



Standing Committee on Education and Community Inclusion

Inquiry into Annual and Financial Reports 2020-2021 **ANSWER TO QUESTION TAKEN ON NOTICE** **28 February 2022**

Asked by Nicole Lawder MLA on 28 February 2022: Duncan Edghill took on notice the following question(s):

[Ref: Hansard Proof Transcript 28 February 2022 [PAGE 84]]

In relation to: CIT Woden Project Funding – discrepancy between Budget Papers and Annual Report

MS LAWDER: Thank you, Chair. I just wanted to go back a little to the CIT project bus interchange, the budget in 2022 showed an increase of \$40 million for the combined project, and the revised project value is at \$240,000-\$300,000. 240, 300, thousand. What is the discrepancy between those two figures, between the budget project and the annual—budget papers and the annual report, this is on page 119 of the annual report.

Mr Steel: I will hand over to Mr Edghill from MPC to talk about that. Obviously, the final costs of the project are being negotiated right now so I do not have the actual project costs until that has been signed off. But there is certainly the forecast in the budget, Mr Edghill can talk to.

Mr Edghill: Thank you, Ms Lawder. So I have just turned to page 119, I ask again—sorry, the figure that you are referring to.

MS LAWDER: Sorry, you dropped out a bit on me there. The final project value, I think according to page 119 of the annual report, was 240—

Mr Steel: Which annual report, Ms Lawder, are you talking about MPC or CMTEDD?

MS LAWDER: Major Projects.

Mr Edghill: Yes, sorry, the 240 to 300?

MS LAWDER: Yes.

Mr Edghill: Yes. And my apologies, can you repeat the question please?

MS LAWDER: So in the budget papers it says an increase of \$40 million for the combined CIT project plus interchange, that was in the budget page 342 and I just wonder what is the difference between those two figures, why the discrepancy?

Mr Edghill: Could I, and sorry, we just do not have the budget papers open in front of us, is it possible to take that on notice please? I am just wondering whether it may be a matter of what falls into the outyear, beyond the forward estimates, I suspect that is the answer. But if we may—

MS LAWDER: Sure. And I guess, what I am looking for is, you know, when and why did we decide to leave the extra \$40 million allocated, is it a cost flow out of some sort, where did this come from? That is the kind of information I am looking for.

Chris Steel MLA: The answer to the Member's question is as follows:—

The revised project value included on page 119 of the 2020-21 Major Projects Canberra Annual Report represented the Capital Budget appropriation recognised in the 2020-21 Budget for Major Projects Canberra for this project, as detailed on page 85 of the August 2020 Economic and Fiscal Update. This profile did not include project costs in 2024-25 as this was beyond the forward estimates reported at the time. However these costs were identified in the associated notes.

Additional funding of \$12 million for the construction of a Light Rail stop in Woden was included in this project in the 2021-22 budget. This funding was previously identified as part of the Light Rail Stage 2 budget and was transferred for delivery with the CIT Woden and Bus Interchange Project.

With the exception of the above mentioned technical adjustments, there have been no further changes to the budgeted project costs, other than reprofiling changes.

The table below provides a reconciliation of the funding movements for this project between the two reported values.

	2020-21	2021-22	2022-23	2023-24	2024-25	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
August 2020 Economic and Fiscal Update - Capital pg 85	15300	49000	84000	92000	0	240300
August 2020 Economic and Fiscal Update - Expenses pg 85	900	1000	1000	1000	0	3900
<i>Outyear funding not recognised in 2021-22 forward estimates - Capital **</i>	0	0	0	0	35200	35200
<i>Outyear funding not recognised in 2021-22 forward estimates - Expenses **</i>	0	0	0	0	500	500
Reprofiling	-5484	-11000	-2690	24688	-5514	0
Woden Light Rail Stop	0	1000	11000	0	0	12000
2021-22 Budget Outlook Page 342*	10716	40000	93310	117688	30186	281184
* 2020-21 Appropriation not included in the 2021-22 Budget Outlook						
** 2024-25 Appropriation is not included in the 2020-21 forward estimates						

Approved for circulation to the Standing Committee on Education and Community Inclusion

Signature:



Date: 15/3/22

By the Minister for Skills, Chris Steel MLA