



ACT
Government

Environment and
Sustainable Development

Mr Brendan Smyth MLA
Chair
Select Committee on Estimates 2011-12
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601



Dear Mr Smyth

**Environment and Sustainable Development Budget Estimates Hearing,
Wednesday 25 May 2011**

I refer to the Environment and Sustainable Development Directorate Budget Estimate hearing on Wednesday 25 May 2011. During the course of that hearing one of my Executives offered comments in support of the Minister's explanation of some of the reasons for cost increases associated with the construction of the Inner North Reticulation System. These comments were subsequently reported in the Canberra Times of the next day and could be construed as meaning that the example quoted (that of end user requirements by Sport and Recreation within the Department of Territory and Municipal Services) was the sole reason for the need for additional funding for this project.

Should that impression also be held by the Committee, I wish to clarify those comments. The increased costs associated with the project stemmed from both technical engineering issues relating to design and geography and end user requirements, of which Sport and Recreation is one. A significant contingency allowance was also included within the Budget initiative. I apologise if the Directorate's comments were not clear in this regard.

Yours sincerely

David Papps
Director-General
Environment and Sustainable Development Directorate

27 May 2011