BUDGET STATEMENTS

2021-22

for

Major Projects Canberra

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# MAJOR PROJECTS CANBERRA

## Purpose

Major Projects Canberra was established on 1 July 2019 as the ACT Government’s specialist infrastructure delivery Directorate.

The Directorate achieves its objectives by delivering designated major infrastructure projects and other capital works projects which form the Territory’s infrastructure program. Its activities include project planning, procurement, contract management, stakeholder engagement and delivery oversight of projects both on its own behalf and on behalf of other ACT Government agencies.

Major Projects Canberra is funded predominantly through direct appropriation provided for the delivery of designated major projects. Major Projects Canberra also receives indirect funding from other agencies for the management services provided on their behalf in the delivery of the ACT Government infrastructure program.

## 2021-22 Priorities

In 2021-22, Major Projects Canberra will continue to work with other parts of government to deliver the ACT Government’s infrastructure investment program. This is to be achieved whilst maintaining safety as the Directorate’s highest priority and while promoting other ACT Government policies, particularly in relation to local industry participation, diversity and sustainability.

Priorities for 2021-22 include:

* Continuing to deliver major infrastructure projects amid the ongoing uncertainties of the COVID-19 pandemic and in the context of continued high demand for infrastructure delivery resources across Australia. The Canberra Hospital Expansion, Light Rail from the City to Woden and the new CIT Campus – Woden are the key major projects to be progressed by Major Projects Canberra through the financial year.
* Working with other ACT Government agencies to assist them in planning and delivering their infrastructure projects, including schools, health infrastructure, major roads and other community infrastructure.
* Liaising closely with community, industry, union and other stakeholders to promote the achievement of positive local industry participation, employment, sustainability and diversity outcomes through the delivery of the ACT Government’s infrastructure program.
* Rectifying potentially combustible cladding on ACT government owned buildings through the ACT Cladding Rectification Program and administering the ACT Government’s support scheme for the rectification of potentially combustible cladding on eligible private buildings.
* Continuing to liaise closely with local industry and union groups on the ACT Government’s infrastructure pipeline, industry development, safety and COVID-19 matters.

## Estimated Employment Level

Table 1: Estimated Employment Level

|  | 2019-20Actual Outcome | 2020-21Budget | 2020-21InterimOutcome | 2021-22Budget |
| --- | --- | --- | --- | --- |
| **Staffing (FTE)** | 166 | 193 | 2021 | 2192 |

**Notes:**

1. The increase in the 2020-21 interim outcome compared to the 2020-21 Budget is due mainly to the use of employees for designated project works which were budgeted as contractors and consultants.
2. The increase in 2021-22 Budget from the 2020-21 interim outcome is primarily due to advancing activities in Building Light Rail to Woden and Raising London Circuit, Cladding Rectification Programs and the Redevelopment of Canberra Theatre Centre.

Strategic Objectives and Indicators

**Strategic Objective 1**

***Lead the Delivery of the ACT Government’s Pipeline of Infrastructure Projects***

The core objectives of Major Projects Canberra are to:

1. Deliver major infrastructure projects on behalf of the ACT Government; and
2. Support other ACT Government agencies in the delivery of their programs of infrastructure works.

Major Projects Canberra seeks to achieve these core objectives in a safe, timely, cost efficient and quality manner.

Specific elements of Major Projects Canberra’s strategic objectives over the coming years include:

* Delivering the major expansion of the Canberra Hospital with a new emergency, surgical and critical care facility to meet the acute care needs of Canberra and region residents;
* Procuring the design and construction of Light Rail Stage 2A and progressing Light Rail Stage 2B to Woden;
* Designing and delivering a new Woden Campus for the Canberra Institute of Technology (CIT), including a new transport interchange and youth foyer;
* Progressing early planning for a potential Canberra Theatre Centre Expansion and Redevelopment in consultation with key stakeholders;
* Rectifying potentially combustible cladding on ACT government owned buildings through the ACT Cladding Rectification Program and administering the ACT Government’s support scheme for the rectification of potentially combustible cladding on eligible private buildings;
* Working with other ACT Government agencies to procure and deliver capital works projects including schools, health infrastructure, major roads and other community infrastructure;
* Supporting all other aspects of the ACT Government’s infrastructure program, including close liaison with industry and other government stakeholders; and
* Ongoing close consultation with industry and union groups in relation to the ACT Government’s infrastructure program.

Major Projects Canberra will achieve its strategic objectives by developing the Directorate’s capacity to deliver significant infrastructure for the Territory by focussing on safety, timeliness, cost and quality; working closely with other Directorates in the delivery of their capital works programs; and working closely with industry stakeholders.

#### Strategic Indicator 1a: Significant milestones are met for designated major projects managed by Major Projects Canberra.

***Strategic Indicator 1b:*** Major Projects Canberra supports other ACT Government agencies in the procurement and delivery of their capital works projects in accordance with the Territory’s capital work program requirements.

***Strategic Indicator 1c:*** Capital works projects procured and delivered by Major Projects Canberra comply with work health and safety (WH&S) and certification requirements.

## Output Class

Major Projects Canberra builds infrastructure for our community that helps make Canberra the world’s most liveable city.

Major Projects Canberra will:

1. Procure and deliver infrastructure projects designated by the Government as major projects;
2. Deliver capital works projects in partnership with other ACT Government directorates and agencies;
3. Provide project management and reporting, superintendency of works and WHS Active Certification services;
4. Enable the Office of the ACT Chief Engineer and develop the ACT Government’s engineering workforce; and
5. Deliver whole of government services, including contractor pre-qualification.

### Output Class 1: Major Projects Canberra

Table 2: Output Class 1: Major Projects Canberra

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **2020-21** | **2021-22** |
|  |  | **Interim Outcome** | **Budget** |
|  |  | **$'000** | **$'000** |
| Total Cost1 |  | 34 337 | 46 423 |
| Controlled Recurrent Payments2 |  | 7 147 | 26 089 |

Notes:

1. The variance between the 2020-21 interim outcome and the 2021-22 Budget is the result of expenses related to initiatives funded in 2021-22 including the cladding rectification programs and Building Light Rail to Woden and Raising London Circuit. Total cost includes depreciation and amortisation of $1.503 million in 2020-21 and $1.486 million in 2021-22.
2. The variance between the 2020-21 interim outcome and the 2021-22 Budget is due to the changes to the program of works for delivery in 2020-21 as summarised in Table 4: Changes to appropriation – Controlled Recurrent Payments.

## Accountability Indicators

Due to the release of the 2021-22 Budget on 6 October 2021, the 2020-21 accountability indicators below refer to the interim outcome included in the draft 2020‑21 Statement of Performance, which was unaudited at the time of preparing these budget statements.

### Output Class 1: Major Projects Canberra

**Table 3: Accountability Indicators Output 1**

|  | 2020-21Targets | 2020-21Interim Outcome | 2021-22 Targets |
| --- | --- | --- | --- |
| 1. Proportion of relevant projects supported by Major Projects Canberra that have has WHS audits performed in accordance with the Active Certification Audit Program1
 | >90% | 99% | N/A |
| 1. Capital Works Projects2:
 |  |  |  |
| * 1. Percentage of Construction Projects Completed on Budget
 | >85% | 100% | N/A |
| * 1. Percentage of Construction Projects Completed on Time
 | >85% | 92% | N/A |
| * 1. Percentage of contracts awarded to prequalified contractors/consultants
 | >95% | 96% | N/A |
| 1. Proportion of relevant contracts managed by Major Projects Canberra that include the requirement for the contractor to hold IRE Certification3
 | N/A | N/A | N/A |
| 1. Canberra Hospital Expansion Project milestones achieved4:
 |  |  |  |
| 1. Building B5 and 24 demolition substantially completed
 | N/A | N/A | 1 |
| 1. Clinical Services Building bulk excavation shed erected
 | N/A | N/A | 1 |
| 1. Prototype shed erected
 | N/A | N/A | 1 |
| 1. Construction of Clinical Services Building structure commenced
 | N/A | N/A | 1 |
| 1. ‘Welcome Hall’ site works commenced
 | N/A | N/A | 1 |
| 1. Light Rail Stage 2A Project milestones achieved5:
 |  |  |  |
| 1. NCA Works Approval application for the ‘raising London Circuit’ component of the project submitted
 | N/A | N/A | 1 |
| 1. Construction works commenced for the ‘raising London Circuit’ component of the project
 | N/A | N/A | 1 |
| 1. Canberra Institute of Technology Campus – Woden Project milestones achieved6:
 |  |  |  |
| 1. Public transport interchange construction commenced
 | N/A | N/A | 1 |
| 1. Platform slab for future Woden light rail stop poured
 | N/A | N/A | 1 |
| 1. Request for Tender for Woden campus design and construction contract released
 | N/A | N/A | 1 |
| 1. Woden campus design and construction contractor appointed
 | N/A | N/A | 1 |
| 1. Redevelopment of the Canberra Theatre Centre milestones achieved7:
 |  |  |  |
| 1. Site investigation consultants appointed
 | N/A | N/A | 1 |
| 1. Design consultant appointed
 | N/A | N/A | 1 |
| 1. ACT Cladding Rectification Program milestones achieved8:
 |  |  |  |
| 1. Non-Government Building Scheme launched
 | N/A | N/A | 1 |
| 1. Government Building Program – 65% of physical works completed
 | N/A | N/A | 1 |
| 1. Capital Works delivered by Infrastructure Delivery Partners Group (a division of Major Projects Canberra) on behalf of other ACT Government Directorates2:
 |  |  |  |
| 1. Percentage of valid claims for payment assessed and certified within 10 business days9
 | N/A | N/A | 85% |
| 1. Percentage of Tender Evaluation Reports delivered to the Partner Directorate within 20 business days of tender closure10
 | N/A | N/A | 85% |
| 1. Percentage of contracts awarded to prequalified contractors/consultants11
 | N/A | N/A | >95% |

The Accountability Indicators table should be read in conjunction with the accompanying notes. The variance result has been rounded to the nearest whole number.

Major Projects Canberra is the ACT Government’s newest Directorate, established in July 2019. Indicators transferred from other Directorates in previous financial years were reviewed for relevancy and replaced with new strategic and accountability indicators that relate to the Directorate’s budget appropriation and programs in accordance with the *Financial Management Act 1996* and Treasury policy requirements.

Notes:

1. This accountability indicator has been retired in 2020-21 following a review of indicators transferred from CMTEDD on the establishment of Major Projects Canberra. The succeeding indicator i relates directly to work performed by Major Projects Canberra and to the Directorate’s contribution to improving the efficiency and safety of the Territory’s capital works program.
2. This accountability indicator has been revised in in 2021–22 and replaced with accountability indicator i. The previous measures relating to capital works projects being delivered ‘on time’ and ‘on budget’ for other Directorates have been retired, as they related to decisions not within Major Projects Canberra’s control and may be subject to various interpretations. The new measures relate directly to work performed by Major Projects Canberra and the Directorate’s contribution to improving the efficiency and safety of the Territory’s capital works program.
3. This accountability indicator has been retired following 2020-21 as the Industrial Relations and Employment (IRE) certification program ended in the previous financial year.
4. This accountability indicator is newly established for 2021-22 and relates to key milestones to be achieved in the Canberra Hospital Expansion Project as aligned with the decisions made by Government and associated budget appropriation.
5. This accountability indicator is newly established for 2021-22 and relates to key milestones to be achieved in the Light Rail Stage 2A project as aligned with the decisions made by Government and associated budget appropriation.
6. This accountability indicator is newly established for 2021-22 and relates to key milestones to be achieved in the new Canberra Institute of Technology Campus in Woden project as aligned with the decisions made by Government and associated budget appropriation.
7. This accountability indicator is newly established for 2021-22 and relates to key milestones to be achieved in the Redevelopment of the Canberra Theatre Centre project as aligned with the decisions made by Government and associated budget appropriation.
8. This accountability indicator is newly established for 2021-22 and relates to key milestones to be achieved in the ACT Cladding Rectification program as aligned with the decisions made by Government and associated budget appropriation.
9. This accountability indicator relates to ACT Government payment terms and includes all capital works contracts under direct management by Major Projects Canberra. It excludes any claims for payment not lodged through the whole of government Project Management and Reporting System (PMARS). The measure is the number of business days elapsed between a valid request for payment being lodged and assessed and certified in PMARS.
10. This accountability indicator applies to all tender evaluations chaired by Major Projects Canberra for capital works projects on behalf of other ACT Government Directorates. It excludes projects with a contract value of less than $1 million at the time of procurement. The measure is the number of business days elapsed between the close of the tender period and the delivery by Infrastructure Delivery Partners Group of the Tender Evaluation Report to the Partner Directorate.
11. This accountability indicator applies only to contracts for works and services that have a prequalification category under the ACT Government Prequalification Schemes or the National Prequalification System for Civil (Road and Bridge) Construction.

## Changes to Appropriation

Table 4: Changes to Appropriation – Controlled Recurrent Payments

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2020-21 Interim Outcome****$'000** | **2021-22 Budget****$'000** | **2022-23 Estimate****$'000** | **2023-24 Estimate****$'000** | **2024-25 Estimate****$'000** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| **2020-21 Budget** | 7 650 | 1 000 | 1 120 | 1 240 | 240 |
|  |  |  |  |  |  |
| **2021-22 Budget Policy Decisions** |  |  |  |  |  |
| Woden Public Transport Stops  | 0 | 0 | 0 | 0 | 110 |
|  |  |  |  |  |  |
| **2021-22 Budget Technical Adjustments** |  |  |  |  |  |
| Building Light Rail to Woden and Raising London Circuit | 0 | 9 792 | 0 | 0 | 28 |
| Canberra Light Rail - New Mitchell Light Rail Stop transfer to Transport Canberra | 0 | 0 | -120 | -240 | -244 |
| CIT Woden Campus and Bus Interchange | 0 | 0 | 0 | 0 | 500 |
| Cladding Rectification - Non-Government Building Scheme Phase 1 | 0 | 1 244 | 1 826 | 0 | 0 |
| Public Health Infrastructure - Canberra Hospital Expansion | 0 | 3 000 | 3 075 | 3 152 | 3 231 |
| Revised Indexation Parameters | 0 | 0 | 0 | 0 | 4 |
| Revised Funding Profile – Potentially Combustible Cladding Rectification Scheme | -503 | 503 | 0 | 0 | 0 |
| Rectifying Flammable Cladding of Government-Owned Buildings | 0 | 6 550 | 7 483 | 0 | 0 |
| Revised Superannuation Parameters | 0 | -43 | -213 | -206 | -212 |
| Streamlining the funding of Major Projects Canberra- Better  Infrastructure Fund | 0 | 3 625 | 3 690 | 3 941 | 4 114 |
| Streamlining the funding of Major Projects Canberra - Capital  Works | 0 | 0 | 16 920 | 17 259 | 17 604 |
| Transfer of funding from CMTEDD to MPC - Deputy Chief Projects Officer | 0 | 418 | 423 | 428 | 433 |
|  |  |  |  |  |  |
| **2021-22 Budget** | **7 147** | **26 089** | **34 204** | **25 574** | **25 808** |

Table 5: Changes to Appropriation – Capital Injections, Controlled

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2020-21 Estimated Outcome****$'000** | **2021-22 Budget****$'000** | **2022-23 Estimate****$'000** | **2023-24 Estimate****$'000** | **2024-25 Estimate****$'000** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| **2020-21 Budget** | 92 796 | 56 352 | 84 000 | 92 000 | 0 |
|  |  |  |  |  |  |
| **2021-22 Budget Policy Decisions** |  |  |  |  |  |
| Woden Public Transport Stops  | 0 | 0 | 11 000 | 0 | 0 |
| Redevelopment of the Canberra Theatre Centre  | 0 | 1 053 | 1 726 | 0 | 0 |
| Improving Canberra’s Health Infrastructure - Northside  Hospital Development | 0 | 1 334 | 1 641 | 0 | 0 |
|  |  |  |  |  |  |
| **2021-22 Budget Technical Adjustments** |  |  |  |  |  |
| Building Light Rail to Woden and Raising London Circuit | -9 181 | 32 638 | 2 000 | 0 | 0 |
| CIT Woden Campus and Bus Interchange | 0 | 0 | 0 | 0 | 35 200 |
| Legacy Bank Overdraft | 0 | 8 966 | 0 | 0 | 0 |
| Public Health Infrastructure - Canberra Hospital Expansion | 0 | 75 471 | 237 117 | 213 805 | 28 949 |
| Revised Funding Profile - Delivering the Canberra Hospital  Expansion | 18 794 | -1 513 | 0 | -2 050 | -15 231 |
| Revised Funding Profile - CIT Woden Campus and Bus  Interchange | -1 444 | -15 040 | -2 690 | 24 688 | -5 514 |
| Revised Funding Profile - Canberra Light Rail - New Mitchell Light Rail Stop | -556 | 556 | 0 | 0 | 0 |
|  |  |  |  |  |  |
| *Budget Neutral Transfers between Capital Projects* |  |  |  |  |  |
| Building Light Rail to Woden and Raising London Circuit | 0 | -1 000 | 0 | 0 | 0 |
| Woden Public Transport Stops | 0 | 1 000 | 0 | 0 | 0 |
|  |  |  |  |  |  |
| **2021-22 Budget** | **100 409** | **159 817** | **334 794** | **328 443** | **43 404** |

## Summary of 2021-22 Infrastructure Program

Table 6: 2021-22 Major Projects Canberra Infrastructure Program

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Project** | **2021-22****$'000** | **2022-23****$'000** | **2023-24****$'000** | **2024-25****$'000** | **Four Year****Investment****$'000** | **Physical****Completion****Date** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **CAPITAL WORKS PROGRAM1** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Work In Progress** |  |  |  |  |  |  |
| Canberra Light Rail - New Mitchell Light  Rail Stop | 2 070 | 0 | 0 | 0 | 2 070 | Sep-21 |
| CIT Woden Campus and Bus Interchange | 39 000 | 82 310 | 117 688 | 30 186 | 269 184 | Nov-24 |
| Cladding Rectification - Non-Government  Building Scheme Phase 1 | 1 244 | 1 826 | 0 | 0 | 3 070 | Dec-22 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Building Light Rail to Woden and Raising London Circuit2 | 43 228 | 2 000 | 0 | 0 | 45 228 | TBD |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Rectifying Flammable Cladding of  Government-Owned Buildings | 7 053 | 7 483 | 0 | 0 | 14 536 | Dec-22 |
| Public Health Infrastructure – Canberra Hospital Expansion3 | 76 958 | 240 192 | 214 907 | 16 949 | 549 006 | Jun-24 |
|  |  |  |  |  |  |  |
| **Total Work In Progress** | **169 553** | **333 811** | **332 595** | **47 135** | **883 094** |  |
|  |  |  |  |  |  |  |
| **Better Infrastructure Fund** |  |  |  |  |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Streamlining the funding of Major  Projects Canberra- Better  Infrastructure Fund | **3 625** | **3 690** | **3 941** | **4 114** | **15 370** | ongoing |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **New Work** |  |  |  |  |  |  |
| Redevelopment of the Canberra Theatre  Centre4 | 1 053 | 1 726 | 0 | 0 | 2 779 | TBD |
| Improving Canberra’s Health  Infrastructure – Northside Hospital  Development5 | 1 334 | 1 641 | 0 | 0 | 2 975 | TBD |
| Woden Public Transport Stops | 1 000 | 11 000 | 0 | 0 | 12 000 | Nov-24 |
|  |  |  |  |  |  |  |
| **Total New Capital** | **3 387** | **14 367** | **0** | **0** | **17 754** |  |
|  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **TOTAL INFRASTRUCTURE INVESTMENT PROGRAM** | **176 565** | **351 868** | **336 536** | **51 249** | **916 218** |  |
| **Notes:**1. This table includes projects that are funded from Controlled Recurrent Payments.
2. The delivery of the entirety of Stage 2 is to be determined following business case approval.
3. Physical completion date relates to the practical completion of construction with operational commissioning to occur thereafter.
4. The project funding is for reference design and business case development. Physical completion date on the Redevelopment of the Canberra Theatre Centre is to be determined on business case approval.
5. This is a joint project led by the Health Directorate. Physical completion of the Northside Hospital is to be determined on business case approval.
 |

## Financial Statements – Controlled (GGS)

Due to the release of the 2021-22 Budget on 6 October 2021, the 2020-21 interim outcome column reflects the interim outcome included in the draft 2020‑21 Financial Statements, which were unaudited at the time of preparing these budget statements.

Table 7: Major Projects Canberra: Operating Statement

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **2020-21 Budget**  **$'000** |  | **2020-21 Interim Outcome $'000** | **2021-22 Budget**  **$'000** | **Var****%** | **2022-23 Estimate**  **$'000** | **2023-24 Estimate**  **$'000** | **2024-25 Estimate**  **$'000** |
|  |  |  |  |  |  |  |  |
|  | **Income** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  | **Revenue** |  |  |  |  |  |  |
| 7 650 | Controlled Recurrent  Payments | 7 147 | 26 089 | 265  | 34 204 | 25 574 | 25 808 |
| 21 904 | Sale of Goods and Services  from Contracts with  Customers | 20 666 | 18 470 | -11  | 1 943 | 1 633 | 1 438 |
| 384 | Grants and Contributions | 242 | 391 | 62  | 391 | 391 | 391 |
| 185 | Other Revenue | 13 | 66 | 408  | 68 | 70 | 71 |
|  |  |  |  |  |  |  |  |
| **30 123** | **Total Revenue** | **28 068** | **45 016** | **60**  | **36 606** | **27 668** | **27 708** |
|  |  |  |  |  |  |  |  |
|  | **Gains** |  |  |  |  |  |  |
| 0 | Other Gains | 1 095 | 0 | -100  | 0 | 0 | 0 |
|  |  |  |  |  |  |  |  |
| **0** | **Total Gains** | **1 095** | **0** | **-100**  | **0** | **0** | **0** |
|  |  |  |  |  |  |  |  |
| **30 123** | **Total Income** | **29 163** | **45 016** | **54**  | **36 606** | **27 668** | **27 708** |
|  |  |  |  |  |  |  |  |
|  | **Expenses**  |  |  |  |  |  |  |
| 14 395 | Employee Expenses | 20 896 | 20 288 | -3  | 17 496 | 17 194 | 17 446 |
| 2 673 | Superannuation Expenses | 3 572 | 3 083 | -14  | 2 797 | 2 782 | 2 819 |
| 12 825 | Supplies and Services | 8 207 | 21 536 | 162  | 16 234 | 7 613 | 7 384 |
| 1 334 | Depreciation and  Amortisation | 1 503 | 1 486 | -1  | 3 204 | 3 480 | 21 055 |
| 0 | Borrowing Costs | 4 | 0 | -100  | 0 | 0 | 0 |
| 162 | Other Expenses | 155 | 30 | -81  | 0 | 0 | 0 |
|  |  |  |  |  |  |  |  |
| **31 389** | **Total Expenses** | **34 337** | **46 423** | **35**  | **39 731** | **31 069** | **48 704** |
|  |  |  |  |  |  |  |  |
| **-1 266** | **Operating Result** | **-5 174** | **-1 407** | **73** | **-3 125** | **-3 401** | **-20 996** |
|  |  |  |  |  |  |  |  |
| **-1 266** | **Total Comprehensive Income** | **-5 174** | **-1 407** | **73**  | **-3 125** | **-3 401** | **-20 996** |
|  |  |  |  |  |  |  |  |

Table 8: Major Projects Canberra: Balance Sheet

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Budget****at****30/6/21** **$'000** |  | **Interim Outcome at****30/6/21** **$'000** | **Budget****at****30/6/22** **$'000** | **Var****%** | **Estimate****at****30/6/23** **$'000** | **Estimate****at****30/6/24** **$'000** | **Estimate****at****30/6/25** **$'000** |
|  |  |  |  |  |  |  |  |
|  | **Current Assets** |  |  |  |  |  |  |
| 4 081 | Cash and Cash Equivalents | 2 871 | 3 123 | 9  | 3 381 | 3 646 | 3 911 |
| 2 360 | Receivables | 3 303 | 3 320 | 1  | 3 335 | 3 352 | 3 369 |
| 2 | Other Assets | 13 | 13 | -  | 13 | 13 | 13 |
|  |  |  |  |  |  |  |  |
| **6 443** | **Total Current Assets** | **6 187** | **6 456** | **4**  | **6 729** | **7 011** | **7 293** |
|  |  |  |  |  |  |  |  |
|  | **Non Current Assets** |  |  |  |  |  |  |
| 225 | Property, Plant and Equipment | 1 621 | 1 437 | -11  | 1 253 | 1 069 | 885 |
| 3 936 | Intangible Assets | 3 925 | 2 623 | -33  | 1 323 | 23 | 0 |
| 139 325 | Capital Works in Progress | 110 966 | 249 818 | 125  | 582 892 | 909 339 | 931 895 |
|  |  |  |  |  |  |  |  |
| **143 486** | **Total Non Current Assets** | **116 512** | **253 878** | **118**  | **585 468** | **910 431** | **932 780** |
|  |  |  |  |  |  |  |  |
| **149 929** | **TOTAL ASSETS** | **122 699** | **260 334** | **112**  | **592 197** | **917 442** | **940 073** |
|  |  |  |  |  |  |  |  |
|  | **Current Liabilities** |  |  |  |  |  |  |
| 4 569 | Payables | 14 305 | 14 306 | ..  | 14 306 | 14 306 | 14 306 |
| 8 986 | Non-Interest Bearing Liabilities | 8 966 | 0 | -100  | 0 | 0 | 0 |
| 64 | Lease Liabilities | 31 | 31 | -  | 31 | 31 | 31 |
| 8 243 | Employee Benefits | 9 664 | 9 902 | 2  | 10 146 | 10 397 | 10 668 |
| 0 | Other Liabilities | 128 | 143 | 12  | 157 | 173 | 189 |
| 3 175 | Contract Liabilities | 5 327 | 5 327 | -  | 5 327 | 5 327 | 5 327 |
|  |  |  |  |  |  |  |  |
| **25 037** | **Total Current Liabilities** | **38 421** | **29 709** | **-23**  | **29 967** | **30 234** | **30 521** |
|  |  |  |  |  |  |  |  |
|  | **Non Current Liabilities** |  |  |  |  |  |  |
| 30 | Lease Liabilities | 29 | 29 | -  | 29 | 29 | 29 |
| 485 | Employee Benefits | 556 | 571 | 3  | 586 | 601 | 616 |
| 0 | Other Liabilities | 654 | 575 | -12  | 496 | 417 | 338 |
|  |  |  |  |  |  |  |  |
| **515** | **Non-Current Liabilities** | **1 239** | **1 175** | **-5**  | **1 111** | **1 047** | **983** |
|  |  |  |  |  |  |  |  |
| **25 552** | **TOTAL LIABILITIES** | **39 660** | **30 884** | **-22**  | **31 078** | **31 281** | **31 504** |
|  |  |  |  |  |  |  |  |
| **124 377** | **NET ASSETS** | **83 039** | **229 450** | **176**  | **561 119** | **886 161** | **908 569** |
|  |  |  |  |  |  |  |  |
| 124 377 | Accumulated Funds | 83 039 | 229 450 | 176  | 561 119 | 886 161 | 908 569 |
|  |  |  |  |  |  |  |  |
| **124 377** | **TOTAL FUNDS EMPLOYED** | **83 039** | **229 450** | **176** | **561 119** | **886 161** | **908 569** |
|  |  |  |  |  |  |  |  |

Table 9: Major Projects Canberra: Statement of Changes in Equity

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Budget****at****30/6/21** **$'000** |  | **Interim Outcome at****30/6/21** **$'000** | **Budget****at****30/6/22** **$'000** | **Var****%** | **Estimate****at****30/6/23** **$'000** | **Estimate****at****30/6/24** **$'000** | **Estimate****at****30/6/25** **$'000** |
|  |  |  |  |  |  |  |  |
|  | **Opening Equity** |  |  |  |  |  |  |
| 32 847 | Opening Accumulated Funds | 32 847 | 83 039 | 153  | 229 450 | 561 119 | 886 161 |
|  |  |  |  |  |  |  |  |
| **32 847** | **Balance at the Start of the**  **Reporting Period** | **32 847** | **83 039** | **153**  | **229 450** | **561 119** | **886 161** |
|  |  |  |  |  |  |  |  |
|  | **Comprehensive Income** |  |  |  |  |  |  |
| -1 266 | Operating Result - Including  Economic Flows | -5 174 | -1 407 | 73  | -3 125 | -3 401 | -20 996 |
|  |  |  |  |  |  |  |  |
| **-1 266** | **Total Comprehensive Income** | **-5 174** | **-1 407** | **73**  | **-3 125** | **-3 401** | **-20 996** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **0** | **Total Movement in Reserves** | **0** | **0** | **-**  | **0** | **0** | **0** |
|  |  |  |  |  |  |  |  |
|  | **Transactions Involving Owners**  **Affecting Accumulated Funds** |
| 92 796 | Capital Injections | 100 409 | 159 817 | 59  | 334 794 | 328 443 | 43 404 |
| 0 | Capital Works in Progress  Transferred to Other ACT  Government Entities | -45 043 | -12 000 | 73  | 0 | 0 | 0 |
|  |  |  |  |  |  |  |  |
| **92 796** | **Total Transactions Involving**  **Owners Affecting Accumulated**  **Funds** | **55 366** | **147 817** | **167**  | **334 794** | **328 443** | **43 404** |
|  |  |  |  |  |  |  |  |
|  | **Closing Equity** |  |  |  |  |  |  |
| 124 377 | Closing Accumulated Funds | 83 039 | 229 450 | 176  | 561 119 | 886 161 | 908 569 |
|  |  |  |  |  |  |  |  |
| **124 377** | **Balance at the end of the**  **Reporting Period** | **83 039** | **229 450** | **176** | **561 119** | **886 161** | **908 569** |
|  |  |  |  |  |  |  |  |

Table 10: Major Projects Canberra: Cash Flow Statement

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **2020-21 Budget**  **$'000** |  | **2020-21 Audited Outcome $'000** | **2021-22 Budget**  **$'000** | **Var** **%** | **2022-23 Estimate**  **$'000** | **2023-24 Estimate**  **$'000** | **2024-25 Estimate**  **$'000** |
|  |  |  |  |  |  |  |  |
|  | **CASH FLOWS FROM OPERATING ACTIVITIES** |
|  | **Receipts** |  |  |  |  |  |  |
| 7 650 | Controlled Recurrent  Payments | 7 147 | 26 089 | 265  | 34 204 | 25 574 | 25 808 |
| 19 904 | Sale of Goods and Services  from Contracts with  Customers | 20 618 | 18 485 | -10  | 1 957 | 1 649 | 1 454 |
| 12 166 | Other | 10 227 | 7 243 | -29  | 10 772 | 11 598 | 11 599 |
| **39 720** | **Operating Receipts** | **37 992** | **51 817** | **36**  | **46 933** | **38 821** | **38 861** |
|  |  |  |  |  |  |  |  |
|  | **Payments** |  |  |  |  |  |  |
| 14 219 | Employee | 19 322 | 20 035 | 4  | 17 237 | 16 928 | 17 160 |
| 2 673 | Superannuation | 3 541 | 3 083 | -13  | 2 797 | 2 782 | 2 819 |
| 22 641 | Supplies and Services | 7 910 | 21 145 | 167  | 15 843 | 7 222 | 6 993 |
| 12 158 | Other | 10 921 | 7 223 | -34  | 10 719 | 11 545 | 11 545 |
| **51 691** | **Operating Payments** | **41 694** | **51 486** | **23**  | **46 596** | **38 477** | **38 517** |
|  |  |  |  |  |  |  |  |
| **-11 971** | **NET CASH**  **INFLOW/(OUTFLOW) FROM** **OPERATING ACTIVITIES** | **-3 702** | **331** | **109**  | **337** | **344** | **344** |
|  | **CASH FLOWS FROM INVESTING ACTIVITIES** |
|  | **Payments** |  |  |  |  |  |  |
| 92 796 | Purchase of Property, Plant  and Equipment | 107 488 | 150 851 | 40  | 334 794 | 328 443 | 43 404 |
| 368 | Purchase of Land and  Intangibles | 0 | 0 | -  | 0 | 0 | 0 |
| **93 164** | **Investing Payments** | **107 488** | **150 851** | **40**  | **334 794** | **328 443** | **43 404** |
|  |  |  |  |  |  |  |  |
| **-93 164** | **NET CASH (OUTFLOW) FROM**  **INVESTING ACTIVITIES** | **-107 488** | **-150 851** | **-40**  | **-334 794** | **-328 443** | **-43 404** |
|  |  |  |  |  |  |  |  |

Table 10: Major Projects Canberra: Cash Flow Statement (continued)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **2020-21 Budget**  **$'000** |  | **2020-21 Audited Outcome $'000** | **2021-22 Budget**  **$'000** | **Var** **%** | **2022-23 Estimate**  **$'000** | **2023-24 Estimate**  **$'000** | **2024-25 Estimate**  **$'000** |
|  | **CASH FLOWS FROM FINANCING ACTIVITIES** |
|  | **Receipts** |  |  |  |  |  |  |
| 92 796 | Capital Injections | 100 409 | 159 817 | 59  | 334 794 | 328 443 | 43 404 |
| **92 796** | **Financing Receipts** | **100 409** | **159 817** | **59**  | **334 794** | **328 443** | **43 404** |
|  |  |  |  |  |  |  |  |
|  | **Payments** |  |  |  |  |  |  |
| 0 | Distributions to Government | 2 700 | 0 | -100  | 0 | 0 | 0 |
| 0 | Repayment of Borrowings | 13 | 79 | 508  | 79 | 79 | 79 |
| 0 | Repayment of Lease  Liabilities - Principal | 35 | 0 | -100  | 0 | 0 | 0 |
| **0** | **Financing Payments** | **2 748** | **79** | **-97**  | **79** | **79** | **79** |
|  |  |  |  |  |  |  |  |
| **92 796** | **NET CASH INFLOW FROM**  **FINANCING ACTIVITIES** | **97 661** | **159 738** | **64**  | **334 715** | **328 364** | **43 325** |
|  |  |  |  |  |  |  |  |
| **-12 339** | **NET INCREASE/(DECREASE)**  **IN CASH AND CASH**  **EQUIVALENTS** | **-13 529** | **9 218** | **168**  | **258** | **265** | **265** |
|  |  |  |  |  |  |  |  |
| **7 434** | **CASH AT THE BEGINNING OF**  **REPORTING PERIOD** | **7 434** | **-6 095** | **-182**  | **3 123** | **3 381** | **3 646** |
|  |  |  |  |  |  |  |  |
| **-4 905** | **CASH AT THE END OF**  **REPORTING PERIOD** | **-6 095** | **3 123** | **151**  | **3 381** | **3 646** | **3 911** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

### Notes to the Controlled Budget Statements

Significant variations between the 2020-21 interim outcome and the 2021-22 Budget are as follows:

***Operating Statement***

* controlled recurrent payments: the increase of $18.942 million in the 2021-22 Budget from the 2020-21 interim outcome is mainly due to new initiatives funded in 2021-22 as summarised in Table 4: Changes to appropriation – Controlled Recurrent Payments.
* sale of goods and services from contracts with customers:
* the decrease of $1.238 million in the 2020-21 interim outcome from the original budget is mainly due to a reduced capital works management levy revenue recognised in 2020-21 due to reprofiling of associated capital projects for delivery in future years; and
* the decrease of $2.196 million in the 2021-22 Budget from the 2020-21 interim outcome is mainly due to appropriation received as controlled recurrent payment related to the provision of procurement and management activities related to the delivery of Better Infrastructure Fund projects which was previously charged on a fee for service basis to other ACT Government agencies.
* gains: the $1.095 million gains recognised in the 2020-21 interim outcome is due to a contribution from ACT Property Group for the Callam Offices fit-out and the derecognition of a make good provision upon vacating offices at Nature Conservation House. These were one-off transactions which were not expected at the time of budget.
* employee expenses: the increase of $6.501 million in the 2020-21 interim outcome from the original budget is mainly due to capital funded employee expenses which did not satisfy accounting criteria for capitalisation.
* supplies and services:
* the decrease of $4.618 million in the 2020-21 interim outcome from the original budget is mainly due to the use of employees for designated project works which were budgeted as contractors and consultants expense; and
* the increase of $13.329 million in the 2021-22 Budget from the 2020-21 interim outcome is mainly due to expenses related to the initiatives including the Cladding Rectification programs ($5.404 million) and Building Light Rail to Woden and Raising London Circuit ($7.034 million).

#### Balance Sheet

* cash and cash equivalents: the decrease of $1.210 million in the 2020-21 interim outcome from the original budget is due to variations in the timing of receivables between budget and actual.
* intangible assets: the decrease of $1.302 million in the 2021-22 Budget from the 2020‑21 interim outcome is due to additional depreciation to be recognised on the Project Management and Reporting System in 2021-22.
* capital works in progress:
* the decrease of $28.359 million in the 2020-21 interim outcome from the original budget is mainly due to the transfer of completed components on the Canberra Hospital Expansion to Canberra Health Services and final completion of Light Rail Stage 1 to Transport Canberra Operations which were not included in the budget; and
* the increase of $138.852 million in the 2021-22 Budget from the 2020-21 interim outcome is due to ongoing works related to designated major projects.
* payables: the increase of $9.736 million in the 2020‑21 interim outcome from the original budget is due to accrued June 2021 capital expenses for activities on capital projects which was not reflected in the budget.
* employee benefits: the increase of $1.492 million in the 2020‑21 interim outcome from the original budget is due to increases to full time equivalent staff employed on the designated projects as their activities increase and the recognition of their associated leave balances.
* contract liabilities: the increase of $2.152 million in the 2020-21 interim outcome from the original budget is due to a greater reprofiling of the whole of Government capital works program resulting in higher recognition of management levy revenue received in advance than anticipated in the budget.

#### Statement of Changes in Equity

* capital injections:
* the increase of $7.613 million in the 2020-21 interim outcome from the original budget is due to a capital works advance provided under a *Financial Management Act 1996* Section 18E Instrument related to accelerated work on the Canberra Hospital Expansion project; and
* the increase of $59.408 million in the 2021-22 Budget from the 2020-21 interim outcome is due to a larger capital works program which is summarised in Table 5: Change to appropriation – Capital Injections, Controlled.
* capital works in progress transferred to other ACT Government entities:
* the increase of $45.043 million in the 2020-21 interim outcome from the original budget is due to the transfer of final Light Rail Stage 1 Gungahlin to City capital works in progress balance to Transport Canberra Operations ($10.710 million) and the transfer of completed works at multiple buildings of the Canberra Hospital to Canberra Health Services ($34.333 million); and
* the decrease of $33.043 million in the 2021-22 Budget from the 2020-21 interim outcome is due to the completed transfers in 2020-21 mentioned above ($45.043 million) being offset by the anticipated transfer of Mitchell Light Rail Stop to Transport Canberra Operations in 2021-22.

#### Cash Flow Statement

Variations in the Statement are explained in the notes above.