114.0	-38,990.8

(a) A negative number indicates a decrease in revenue or an increase in expenses.
(b) Excludes depreciation

Other Information
<p>Costing Methodology Used:</p> <p>- Costing Technique:</p> <p>The costing is for a fixed level of \$50 million for the Canberra - South West Corridor Upgrade Package, to match Australian Government funding announced on 6 October 2020. This costing is for a fixed dollar amount. As such, the scope of the proposal would need to be managed within this level of funding.</p>
<p>- Proposal Parameters:</p> <ul style="list-style-type: none"> • The costing assumes that administrative expenses associated with the program would be absorbed by the Transport Canberra and City Services Directorate. • The project is expected to start in early 2022 and be completed by 30 June 2024. • Cost of financing has been calculated at 1.6 per cent. • Not shown above are depreciation and most maintenance expenses as these are largely beyond the displayed estimates period. Depreciation on the ACT-funded component only would be \$600,000 per annum after the works are completed (using a 75-year useful life) and ongoing maintenance costs where the commitment creates new assets (the budget already includes maintenance for existing assets). <p>No indexation has been applied.</p>
<p>Caveats or qualifications to the costing:</p> <p>The costs, type of funding and profile are indicative only and would be informed by the corridor plan once complete and by the extent of design work involved, procurement processes and construction constraints. Timing of the ACT contribution would need to be agreed with the Commonwealth Government as it has offered to contribute \$50 million in matched funding for this package, which initially involves development of a corridor plan.</p>
<p>Other Comments:</p> <p>The Treasury costing differs from the request due to a different useful life timeframe.</p>
<p>- Statistical Data Used:</p> <p>N/A</p>



David Nicol
Under Treasurer
15 October 2020