



Inquiry into Appropriation Bill 2026–2027 and Appropriation (Office of the Legislative Assembly) Bill 2026–2027

Answer to question on notice

Asked by: Mr Thomas Emerson MLA

Addressed to: Chief Minister

Redirected to: City and Government Services

Reference: City Services – City and Government Services

Hearing: 27 July 2026

In relation to: Road Duplications

Question received: 04 August 2026

Answer Due: 11 August 2026

- 1) How many road duplication contracts awarded in the last five financial years ended up costing more than they were originally budgeted for, whether through contract variations or otherwise?
- 2) Please list (a) the projects, (b) how much they went over budget by, (c) how many contract variations each project had, and (d) the reasons for each contract variation.

Tara Cheyne MLA: The answer to the Member's question is as follows:

- 1) One road duplication project had a contract awarded in the last five financial years that cost more than the original budget, being Gundaroo Drive Stage 3 – Package B. It is noted, the Molonglo River Bridge and Wiliam Hovell Drive Duplication projects were awarded in the last five financial years. As these projects are currently in construction and not yet completed, the ACT Government is unable to comment on whether they cost more than originally budgeted for until the works are complete.
- 2) **Gundaroo Drive Duplication**
 - a) Under this project, the construction contract for Gundaroo Drive Stage 3 – Package B was awarded in the last five financial years (awarded 10 December 2021). [Contract - 30307-NCT-003](#)
 - b) Costs above original Gundaroo Drive duplication project budget - \$8.65 million
 - I. Original Project Budget - \$54.5 million (including Owen Dixon Drive signalisation)
 - II. Final Budget – \$63.15 million

The budget included packages of work awarded prior to last five financial years.

The value of the contract awarded (Gundaroo Drive Stage 3 – Package B) in the last five years under this budget:

- I. Original contract amount \$22,847,429.65
- II. Current contract amount \$28,637,509.94

The increase in costs associated with the project largely relate to the increased scope due to the discovery of significant latent site conditions including unexpected subsurface conditions requiring methodology changes and extension of time in the delivery of the project due to the latent conditions and the higher than average rainfall experienced during delivery.

- c) There are 57 approved variations under the Gundaroo Drive Stage 3 – Package B construction contract. Accordingly, the revised current contract value represents the original contract value as amended by approved variations.
- d) Variations related to the Stage 3 – package B construction contract are outlined below and are typical of a contract for a civil project where risk allocation for these matters remains with the Territory. Importantly the substantial extent of weather-related impacts and unforeseen latent conditions exceeded forecasts.

Variations awarded can be broadly defined under the following categories:

- I. Significant Wet Weather delays of more than 180 days over the contract period, and its consequential impacts on ground conditions and pavement design required redesign and development and amended work methodologies.
- II. Removal and replacement of unsuitable material.
- III. Removal and Treatment of Asbestos.
- IV. Challenges with working within the creek impacted by significant flooding because of rainfall events.
- V. Consequential delays that result from the above events and co-ordinating concurrent processes and activities.
- VI. Utility Services providers costs for the relocation, protection and management of utilities during construction.
- VII. Rise and Fall of Asphalt, material escalation costs.
- VIII. Minor amendments to signs, stormwater and other road related infrastructure.

Approved for circulation to the Select Committee on Estimates 2026–2027

Signature:



Date:

12/8/26

By the Minister for City and Government Services, Tara Cheyne MLA