

7.3 THE TERRITORY'S INFRASTRUCTURE

The Territory's Asset Base

The majority of the Territory's physical assets consist of public housing, stormwater infrastructure, roads, community and heritage assets and schools, as well as the land on which they are situated.

Table 7.3.1 below shows the Territory's physical asset base split between the General Government Sector and the Public Trading Enterprise Sector. The total value of physical assets, net of depreciation, is estimated to increase during 2011-12 to \$18.6 billion by June 2012. Factoring in the combination of existing and new capital works projects reaching completion, coupled with asset revaluations, it is expected that the value of the Territory's total physical assets will increase further to \$19.7 billion by June 2013.

Table 7.3.1
Total Territory Physical Assets: Value by Sector

As at 30 June	2008 Actual \$m	2009 Actual \$m	2010 Actual \$m	2011 Actual \$m	2012 Estimate \$m	2013 Budget \$m
General Government Sector	8,076	10,795	11,496	12,305	12,743	13,145
Public Trading Enterprise Sector	5,041	5,119	5,526	5,735	5,899	6,519
Total Territory	13,117	15,914	17,022	18,040	18,642	19,665

Figure 7.3.1 below shows that as at 30 June 2011, the majority of the Territory's assets were classed as Infrastructure Assets (41.2 per cent), Land (23.2 per cent) and Buildings (22.8 per cent).

Figure 7.3.1
Total Territory Physical Assets:
Distribution by Category as at 30 June 2011

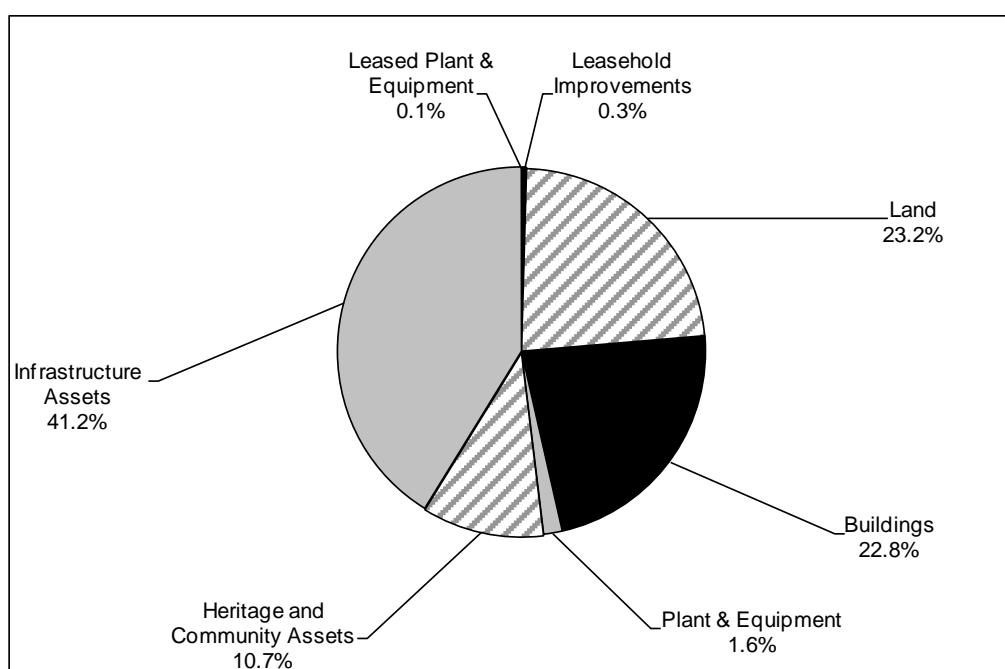


Figure 7.3.2 below shows that as at 30 June 2011, the Territory and Municipal Services Directorate was the owner of 46.7 per cent of the Territory’s physical assets. Housing ACT had responsibility for 23.8 per cent, the Education and Training Directorate held 10.3 per cent and ACTEW Corporation held 7.1 per cent.

Figure 7.3.2
Total Territory Physical Assets:
Distribution by Agency as at 30 June 2011

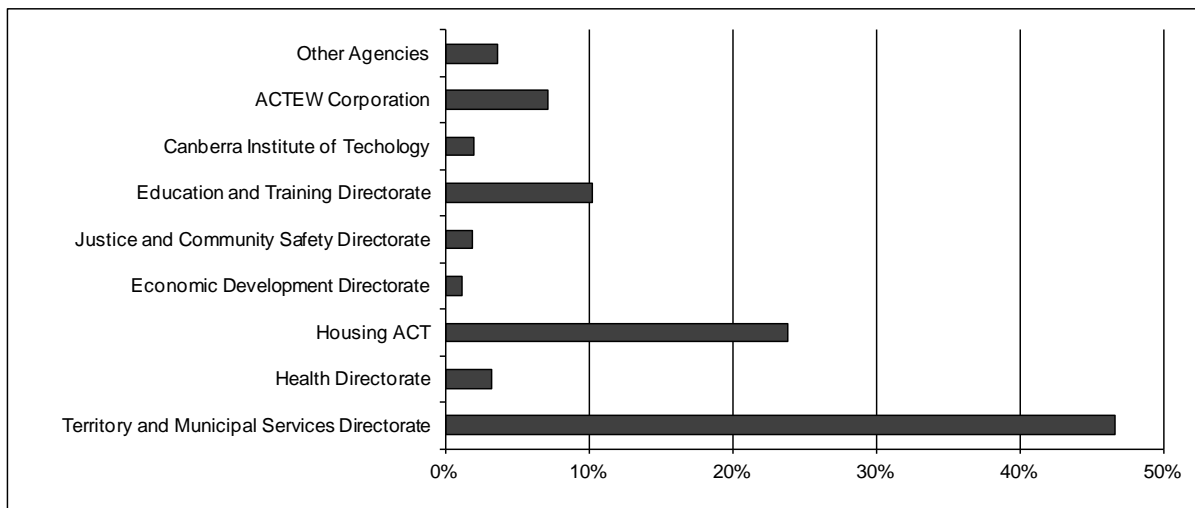
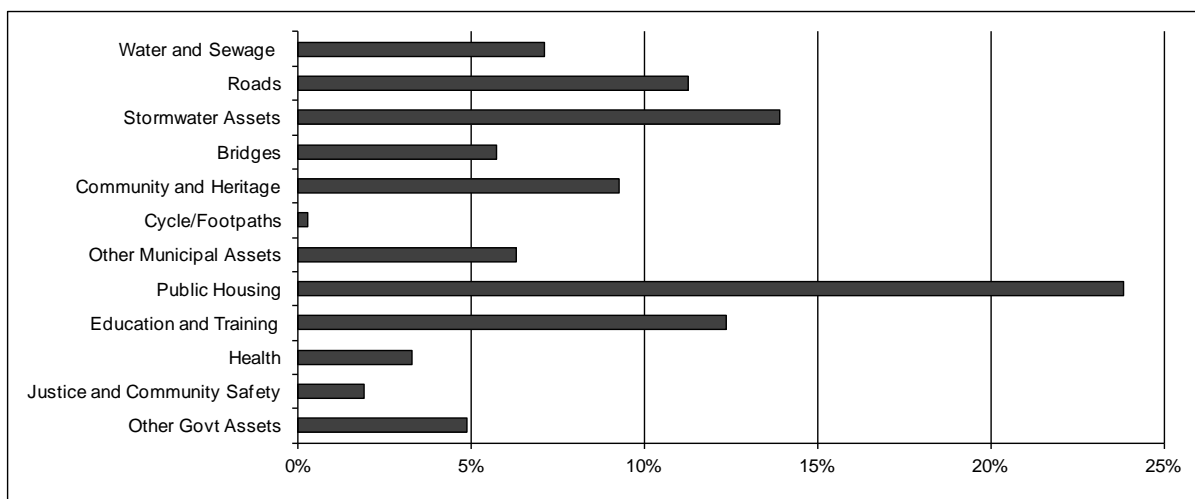


Figure 7.3.3 below highlights that the majority of the Territory’s assets relate to the provision of public housing, followed by an array of infrastructure that support the delivery of municipal services to the community.

Figure 7.3.3
Total Territory Physical Assets:
Distribution by Asset Type as at 30 June 2011



Capital Expenditure Trend

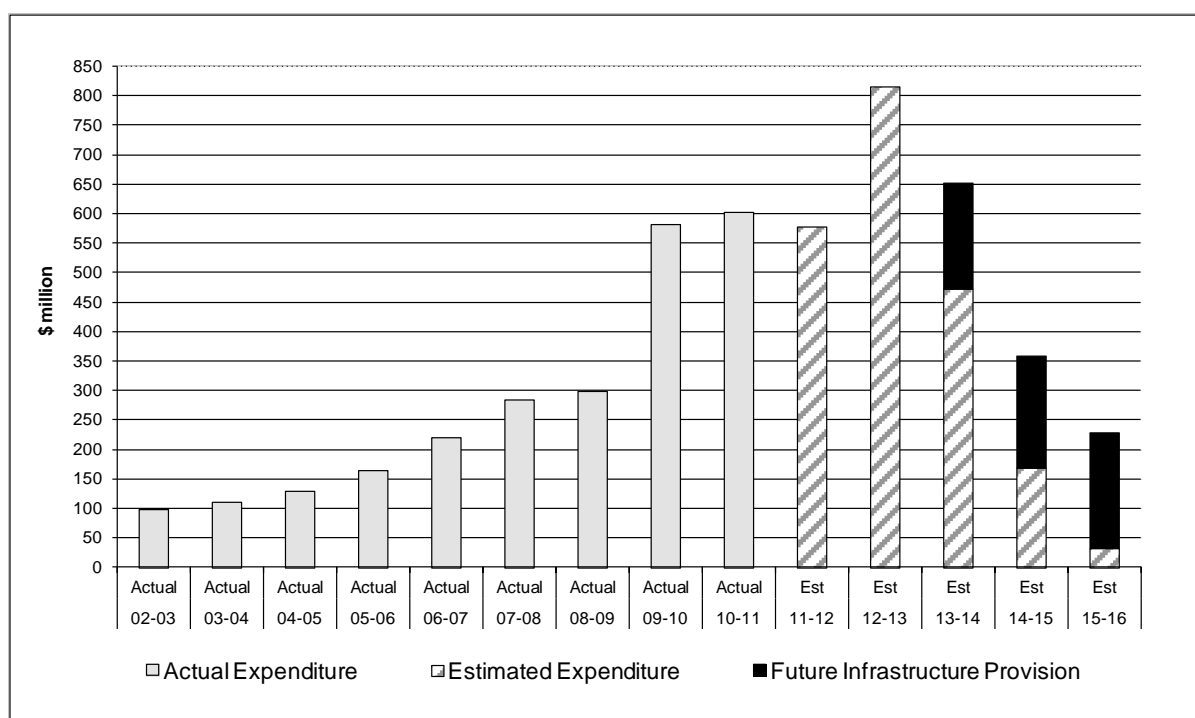
The Territory's annual capital works expenditure for 2011-12 is estimated at \$577.294 million. This represents a forecast that is broadly in line with the previous two financial years.

**Table 7.3.2
Capital Works Expenditure Summary**

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	Actual	Actual	Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total	282,728	296,472	580,461	601,655	577,294	813,720	650,099	358,082	226,359

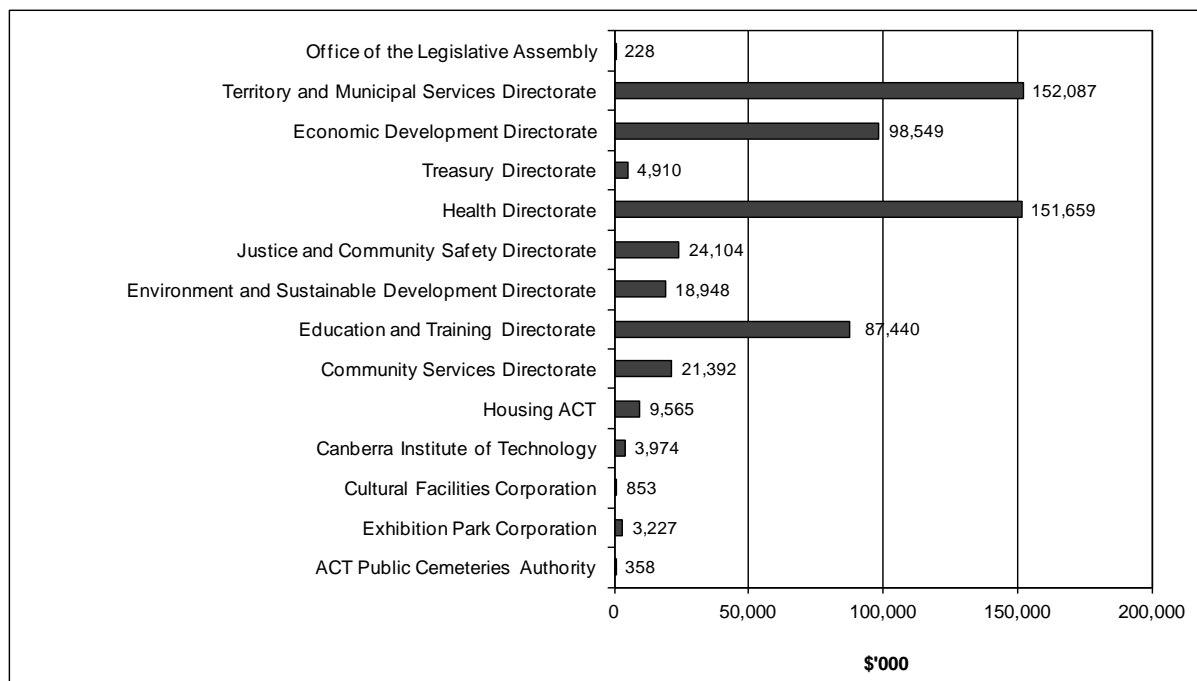
Figure 7.3.4 below highlights that annual expenditure on capital works has been steadily increasing over time, with major injections made in recent Budgets. A New Works Program of \$356.142 million over four years has been announced as part of the 2012-13 Budget.

**Figure 7.3.4
Capital Works Expenditure Program:
2002-03 to 2015-16**



Health and the Territory and Municipal Services Directorates had the largest spend (both \$152 million). These were followed by the Economic Development Directorate (\$99 million), the Education and Training Directorate (\$87.4 million) and the Justice and Community Safety Directorate (\$24.1 million). Figure 7.3.5 below shows estimated capital works expenditure for 2011-12 by agency.

**Figure 7.3.5
Estimated Capital Expenditure by Agency in 2011-12**



Repairs and Maintenance

Ensuring that appropriate Repairs and Maintenance are carried out on the Territory's existing assets is important to sustain the Territory's physical asset base into the future.

Maintenance expenditure identified in Table 7.3.3 below does not include 'maintenance-related' works which are classified as capital in nature. For example, a portion of agencies' annual Capital Upgrade funding (budgeted at \$47.9 million in 2012-13) is also utilised for sustaining the Territory's asset base.

**Table 7.3.3
Repairs and Maintenance**

2005-06 Actual \$'000	2006-07 Actual \$'000	2007-08 Actual \$'000	2008-09 Actual \$'000	2009-10 Actual \$'000	2010-11 ¹ Actual \$'000
83,972	109,552	121,373	136,667	161,073	147,554

Note:

1. The variance between the 2009-10 and 2010-11 actual spend is due to an overstatement of the 2009-10 actual repairs and maintenance spend (\$9.442 million) and the increased level of activity that resulted from the December 2010 flood damage.