

Request for Costing an Election Commitment

Name of policy proposal:	Gungahlin to City Infrastructure Plan (21 September 2016)
Person requesting costing:	Alistair Coe MLA, Shadow Treasurer
Date of request:	10 October 2016
Summary of proposal:	The Canberra Liberals will invest \$58 million to deliver a rapid transit corridor and additional road capacity from Gungahlin to the City.
Issue the proposal will address:	To ease traffic congestion and reduce travel times.

What are the key assumptions that have been made in the proposal?

Note: The costing will developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

Costs are for:

- A dedicated southbound bus lane from Harrison all the way to the City;
- A dedicated northbound bus lane from Barry Drive to Antill Street and an additional traffic lane then on to the Barton Highway;
- North/south cycle paths in the median strip for 12 km between Gungahlin and the City; and
- Duplication of the single lane stretches of Flemington Road.

Costing assumptions are as follows:

- Construction of additional road lanes (car and bus) is estimated at \$550/m² with a total of 13.3 km's required.
- Construction of bike lanes has been estimated at \$125/m² with a total of 12km's required.
- Provisions for bus bays (\$1 million) and intersection work (\$7 million) has been provided for.
- Contingencies of \$20 million has been provisioned.
- \$3 million for design (capitalised) has also been provided for, however funding for a feasibility has not been included as studies into a rapid transport corridor down Northbourne have been conducted numerous times over.
- A significant amount of preliminary work for the corridor has already been undertaken in the preparation for light rail (i.e. utility studies).

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

	2016-17	2017-18	2018-19	2019-20	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue^(a)					
Expenses^(a)	-75	-763	-1,450	-1,450	-3,738
Capital	-3,000	-27,500	-27,500	0	-58,000
Depreciation	0	0	0	-1,100	-1,100

(a) A negative number indicates a decrease in revenue or an increase in expenses. The expenses row does not include depreciation costs.

Has any specific information or data been utilised in generating the proposal?

No.

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

n/a

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements (for example, does an education proposal add to or redirect NERA funding)?

Third parties will be engaged to undertake construction.

Will funding/the cost require indexation?

No.

Who will administer the proposal?

The Transport Canberra and City Services Directorate.

How will the proposal be administered?

The Transport Canberra and City Services Directorate will be responsible for engaging contractors to undertake design work in early 2017 with construction to commence 2017-18. However, given preliminary works for light rail has already commenced, construction on the new rapid corridor may begin at an earlier date when the design is completed.

Is the proposal part of a broader package?

No.

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

- If no, will the government agency be expected to absorb expenses associated with this proposal?
- If yes, please specify the key assumptions.

No. Management of large infrastructure projects is considered business as usual. Implementation by TCCSD will be met from within existing resources.

Will the proposal generate savings or offsets?

No.

Has the proposal been previously costed by an external (third) party? Will a copy of this material, including any assumptions, be made available to Treasury?

Estimated construction costs have been provided by a private sector construction firm.

What are the community impacts associated with the proposal? Who and how many people will be affected?

Community impacts are expected to be positive once the rapid transit corridor is built.

Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?

No.

What is the intended implementation date of the proposal?

Design work will be undertaken in early 2017 with construction due to start 2017-18.

When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc?

Construction is expected to be complete within two years.

Will the proposal cease, and if so, when?

2018-19.

Is there any additional information relevant to this proposal?

No.