


Request for Costing an Election Commitment

Name of election commitment:	<i>Capital Metro light rail</i>
Person and party requesting costing:	Katy Gallagher, ACT Labor
Date of public release of election commitment, including source:	21/9/12 http://www.katygallagher.net/?p=2285
Summary of election commitment:	Commitment to plan light rail to be delivered through a large scale private sector partnership.
Intention of election commitment:	\$30 million to progress design and engineering studies, as well as financial analysis, to get light rail ready for a private sector partnership.
Signature of person requesting costing:	
Date of request for costing:	9.10.12

What are the key assumptions that have been made in the election commitment?

This election commitment is for detailed design and analysis to prepare for a private sector delivery model for the Capital Metro project. Work outlined in the "next steps" section of the policy document for the 2012-13 financial year is funded through the budget of the Gungahlin to City Project Office. This office is funded by the LDA and is not budget funded. Existing allocated resources will be utilised for these tasks.

In order to progress this project during the 2013-14 and 2014-15 period, ACT Labor will commit to \$30 million in capital funding. This \$30 million funding will be used to undertake the next stage of concept and design work, and development of funding and financing analysis and models in the 2013-14 and 2014-15 period.

Funding for *Capital Metro* Stage 1 project delivery and construction will be through a private sector partnership, with finance and delivery models to be developed as part of work in 2013-14 and 2014-15.

The estimated delivery cost of the light rail network is \$614 million, but this is not funded through this commitment as it is anticipated construction funding will be through a private sector delivery model.

Where relevant, is the funding for the policy to be demand driven or a capped amount? Capped

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment? No, although costs will decrease by \$15 million if a bid to infrastructure Australia is successful.

Will funding/the cost require indexation? No

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this election commitment and estimated costs each year (if available)?

	2012-13	2013-14	2014-15	2015-16	2016-17	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)						

Expenses ^(a)						
Capital		-15,000	-15,000			-30,000

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

What is the likely take up?

Any other assumptions? This cost will reduce by \$7.5million a year if a funding bid to Infrastructure Australia is successful.

Administration of the election commitment

How will the election commitment be administered? Through the Gungahlin to City Project Office, which sits within the Land Development Agency.

Who will administer the election commitment? The LDA – overseen by the Economic Development Directorate.

Has an allowance been made for expenses necessary to support the implementation of this election commitment?

– No – recurrent funding to GCPO will be through the LDA, which is not Budget funded.

What is the intended implementation date of the election commitment? 2013-14

Are there transitional arrangements associated with election commitment implementation? No

Are there any other assumptions that need to be considered? No

When is the election commitment expected to be fully operational?

Studies will be complete in 2014-15.

Will the election commitment cease and if so when? The planning stage will cease in 2014-15, but the development of the light rail will commence after this time.