

2024 Election Commitment – Canberra Liberals

Name of Commitment:	Housing – Kowen Development	Reference Number: LIB072
Request Submitted by:	Elizabeth Lee MLA, Canberra Liberals	
Date Request Received:	11-Oct-24	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	TOTAL \$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a)(b)}	0.0	-450.0	-450.0	-450.0	-1,350.0
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	-450.0	-450.0	-450.0	-1,350.0
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Depreciation	0.0	0.0	0.0	0.0	0.0
Net Operating Balance	0.0	-450.0	-450.0	-450.0	-1,350.0
Capital Requirement	0.0	0.0	0.0	0.0	0.0
Cash Surplus/Deficit	0.0	-450.0	-450.0	-450.0	-1,350.0
(a) A negative number indicates a decrease in revenue or an increase in expenses.					
(b) Excludes depreciation					

Other Information
Costing Methodology Used: - Costing Technique: This costing is for a program to facilitate the development of Kowen Forrest to accommodate over 100,000 dwellings by 2060, with the funding allocated in the forward estimates to undertake feasibility studies to enable longer-term planning for the development of the area. The request notes that the program and funding envelope would be demand driven, with completion not expected until 2060. The costing is an estimate based on the cost of similar studies undertaken for the investigation of the Western Edge Area.
- Proposal Parameters: - The costing assumes that administrative expenses associated with the program would be absorbed by the Environment Planning and Sustainable Development Directorate (EPSDD). - No indexation has been applied. - Cost estimates for the entire project, including beyond 2027-28, have not been provided.

Caveats or qualifications to the costing:

- Treasury assumes the funding across the forward estimates would be capped rather than demand driven.
- Treasury assumes the funding would be for a range of feasibility studies and early investigatory works, with the scope yet to be determined.
- Treasury considers the scope of works may be delivered across a range of different directorates and agencies, including but not limited to EPSDD, the Suburban Land Agency and Transport Canberra and City Services Directorate.
- Treasury considers the completion of the works in the proposal would inform the viability of the development of Kowen Forrest, and the level of resourcing and costs to facilitate any future development.

Other Comments:

- Treasury notes the proposed costs of undertaking feasibility work are consistent with funding provided through the 2023-24 Budget for the initial examination of the Western Edge Area.

- Statistical Data Used:

Treasury estimates.
2023-24 Budget Outlook.



Stuart Hocking PSM
Under Treasurer
16 October 2024