



2018-19 CAPITAL WORKS PROGRAM

Year-to-Date 30 September 2018

Progress Report

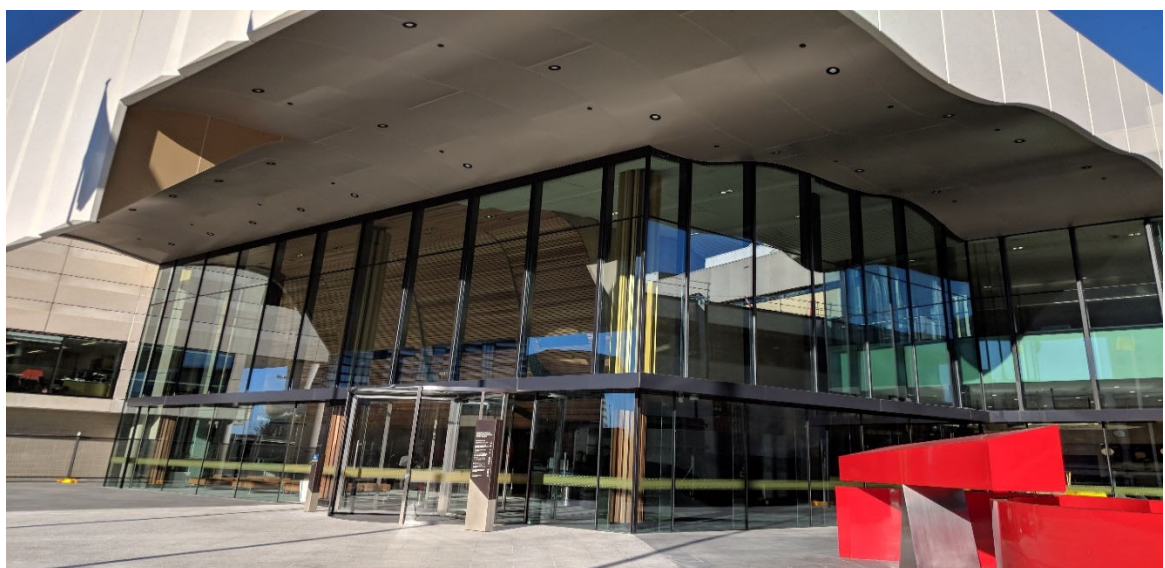


TABLE OF CONTENTS

1	INTRODUCTION	3
2	2018-19 CAPITAL WORKS PROGRAM	3
2.1	2018-19 PROGRAM OVERVIEW	3
2.2	2018-19 PROGRAM EXPENDITURE YTD SEPTEMBER 2018	3
2.2.1	<i>Capital Delivery Provision.....</i>	<i>4</i>
2.2.2	<i>2018-19 Better Infrastructure Fund</i>	<i>5</i>
2.2.3	<i>2018-19 Information and Communication Technology (ICT) and Plant and Equipment (P&E) Expenditure</i>	<i>6</i>
2.3	HISTORICAL EXPENDITURE TRENDS	6
2.4	NON-FINANCIAL (MILESTONE) OUTCOMES	7
2.4.1	<i>Pre-construction Milestones</i>	<i>7</i>
2.4.2	<i>Construction Milestones.....</i>	<i>8</i>
2.5	DELIVERY OF INFRASTRUCTURE FOR THE ACT COMMUNITY	8
2.5.1	<i>Land Release Program</i>	<i>8</i>
2.5.2	<i>Public Housing Renewal</i>	<i>10</i>
2.5.3	<i>Delivery of Transport Infrastructure.....</i>	<i>10</i>
2.5.4	<i>Enhancing Community Safety, Corrections and Justice.....</i>	<i>13</i>
2.5.5	<i>Providing Education for All.....</i>	<i>13</i>
2.5.6	<i>Recreation and Parks</i>	<i>14</i>
2.5.7	<i>Supporting Environmental and Waste Management</i>	<i>14</i>
2.5.8	<i>Delivering Health Services.....</i>	<i>16</i>

Attachments

APPENDIX 1: CAPITAL WORKS EXPENDITURE BY MAJOR PROJECTS

Front cover photos

ISABELLA WEIR

ACT LAW COURTS FACILITIES FRONT VIEW

1 Introduction

This report details the Government's 2018-19 Capital Works Program and outlines major project achievements for the quarter ending 30 September 2018. Details of agency major projects for the year are at Appendix 1. A major project is a project with a budget greater than or equal to \$10 million.

The 2018-19 Capital Works Program now includes reporting against investment in Information and Communication Technology (ICT) and Plant and Equipment (P&E).

This report does not detail the financial performance of the public private partnerships (PPP) that are being undertaken by the private sector as these projects are not part of the Government's 2018-19 Capital Works Program. However, this report does provide a progress update on physical delivery for each PPP project.

In 2018-19 the scheduled PPP expenditure by the private sector is \$15 million for Light Rail – Stage 1 and \$23 million for the ACT Law Courts Facilities.

2 2018-19 Capital Works Program

2.1 2018-19 Program Overview

The 2018-19 Budget continued the significant investment in capital works across the Territory.

The original budgeted Capital Works Program, as published in the 2018-19 Budget Papers, was \$747 million. Adjustments to the budget associated with the rolling over of unspent funds from 2017-18, post-budget expenditure adjustments, program savings and variations have increased available funding to \$773 million for 2018-19.

A reconciliation of the 2018-19 Capital Works Program is shown in **Table 1** below.

Table 1 – 2018-19 Capital Works Program Available Funding

	\$ million
2018-19 Original Budget Appropriation¹	747
Net Program adjustments, savings and rollovers	26
Total Funds Available for Expenditure 2018-19²	773

1. See 2018-19 Budget Paper 3, page 202

2. Table may not add due to rounding

2.2 2018-19 Program Expenditure YTD September 2018

Actual year-to-date (YTD) expenditure as at September 2018 was \$146 million comprising:

- new works expenditure of \$11 million; and
- works-in-progress expenditure of \$135 million.

The YTD September capital expenditure accounted for 19 per cent of total funds available for capital works in 2018-19.

A breakdown of YTD expenditure by agency is provided in Table 2 below.

Table 2 – Capital Works Program Expenditure – as at September 2018

Agency	2018-19 Total funds available for expenditure \$'000	YTD September 2018 expenditure \$'000	Percentage spent YTD September 2018
Canberra Institute of Technology	4,965	786	16
Chief Minister, Treasury and Economic Development Directorate	85,863	17,178	20
City Renewal Authority	21,483	1,003	5
Community Services Directorate	4,199	708	17
Cultural Facilities Corporation	2,203	126	6
Education Directorate	80,045	13,076	16
Elections ACT	287	73	25
Environment Planning and Sustainable Development Directorate	160,900	37,914	24
Health Directorate	139,713	17,647	13
Housing ACT	10,053	673	7
Justice and Community Safety Directorate	22,755	2,038	9
Office of the Legislative Assembly	1,045	301	29
Transport Canberra and City Services Directorate	239,340	54,454	23
TOTAL	772,850	145,977	19

2.2.1 Capital Delivery Provision

The 2018-19 Budget included a Capital Delivery Provision to improve the accuracy of the overall budget estimates. While agencies are funded to deliver each capital project according to agreed timelines, there remain risks to the delivery of each project. Reflecting these risks, but recognising that it is not possible to identify whether they will eventuate for any given project, the Government has adjusted the forecast of the aggregate Capital Works Program expenditure. The adjustment is based on past outcomes and risk analysis. This provision is included at a whole of government level and does not affect the timely delivery of any project.

The current level of expenditure against the 2018-19 Budget, adjusted for the Capital Delivery Provision, is provided in Table 3:

Table 3 – Performance against Capital Delivery Forecast September 2018

2018-19 Total funds available for expenditure (\$'000)	2018-19 Capital Delivery Provision adjustment (\$'000)	2018-19 Capital delivery forecast (\$'000)	Actual expenditure YTD against Capital delivery forecast (\$'000)	Percentage spent YTD September 2018
772,850	-148,000	624,850	145,977	23

2.2.2 2018-19 Better Infrastructure Fund

Capital improvements are essential works that extend the useful life or improve the service delivery capacity of existing assets and do not include expenditure for repairs and maintenance.

YTD September expenditure for the 2018-19 Better Infrastructure Fund was \$8 million, or 15 per cent of the available budget of \$55 million.

Table 4 – 2018-19 Better Infrastructure Fund Expenditure – September 2018

Agency	2018-19 Budget \$'000	2018-19 YTD September 2018 expenditure \$'000	Percentage spent YTD September 2018
Canberra Institute of Technology	2,708	731	27
Chief Minister, Treasury and Economic Development Directorate	7,956	3,409	43
Community Services Directorate	402	84	21
Cultural Facilities Corporation	408	73	18
Education Directorate	14,600	1,365	9
Environment Planning and Sustainable Development Directorate	765	20	3
Health Directorate	4,853	493	10
Justice and Community Safety Directorate	1,678	17	1
Office of the Legislative Assembly	958	301	31
Transport Canberra and City Services Directorate	20,892	1,959	9
TOTAL	55,220	8,452	15

Significant infrastructure improvements being delivered in 2018-19 include:

- a major investment in public school infrastructure and safety improvements;
- improvements to Canberra's CIT infrastructure;
- improvements to sporting facilities including upgrades to ovals, pavilions and pools;
- Forensic Medical Centre facilities;
- heritage and arts facility improvements;
- safety compliance upgrades to city infrastructure;
- revitalising Woden library and other town centre infrastructure;
- building upgrades and facility improvements of health and hospital infrastructure;
- road safety measures including traffic signal controls;
- footpath and cycling improvements around schools and the broader city network;
- upgrades and modifications to public transport infrastructure;
- improvements to our walking tracks, parks and nature reserves; and
- security improvements to ACT policing facilities.

2.2.3 2018-19 Information and Communication Technology (ICT) and Plant and Equipment (P&E) Expenditure

The 2018-19 Capital Works Program includes investment by the Government in ICT and P&E projects. Total investment in these projects for 2018-19 is valued at \$141 million. For the year ending 30 September 2018 a total of \$21 million had been spent or 15 per cent of available funding, refer to Table 5.

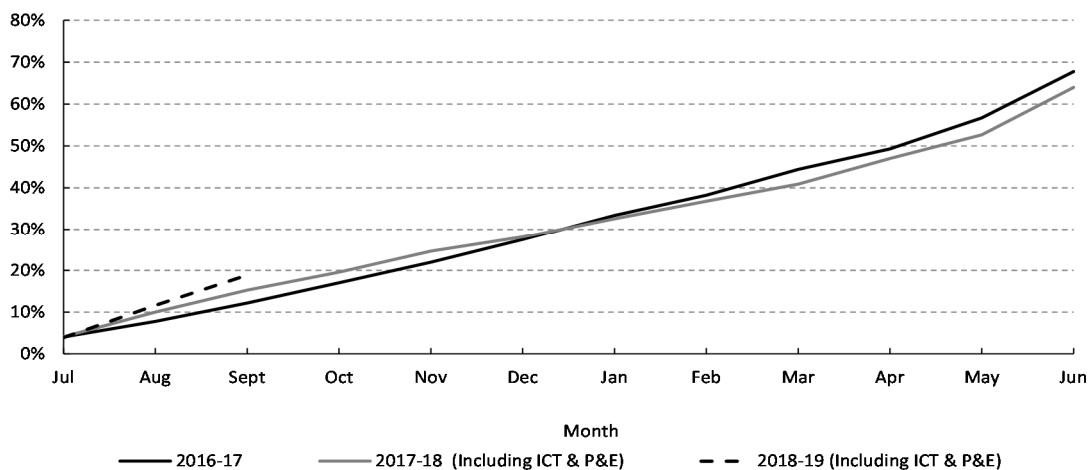
Table 5 – 2018-19 ICT and Plant and Equipment project expenditure – September 2018

Agency	2018-19 Funds Available for Expenditure \$'000	2018-19 YTD September 2018 expenditure \$'000	Percentage spent YTD September 2018
Canberra Institute of Technology	1,257	55	4
Chief Minister, Treasury and Economic Development Directorate	37,124	5,416	15
Community Services Directorate	3,797	624	16
Education Directorate	14,815	769	5
Elections ACT	287	73	25
Environment Planning and Sustainable Development Directorate	2,484	252	10
Health Directorate	15,056	1,516	10
Housing ACT	223	0	0
Justice and Community Safety Directorate	13,370	977	7
Office of the Legislative Assembly	87	0	0
Transport Canberra and City Services Directorate	52,383	11,647	22
TOTAL	140,883	21,328	15

2.3 Historical expenditure trends

Figure 1 below shows cumulative monthly expenditure as a proportion of annual total funds available for the Capital Works Program for the three years to 2018-19.

Figure 1: Cumulative percentage of program expenditure - YTD September 2018, 2017-18 and 2016-17¹



Note 1: The 2016-17 Program expenditure excludes ICT and Property and Plant projects, these were introduced into the Program in 2017-18.

2.4 Non-Financial (Milestone) Outcomes

Delivery of the Capital Works Program is also measured against non-financial indicators and reported against key milestones for all projects.

2.4.1 Pre-construction Milestones

There are a significant number of milestones to occur prior to the commencement of a contract for construction. These include the following:

- feasibility studies;
- consultation;
- design;
- sketch plans; and
- development application approval/lodgement.

Agencies that have operational responsibility for project delivery are required to set their milestone targets and report on their achievement throughout the year. The whole-of-government performance for the three months to 30 September 2018 is set out in Table 6 below.

This table excludes projects under the Better Infrastructure Fund which are usually minor projects.

Pre-Construction Key Performance Indicators

Table 6: September 2018: Capital Works Program Pre-construction Milestone Performance

Pre - Construction	Total number of targets	Targets Achieved	Percentage achievement
Project Brief	19	12	63
Early Planning	35	15	43
Consultation	5	2	40
Functional Brief Lodged	6	3	50
Final Sketch Plan	4	4	100
Design	8	5	63
DA Lodged	3	1	33
DA Approved	0	0	0
Contract Signed	14	3	21
TOTAL	94	45	48

2.4.2 Construction Milestones

Construction Key Performance Indicators

- Eighty three per cent (44 out of 53) of agency-forecast quarterly construction targets were achieved within an acceptable level of variation of 0 to 10 per cent from target in the three months to 30 September 2018.
- Thirteen per cent (7 out of 53) of the projects in the construction phase outperformed against target.
- Four per cent (2 out of 53) underperformed by greater than 10 per cent.

2.5 Delivery of Infrastructure for the ACT Community

2.5.1 Land Release Program

The four-year Indicative Land Release Program is an enabler of the Government's social and economic strategies for the community. These strategies seek to support the needs of a growing population, changing household demographics and an expanding economy. The Land Release Program contributes to financial and environmental objectives by seeking to:

- promote the economic and social development of the Territory;
- meet the demand for land in the Territory;
- establish an appropriate inventory of serviced land;
- facilitate the provision of affordable housing; and
- achieve satisfactory returns from the sale of unleased Territory land.

The ACT Government's Indicative Land Release Program for the 2018-19 Budget includes a sales target of 17,000 dwelling sites between 2018-19 and 2021-22.

Progress against key capital projects that support the Land Release Program as at YTD September 2018 is as follows:

- Better roads for Gungahlin – Horse Park Drive duplication (Mulligans Flat Road to the Federal Highway) - the laying of the asphalt has been completed on the new and existing alignments.



Horse Park Drive

- Better roads for Belconnen – Aikman Drive duplication - The traffic switch has been achieved to carry out the Thirriwirri and Pantowara Streets intersection construction and redevelopment of the intersection. Path works at the intersection have been completed.
- Building a better city – Gundaroo Drive duplication – Stage 2 - the works are progressing on the bridge construction and the stormwater. Removal of the excess material for the subgrade preparation of the duplication works has commenced.



Gundaroo Drive Stage 2 Strip and stockpile rocks

- Better roads for Weston Creek – Cotter Road duplication (Tuggeranong Parkway to Yarralumla Creek) - the project has been physically completed.

Cotter Road Duplication

- Improving Our Suburbs – New Molonglo Valley infrastructure - the John Gorton Drive 3A – the southbound carriageway has been temporarily opened to two way traffic. Molonglo Valley and the John Gorton Drive 3B – the Principal's Authorised Person tenders are now under evaluation. Works have commenced on The Molonglo Valley – Watermain from Weetangera Reservoir.



John Gorton drive stage 3A

2.5.2 Public Housing Renewal

Total funding of more than \$600 million has now been provided for the renewal of all public housing sites included in the ACT's Asset Recycling Initiative (ARI) agreement with the Commonwealth. This has included funding in the 2015-16, 2016-17 and 2018-19 Budgets for the redevelopment and replacement of Owen Flats (Lyneham), Karuah (Dickson), Allawah Court (Braddon), Red Hill Housing Precinct (Red Hill), Bega Court (Reid), Northbourne Flats (Braddon and Turner), Currong Apartments (Braddon), Stuart Flats (Griffith), Strathgordon Court (Lyons), De Burgh Street – North and South (Lyneham) and Gowrie Court (Narrabundah). These sites, once vacated, are being sold for redevelopment. The funding also covers Public Housing Renewal Taskforce costs and ensures the ACT Government can provide ongoing support and assistance to tenants during their relocation to improved accommodation.

Older multi-unit public housing properties will be replaced with modern homes that better meet the needs of tenants. The Public Housing Renewal Taskforce (Taskforce) remains on track to deliver the 1,288 replacement dwellings with 861 properties transferred to Housing ACT to date. The Taskforce continues to construct and purchase the remaining replacement properties. As at 30 September 2018, 16 dwellings were subject to Development Application processes, 344 dwellings were under construction and offers had been accepted for the purchase of 95 dwellings through the expression of interest process.

2.5.3 Delivery of Transport Infrastructure

Significant upgrades to transport infrastructure across the Territory have been planned for delivery in 2018-19 including:

- the design, construction and duplication of major roads and intersections to provide access to residential developments and reduce traffic congestion;
- the design and construction of new bus stations and upgrades of existing bus stops; and
- improvements to walking and cycling infrastructure to promote active travel.

Progress against key capital projects that provide public transport infrastructure, as at 30 September 2018, was as follows:

- Better roads for Canberra – Stronger bridges to transport freight - the strengthening works to the bridge over the floodway at Charleston Street, Monash has been completed and landscaping works are under construction. Strengthening works on the bridge over the pedestrian underpass on the Tuggeranong Parkway and design works for the bridge over the Molonglo River on the Tuggeranong Parkway have commenced.
- Better Roads for Gungahlin – Gundaroo Drive duplication – Stage 1 - the project is 85 per cent complete. The landscaping of the areas where the duplication works have been completed are progressing well. All the traffic islands at the intersection of Gundaroo Drive/ Mirrabai Drive/ Anthony Rolfe Avenue have been completed.
- Better Roads for Gungahlin – Gungahlin town centre road network improvements - is now 50 per cent complete. Construction is underway with utility services and services trenches under construction on the road alignment.
- Better roads for Tuggeranong – Ashley Drive duplication (Ellerston Avenue to Johnson Drive) - the project has been physically completed with the contractor continuing to rectify defects, including landscaping areas.
- Better roads for Tuggeranong – Ashley Drive duplication Stage 2 - the project has been physically completed and minor defects are being rectified.
- Better services in your community – Faster bus travel - the Captain Cook Crescent (Manuka), Giles Street and Eyre Street (Kingston) bus stop upgrades are in progress. The design for Alinga Street west bus station has commenced and the tender for the Moncrieff bus stop has been advertised.
- Building a better city – Federal Highway and Old Well Station Road intersection upgrade - the project has been physically completed.



Old Well Station road – Federal Highway

- Building a better city – Monaro Highway upgrade - the outcomes of the modelling results has been presented to the Steering Committee for the ACT Corridors study and implementation will progress on the funded components.

- Building a better city – Pialligo Avenue duplication - the outcomes of the traffic modelling results has been presented to the Steering Committee for the ACT Corridors study and implementation will progress on the funded components.
- Keeping our growing city moving – Better infrastructure for active travel - preliminary geotechnical investigations have been undertaken and designs are progressing for the Belconnen Arts Centre foreshore path. The communication strategy and website consultation materials have been completed and approved for the Tuggeranong Town Centre and laneways designs. Under the Active Streets for Schools Program, the schools for major improvements have been determined. A consultant and contractors have been engaged to deliver projects within the October school holidays.
- Keeping our growing city moving – Better roads for Gungahlin - Ernest Cavanagh Street extension – the construction has commenced and is on schedule for completion late in 2018.
- Keeping our growing city moving – Light Rail Stage 2 - City to Woden early planning – the Light Rail Virtual Reality Tour of City to Woden has been launched. Preliminary precinct discussions have commenced, complemented by virtual reality, to inform the concept designs with stakeholders including Woden Valley Community Council, Museum of Australian Democracy, Aboriginal Tent Embassy, Department of Defence as well as internal government discussions with City Renewal Authority and Environment Planning and Sustainable Development Directorate.
- Keeping our growing city moving – William Slim Drive Duplication (Barton Highway to Ginninderra Drive) - the project is currently at the stage of updating the Design Review and drawings for proposed Development Application.
- Light Rail – Stage 1 – (Public Private Partnership) construction progress is as follows.
 - Canberra Metro, the Independent Certifier and Transport Canberra and City Services - via the Transport Canberra Light Rail project team, have over 749 personnel working across all aspects of the Light Rail Stage 1. Cumulatively they have worked over 2,788,173 hours on the project.
 - Construction activities are progressing the entire length of the project alignment from Gungahlin to Canberra City.
 - Mitchell Depot buildings and site works are nearing completion.
 - The track slab installed on the project has now reached 25.2km (100 per cent of the total), with just some remaining infill concrete works and defects rectification works being finalised over the next few weeks. Rail track installation itself has now reached over 23.7km (which is 94 per cent of the total).
 - Stop canopies have been erected at all the precincts, and works are also progressing with the stop architecture.
 - Overhead wiring/poles installation is nearing completion.
 - The entire fleet of 14 vehicles are now in Canberra. The final three light rail vehicles were delivered safely during September 2018. Landscaping and tree installation on the entire project alignment continues.

2.5.4 Enhancing Community Safety, Corrections and Justice

Progress against key capital projects that support community safety and justice services as at 30 September 2018 was as follows:

- ESA – Station Relocation and Upgrade – Phase 2 Due Diligence - is now 10 per cent complete. Procurement for the SES Majura due diligence is underway.
- More support for families and the vulnerable – ACT Policing – Urgent facilities upgrade - energy audits have been completed at both Winchester Police Centre and Tuggeranong Police station. Function design brief for Winchester Police station has been received. The project is pending the function design brief for Tuggeranong Police station.
- Reforming Emergency Services – Aero – medical services and hangar upgrade is now 100 per cent complete. The base is now operational with some minor additional works and defects being finalised.
- Progress on the ACT Law Courts Facilities (Public Private Partnership) includes:
 - stage 1 of the ACT’s new joint court precinct is now complete and is open;
 - technical completion for this stage was achieved on 25 September 2018 and occupation to occur in mid-October; and
 - stage 1 of the ACT Courts project features a new four-storey building fronting Vernon Circle, refurbishment and reconfiguration works in the existing Magistrates Court building, six new court rooms, chambers, a library, a new public entry serving both the Magistrate’s and Supreme Courts and contemporary jury facilities designed to maximise from jury selection through to court deliberations.



ACT Law Courts Facilities Remote Suites

2.5.5 Providing Education for All

Major new works and upgrades to education facilities across the Territory continued. Some of the key progress during the quarter ending 30 September 2018 was as follows:

- Better schools for our kids – Narrabundah College and Campbell Primary School - the project is 75 per cent complete.
- Schools for the Future – Modernising Belconnen High - is now 60 per cent complete.

2.5.6 Recreation and Parks

The key projects in this area seek to improve community recreational facilities, lifestyle opportunities and cultural facilities. They include works on sporting facilities, parks, urban spaces and cultural institutions across Canberra. Some of the key progress to September 2018 was as follows:

- Better services in your community – Expanding the Domestic Animal Shelter - the feasibility study has been completed and a Development Application for construction has been lodged.
- Better services in your community – More Local Parks - the Giralang playground project has been physically completed.
- More jobs for our growing city – Better arts facilities - project brief for arts facilities Asset Replacement Scheme is completed. Primary project planning for Watson Arts Centre kiln shed design consultancy services completed.
- More jobs for our growing city – Better facilities for the Tuggeranong Rowing Club - the Scoping and design work are currently underway.
- More services for our suburbs – Nicholls Neighbourhood Oval upgrades - the procurement for a construction contractor is underway.
- More services for our suburbs – Restoring Boomanulla Oval - works have commenced on the main building with glazing and security screens installed and all internal works underway. The site landscape works (including work in the Garden of Achievement) have also commenced.
- Nara Peace Park landscaping - the landscaping construction works to the Peace Bell landscape have been completed.
- Narrabundah Ballpark Upgrade – Best little ballpark in Australia - the roof of the grandstand has been constructed and works have commenced on the new facilities, the batting cages, the change rooms and the landscaping.

2.5.7 Supporting Environmental and Waste Management

Works continued on a number of environmental, sustainability and waste management projects in 2018-19. Some of the key progress for quarter ending 30 September 2018 was as follows:

- Better services in your community – Essential Waste Management Infrastructure - Mugga Lane Stage 1 works have been completed and the Stage 2 Request for Tender (for construction of cells 3 and 4) have also been released.
- Better services in your community – Upgrade stormwater infrastructure on Flemington Road - the draft hydrology and hydraulic reports have been received. Stakeholder comments have been compiled and sent to the consultant.
- Building a better city – City Renewal Authority – Canberra's lakeside - the design phase has been completed. The construction phase is unable to commence until an inter-government agreement regarding land transfer is executed.
- Building a better city – Improving Tharwa Village firefighting water supply - the design and stakeholder consultation has commenced for the new non potable water supply provision for firefighting, whilst the new infrastructure installed will remain in place.

- Caring for our Environment – Lake Tuggeranong Water Quality Improvement – Stage 2 - is now 75 per cent complete. All the abutments have been completed and backfilled. The works on the main labyrinth walls have commenced and wetlands planting has been completed.
- Keeping our growing city moving – Canberra Brickworks Precinct – Environmental offsets - the Environment Protection and Biodiversity Conservation referral has been released for public consultation along with an application for exemption from an Environmental Impact Study to enable construction to be completed in 2019.
- More jobs for our growing city – Micro parks - the stakeholder consultation has commenced.
- Stromlo Forest Park – Implementation of bushfire management plan - is now 90 per cent complete including civil and earth works.



ACT Healthy Waterways

2.5.8 Delivering Health Services

Works continued on the redevelopment and reconfiguration of Canberra's hospitals and healthcare facilities to ensure the availability and viability of quality health care. Some of the key progress to September 2018 was as follows:

- Better care when you need it – Replacement of polyethylene aluminium composite panels – Centenary Hospital for Women and Children - is now complete. The final stage of the east corridor façade was completed at the end of June, with the project finalisation process occurring in this quarter.
- Better care when you need it – More nurse-led Walk-in Centres (WiC) - Gungahlin Community Health Nurse-led Walk-in Centre is now complete. Official opening ceremony of the Gungahlin WiC was on 3 September 2018 with the facility opened to public on the 4 September 2018.
- Better Health Services – Upgrading and maintaining ACT Health assets (UMAHA) - The project has reached 32 per cent of completion. This includes;
 - design development for Building 2 and the Building 12 Main Electrical Switchboard replacement is nearing completion;
 - the procurement, investigation and reporting phases of the UMAHA Heating Ventilation Air Conditioning Package are now complete with the construction phase of procurement underway. A major part of these works is the replacement of the chillers and associated infrastructure in Building 1. A contractor has been appointed for these works;
 - the refurbishment work for the Building 10 Cool Room and the mortuary extension was completed during the quarter; and
 - the design development of the new communication rooms on levels 8 and 10 in Buildings 3 and 1 is now complete.
- Calvary Public Hospital – UMAHA funding - the project has reached 100 per cent completion. The four sub-projects within Calvary UMAHA package are now all completed, this included the calorifiers and dampers upgrade, environmental cooling upgrade, Marian roof upgrade and the sub-mains electrical distribution upgrade.