

ADELAIDE HILLS COUNCIL  
ORDINARY COUNCIL MEETING  
Tuesday 27 February 2024  
CONFIDENTIAL AGENDA BUSINESS ITEM

Item:	19.2
Responsible Officer:	David Collins Manager Strategic Assets Environment and Infrastructure
Subject:	Amy Gillett Bikeway Stage 4 – Prudential Review and Construction Funding
For:	Decision

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1. Amy Gillett Bikeway Stage 4 – Prudential Review and Construction Funding – Exclusion of the Public

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

- Chief Executive Officer, Greg Georgopoulos
- Director Environment & Infrastructure, David Waters
- Acting Director Corporate Services, Gary Lewis
- Director Community & Development, Natalie Armstrong
- Governance Support, Zoe Gill
- Minute Secretary, Rebekah Lyons
- IT Support, Tom Portas
- Manager Strategic Assets, David Collins

be excluded from attendance at the meeting for Agenda Item 19.2: (Amy Gillett Bikeway Stage 4 – Prudential Review and Construction Funding) in confidence.

The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

- (j) Section 90(3)(j) of the *Local Government Act 1999*, the information to be received, discussed, or considered in relation to this Agenda Item is information the disclosure of which –
- (i) would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and
  - (ii) would, on balance, be contrary to the public interest.

Accordingly, on this basis the principle that meetings of the Committee should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

## **2. Amy Gillett Bikeway Stage 4 – Prudential Review and Construction Funding – Confidential Item**

### **SUMMARY**

The purpose of this report is to present a Prudential Review Report for design and construction of the Amy Gillett Bikeway, Stage 4 by Council, and to seek a decision on whether or not the Council wishes to proceed with the State Government’s proposal for same.

The project is unique and given the history and nature of the project there are unique risks that Council must consider with Stage 4 of the Amy Gillett Bikeway. The initial investigation and design work has been completed by the State Government and Council is considering taking over the project to complete the design, seeking final approvals and undertaking the construction within the available funding of \$5.7M.

The Section 48 Prudential Report: Amy Gillett Pathway Stage Four (the Prudential Report) and attached in **Appendix 1**, identifies a number of risks associated with Council completing the design and undertaking the construction of Amy Gillett Bikeway Stage 4 from Mount Torrens to Birdwood. Most significantly is the variance in cost estimates undertaken by the Department for Infrastructure and Transport and the Council.

In particular, the risk relates to the Council’s ability to deliver the project within the \$5.7M.

A copy of the draft Deed from the State Government that will formalise the funding from the State Government, should Council wish to proceed with the proposal, is contained in **Appendix 2**.

There are a number of other works that will be required to be able to gain greater certainty regarding the final construction costs. This will involve the final design work, a procurement process for early contractor involvement in that design and a final determination of the vegetation clearance and associated offsets works and/or payments. It will be potentially at least 3 months to complete these tasks and increase the level of certainty regarding final costs. Those tasks themselves will require investment of project funds.

The Federal Government is currently still assessing a variation request from Council. This variation request (**Appendix 3**) was lodged in early November 2023 and indications are that a final decision will not be made by the delegate until towards the end of February.

The variation, if approved, will require Council to have achieved final cost design and cost estimate, native vegetation clearance and 10 percent of construction completed by May 2024.

To ensure that the project can be commenced in line with the current Federal Government project delivery timelines and to provide certainty to the funding partner it is considered that Council should commit to the construction with the current known risks as identified in the Prudential Report.

### **RECOMMENDATION**

#### **Council resolves:**

- 1. That the report Amy Gillett Bikeway Stage 4 – Prudential Review and Construction Funding Report be received and noted.**

2. That the resolution of the Council’s Audit Committee, having considered the matter at its meeting held on 12 February 2024, be noted.
  3. That Council, having considered the Prudential Review and the Audit Committee’s advice, determine that:
    - a. The Council accept the State Government’s proposal that:
      - i. the Council complete the further design and construction of the Amy Gillett Bikeway Stage 4 Mount Torrens to Birdwood
      - ii. the Council accept the funding offer of \$2.6M from the State Government
      - iii. the Council accept responsibility for ongoing maintenance and operation of the Amy Gillett Bikeway Stage 4 Mount Torrens to Birdwood
      - iv. the State Government remains the owner of the land on which the bikeway is constructed and is the owner of the bikeway asset once constructed
  4. That Council reaffirms the allocation of \$500,000 of Council funds to the project and note that it will be necessary to expend those funds in line with a project implementation plan, to be determined, over the next two years.
  5. That Council notes the total committed funding for the project is \$5.7M, comprising \$2.6M from the Federal Government, \$2.6M from the State Government and the Council’s own funding commitment of \$500,000.
  6. That Council acknowledges that it will be responsible for providing or sourcing funding for any project costs in excess of the committed funding of \$5.7M.
  7. That Council note that the Council Administration’s current project cost estimate is \$5.96m, inclusive of \$1.2M contingency.
  8. That Council endorses a nominal additional contingency amount of \$260,000 to be made available, should it be necessary, to complete the works where other funding sources cannot be secured. This ensures total available funding is \$5.96M.
  9. That the Council authorises the Chief Executive Officer, for and on behalf of the Council, to negotiate and enter into a funding deed with the State Government with the following provisions:
    - a. The ability for all parties to withdraw from the project and the agreement should it become apparent that the total project cost will exceed available, and any additional, secured funding.
    - b. The ability for the Council to make reasonable changes to the scope of the project which do not affect the fundamental outcome of extending the pathway to Birdwood.
  10. That the Chief Executive Officer and Mayor are authorised, if necessary, to affix the seal of the Adelaide Hills Council to the respective funding deed.
  11. That reasonable changes may be made to the scope of the project as it progresses, to contain costs to deliver the project to the available funding, which do not affect the fundamental outcome of extending the pathway to Birdwood.
  12. That the necessary funding be made available from Council’s \$500,000 allocation to progress preconstruction activities, including but not limited to, final planning and design, cost consultant engagement, tender specification development and continuation of the native vegetation assessment and clearance application, such that the project can progress and meet the funding partner timelines of 30 June 2025 for construction completion.
  13. That engagement of consultants/ contractors via the LGA Procurement Panel Contract is approved to expediate progressing of the design and early construction works.
  14. That the Chief Executive Officer take all reasonable steps to expedite commencement and delivery of on-ground works to ensure funding partner milestone targets are met.
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## 1. BACKGROUND

Following strong advocacy from the Council and the Member for Mayo, Rebekha Sharkie MP, in October 2020, the Federal Government announced funding of \$2.6M towards Stage 4 of the Amy Gillett Bikeway. The funding was allocated by the previous Federal Government under the now discontinued Community Development Grants Program. The funding is confirmed in a funding agreement between the Federal Government and the Adelaide Hills Council, albeit the Council's intention was to transfer the funding to the State Government to deliver the project.

At the time, this level of funding was considered sufficient to substantially fund the construction of Stage 4 based on typical 'per km' costs of previous stages. Notwithstanding the Federal Government's funding commitment, the State Government did not prioritise the project from either a funding or project delivery perspective and, as a consequence, the project did not proceed.

The State Government did, however, progress preliminary design work for Stage 4, along with revised cost estimates.

As Council Members will be aware, the last 3 – 4 years have seen substantial increases in the cost of construction works. New cost estimates for Stage 4 by the State Government ranged from \$7.9M - \$11.7M, clearly reflecting a shortfall in funding.

Council has continued to advocate for the State Government to prioritise the construction of Stage 4, however successive State budgets have failed to allocate funding to this end.

Although the current Federal Government has honoured the \$2.6M funding commitment, Council has received regular reminders about the need to meet milestone targets contained in the funding agreement and, ultimately, to expend the funds by December 2025.

Over the last year, a series of meetings have been held involving the Mayor, senior Council staff, the Minister for Infrastructure and Transport and senior DIT staff in attempt to bring the matter to a head. The Minister had indicated strong support for constructing Stage 4 of the bikeway and instructed DIT staff to work with Council to look at ways of reducing the potential cost of the project.

Further investigation and consideration by DIT suggested that a scope option for an unsealed path/trail could be achievable, however the cost estimate was still \$7.9M. This was the proposal that was ultimately submitted to the Federal Government and a Deed of Agreement for the federal funding was executed (between Council and the Federal Government) in April 2023. This agreement was contingent on a commitment from the State Government of \$4.8M by October 2023.

As part of the Country Cabinet visit to the Adelaide Hills in late August 2023, the Minister announced a State Government commitment of \$2.6M to the project and requested the Council consider making an equivalent commitment to bring the total project funding to \$7.8M, i.e. \$2.6M from each tier of government.

At a Special Meeting on 4 September 2023, Council considered the State Government's offer and resolved as follows:

**6.1.1 Amy Gillett Bikeway Stage 4 – Alternate Offer to State Government – Confidential Item**

**Moved Cr Malcolm Herrmann  
S/- Cr Melanie Selwood**

232/23

**Council resolves:**

- 1. That the report be received and noted**
- 2. That the Council makes the following counteroffer to the State Government**
  - a. Council maintains its commitment to provide up to \$500,000 toward the cost of Stage 4 of the Amy Gillett Bikeway (Mt Torrens to Birdwood), Council will contribute \$125,000 per annum for a total of 4 years to the State Government for the completion of Stage 4.**
  - b. Council undertake sweeping, slashing, vegetation, tree management and weed spraying operations of the full length of Amy Gillett (Stages 1 - 4) for the 30 year lifecycle of those assets, at an operational cost of \$100,000 to \$160,000 per annum to Council. That, subject to all the necessary approvals being obtain, Council undertakes responsibility for maintenance of Stages 1-3 (Oakbank to Mount Torrens) from 1 July 2024 and Stage 4 (Mount Torrens to Birdwood) from 1 July in the year following its completion.**
  - c. That the State Government continues to maintain the hard physical assets of the full length of Amy Gillett (Stages 1 - 4) for the lifecycle of those assets.**
  - d. That the State Government completes the design collaboratively with Council to look at practical options and solutions to minimise final costs and maximise the scope of the project outcomes.**
  - e. That the State Government commits \$4.8M funding towards the completion of the project to ensure that the \$2.6M Federal Government Deed of Agreement obligations are met.**
  - f. The State Government undertakes the construction of Stage 4 such that it will meet the project scope obligations as identified in the Deed of Agreement between Council and the Commonwealth Department of Infrastructure, Transport, Regional Development, Communications and the Arts.**
  - g. That the State Government commits to any additional costs above the total project costs of \$7.9M as identified in the Deed of Agreement between Council and the Federal Government.**

3. That the Council authorise the Chief Executive Officer to present the alternate offer and enter into the necessary agreements with the State Government to ensure that Stage 4 of Amy Gillett is completed.
4. After any agreements with the State Government are finalised, the Chief Executive Officer is authorised to complete the necessary Variation Request form for Project CDG1623 – Amy Gillett Bikeway with the Commonwealth Department of Infrastructure, Transport, Regional Development, Communications and the Arts.
5. If required for the purpose of executing any agreement associated with this matter, to authorise the Mayor and Chief Executive Officer to affix the Council's common seal.
6. That the State Government is encouraged that owners of land which is bisected by the Amy Gillett Bikeway continue to have legal access to all their properties.
7. That Council remind the State Government of the original and ongoing purpose of this Bikeway which is to celebrate the life and achievements of Amy Gillett and the immense value that female athletes provide as leaders for our community.

Carried
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The Council's offer was subsequently put to the Minister in writing.

In a meeting attended by the Mayor and the Chief Executive Officer with the Minister on 19 October 2023, the Minister indicated that the State Government would not be increasing its funding commitment to the project and put forward a proposal involving Council taking responsibility for managing construction of the project, with the State potentially holding some additional contingency funding if needed.

Council Members were advised of this proposal at a workshop on 24 October 2023.

In the following weeks, Council staff sought clarification from DIT officers on several aspects of the proposal. In essence, the State Government's proposal is:

1. That Adelaide Hills Council manage the construction of Stage 4 of the Amy Gillett Bikeway from Mount Torrens to Birdwood.
2. That the design and construction standard be determined by Adelaide Hills Council and not be constrained by the usual 'bikeway' standard adopted by DIT, albeit Council would need to seek DIT concurrence.
3. That the State Government would remain the owner of the land (being a former railway corridor) and of the asset built on it, and therefore be responsible for asset renewal at 'end of life'.
4. That the Adelaide Hills Council be responsible for maintenance of the corridor, including the bikeway, structures, drainage assets and vegetation, for Stage 4 only. (For the sake of clarity, DIT would retain its existing responsibility for operations and maintenance of Stages 1 – 3.)
5. That the State Government contribute \$2.6M to the Council for the construction works, with an additional contingency of up to \$200,000 if required. Any further cost overruns be borne by the Council.

Council Members were briefed on the above at a workshop on 21 November 2024.

Notwithstanding the progress of negotiations, it has been necessary to submit a variation request to the Federal to the Commonwealth Department of Infrastructure, Transport,

Regional Development, Communications, and the Arts. The variation request relates to the milestone targets contained within the funding agreement, in particular, the requirement to have sufficient funding from all parties committed by October 2023 and for works to be underway. It has also involved the revision of spending projections. Council is waiting on the approval of that variation request, however, the Federal Minister has publicly stated that the Federal Government remains committed to working with Council to find a way to complete the project.

At Council's ordinary meeting of 19 December 2023, it was resolved to support construction of the Amy Gillett in-principle.

#### 19.2.1 Amy Gillett Bikeway Stage 4 Construction Option – Confidential Item

Moved Cr Malcom Herrmann  
S/- Cr Melanie Selwood

338/23

7:58pm Cr Adrian Cheater left the meeting [room](#)  
8:00pm Cr Adrian Cheater returned to the meeting [room](#)

Council resolves:

1. That the report for Amy Gillett Bikeway Stage 4 – Construction Option be received and noted.
2. That Council provides in-principle support for Council to undertake the construction and ongoing maintenance and operations of the Amy Gillett Bikeway Stage 4, Mount Torrens to Birdwood, subject to the following information being provided at a subsequent meeting for a final approval to proceed:
  - a. A prudential review report.
  - b. Approval of the variation lodged with the Federal Government under the funding agreement.
  - c. Final construction estimates.
  - d. Confirmation of the scope of native vegetation clearance and potential offsets.
3. That Council authorise initial expenditure of \$10,000 for the engagement of a suitably qualified independent person to undertake a Prudential Review as per the *Local Government Act 1999*.
4. That Council authorise initial expenditure of up to \$30,000 to engage a consultant to undertake a native vegetation assessment and commence steps to seek approval for necessary clearance from the Native Vegetation Council, noting that no actual clearance work should proceed until and unless Council subsequently confirms that it will undertake construction of the bikeway.

Carried Unanimously
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The Prudential Report was reviewed by the Audit Committee at a special meeting dated 12 February 2024. The Committee resolved the following:



**Moved David Moffatt**  
**S/- Pamela Lee**

**AC3/24**

**The Audit Committee resolves:**

- 1. That the report on Amy Gillett Bikeway Stage 4 Prudential Review be received and noted.**
- 2. The Audit Committee has considered the section 48 LGA Act Prudential Report: Amy Gillett Pathway Stage 4 dated Feb 2024.**
- 3. That the Audit Committee recommends that the Amy Gillett Bikeway Stage 4 Prudential Review be presented to Council.**
- 4. That in relation to the Amy Gillett Bikeway Stage 4 Prudential Review, the Audit Committee provides the following specific advice:**
  - a. Council note further delays committing to the project will mean that the current variation to the Grant Agreement under consideration by the Federal Government will not be achieved.**
  - b. The Council look to expedite the project in order to meet the federal government's funding timeline requirements.**
  - c. The following be added to the project risk register:**
    - i. community engagement with adjacent land owners and**
    - ii. the risk of not proceeding with the project**
  - d. Council note the Prudential Report identified that the Council has the financial capacity to absorb the Council estimated (approximately \$200,000) cost over-run on this project.**
- 5. That should the Council wish to proceed with the project as proposed, that the following be considered essential to reasonably mitigate the known risks in relation to the project:**
  - a. That an external cost consultant be immediately engaged to review and verify current project cost estimates sourced from existing project funds.**
  - b. That in entering a final Deed with the State Government, the Deed include the ability for Council to withdraw from the Deed if the costs estimated to deliver the project are above an amount determined by the Council before the final contract signing associated with construction works occurs.**
  - c. That the Council endorse immediate necessary expenditure of funding from its \$500,000 project allocation to progress final planning, design work, quantity surveyor estimator and tendering, such that the project can progress and meet the funding partner timelines of 30 June 2025 for construction completion.**
  - d. That native vegetation assessments and approval processes, as already endorsed, continue and be sourced from existing project funds.**
  - e. That Council in committing to the construction of the Amy Gillett project, acknowledges that it is accepting any potential cost over-run identified in the Prudential Report, noting that the current estimate of cost overruns is \$200,000.**
  - f. Council notes that the cost estimates, based on Departmental design assumptions, could be up to \$1.7m higher than Council's estimates.**
  - g. That the Council endorse reasonable changes to scope as the project progresses, which do not affect the fundamental outcome of extending the pathway to Birdwood.**

<b>Carried Unanimously</b>
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## 2. ANALYSIS

### ➤ Strategic Management Plan/Functional Strategy/Council Policy Alignment

#### *Strategic Plan 2020-24 – A brighter future*

Goal	A functional Built Environment
Objective B1	Our district is easily accessible for Community, our businesses, and visitors.
Priority B1.1	Increase accessibility to our district through the development and delivery of high priority trails and routes for all cyclists (on-road, off road, commuters, recreational) and pedestrians.
Priority B1.3	Progress state-wide and inter-regional connectivity of cyclist routes by partnering with neighbouring councils.

#### *Trails and Cycling Routes Management Policy*

Support Tourism and economic development within the Adelaide Hills Region.  
Foster community involvement and stewardship of trails and cycle routes

### ➤ Legal Implications

Section 48 of the Local Government Act 1999 (Act) requires a Council to consider a report addressing the prudential issues set out in subsection (2) of the Act when a project meets certain criteria, namely where a council:

*"(b) engages in any project*

*Where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or*

*where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 000 000 (indexed); or*

*where the council considers that it is necessary or appropriate."*

Council has an adopted Prudential Management Policy, which was last reviewed 27 June 2017, that sets out Council's approach for meeting the prudential management requirements set out in Section 48 of the Local Government Act 1999.

Council's current estimated cost of the Project is \$5.965M, which exceeds the current indexed threshold stipulated in Section 28(2)(b) of \$5.814M. Therefore, this Prudential Report has been prepared to satisfy the requirements of Section 48 (2) of the Act.

Section 126 (4) (i) requires a council's Audit and Risk Committee to review any report obtained by the council under Section 48 (1) of the Act.

➤ **Risk Management Implications**

They are several unique risks associated with the construction by Council of the Amy Gillett Bikeway Stage 4 from Mount Torrens to Birdwood.

The Prudential Report details these risks in detail.

*The consideration of the Amy Gillett Bikeway Stage 4 Prudential Review Report will assist in mitigating the risk of:*

*Council not being fully informed of the risks of undertaking construction of the Project leading to unexpected potential financial impacts and project timeline delivery delays.*

Inherent Risk	Residual Risk	Target Risk
Extreme (4A)	Extreme (4B)	Medium

➤ **Financial and Resource Implications**

Current Up-front costs

The Council’s \$500,000 commitment towards the construction of the Amy Gillett Stage 4 has been included in the Long-Term Financial Plan adopted by Council. Originally the proposal was to provide this contribution to the State over a 4-year period. Should Council undertake the construction then this funding may required to be expended sooner, however, depending on the timing of on-ground works the Council funds could be split over 2023-24, 2024-25 and 2025-26 financial years.

Unlike most construction projects of this scale, all costs associated with the project will be considered operating expenses as the funds are not used to create an asset which the Council will own and depreciate. The effect of this is the way the income and expenditure is presented in the accounts. In essence, income and expenditure will be accounted for and shown in the operating statement in the financial years in which it is received and spent.

The up-front costs associated with the project will include project design and management costs and allowance for same will be included in Council’s detailed cost estimates as further due diligence work is undertaken. It is intended to fully cost the project management resources to the project.

In the interests of providing an indication of ‘lower and upper bound’ project estimates, the following summary is provided:

AHC project estimate (base cost):	\$4.77M
AHC project estimate (50% inherent risk and contingency):	\$5.60M
AHC project estimate (90% inherent risk and contingency):	\$5.96M
DIT project estimate (90% inh. risk and conting. and oncosts costs removed):	\$7.37M

The Administration considers it reasonable to adopt the AHC project estimate of \$5.96M as a reasonable basis for progressing consideration of the matter.

No provision for additional up-front costs beyond the \$500,000 has been included in the LTFP to allow for project costs above current provisions. The Council's estimate indicates a potential \$260,000 additional funding to complete the project. It is noted that DIT staff have indicated that a contingency in the order of \$200,000 could be made available in addition to the Government's \$2.6M commitment, however it is unlikely to be written into the funding deed i.e. it would need to be negotiated if and when required. The Prudential Review identified that Council has the financial capacity to absorb this level of additional cost without fundamentally impacting Council's financial sustainability. The Prudential Review did not review or suggest any upper level of additional costs that could be absorbed by Council.

Any additional expenditure above \$125,000 in FY 23/24 will impact the surplus/deficit in the current year. Expenditure above the \$500,000 currently in the LTFP will impact the forecast levels of surplus and debt through the long term financial plan.

When the State Government Deed is finalised the accounting treatment will be evaluated with the current expectation being that expenses will be recognised in the same period of the income.

The recommendation provided in this report suggests that Council allocated a nominal additional contingency amount of \$260,000 in addition to the already committed amount of \$500,000. This reflects the fact that if accepting the State Government's proposal, the Council will be responsible for project costs above the currently available committed funds and any additional funding from other sources which may be able to be obtained. Importantly, it demonstrates to the Commonwealth that funding has been secured which matches the final project estimate. It also provides a 'cap' of sorts to the amount Council is prepared to spend without further formal consideration and means that total available funding will be in line with the Council Administration's current project cost estimate. In practice, this additional contingency amount may be useful in leveraging additional funding from other funding partners should the need arise, i.e. to share the additional costs.

#### Ongoing operating costs

Should the Council accept the State Government's proposal, it will be expected to maintain the new 6km section of path in perpetuity. This involves civil works associated with the pathway itself, signage, bridges and drainage infrastructure as well as vegetation management, weed spraying, litter management and periodic sweeping.

Council's existing civil infrastructure and parks maintenance resources are fully committed achieving existing service levels across the district. Should Council take on maintenance responsibility for the new section of the path, it will be necessary to allocate additional annual operational funding.

This will include the purchase of additional equipment (some of which can be capitalised) to undertake the works along the Amy Gillett corridor. The purchase of this equipment can potentially be utilised for Council to undertake works currently undertaken by contractors elsewhere across the Council area. This may offset some of the cost impacts to Council, however the cost of this additional equipment has not been included in the cost estimates of this project or elsewhere in the budget or *Long Term Financial Plan* (LTFP).

When Council previously considered its alternate offer to the State, the cost to maintain (sweeping, slashing, weed spraying and vegetation management only) the full length of

Amy Gillett Bikeway including a completed Stage 4 was estimated to range between \$100,000 and \$160,000 per annum. It should be noted that this was for the full length but did not include maintenance of the ‘hard’ infrastructure components.

To maintain Stage 4 (only) once constructed it is considered that \$40,000 per annum will be required for sweeping, slashing, weed spraying, and vegetation management and an annual amount of \$15,000 per year should be allocated for the maintenance of the physical ‘hard’ assets. That is, a total annual operating cost of \$55,000 is estimated for the proposed Stage 4 of the bikeway.

This has not been included in the LTFP and needs to be considered an incremental cost of the project. Council will not need to account for any depreciation of the new assets as they will not be Council’s to replace in the long term and the cost will be fully expensed, rather than capitalised, when built.

#### Whole of Life Cycle Costs

It is important to consider whole of life cycle costs in considering whether or not to accept the proposal put forward by the State Government. While this could be done at a detailed level, the dominant costs applicable to Council are any once off up-front contributions and any annual maintenance costs.

Council Members have expressed a desire to compare whole of life costs over various options proposed previously against the current State Government proposal. This is presented in the table below.

	<b>Scenario 1</b> Council contributes \$2.6M up front with no annual maintenance responsibility	<b>Scenario 2</b> Council contributes \$500K up front and undertakes ‘soft’ asset maintenance of whole Bikeway	<b>Scenario 3</b> Council contributes \$500K up front and undertakes all maintenance of only Stage 4
Up front cost	\$2.6M	\$500K	\$500K
Annual cost (ops and maintenance)	-	\$160K	\$55K
Present value of costs (30 years)	\$2.6M	\$3.26M	\$2.15M
Notes	State Government to bear risk of construction cost overruns	State Government to bear risk of construction cost overruns	Council to bear risk of construction cost overruns (beyond \$200K)

Scenario 3 is the proposal currently under consideration and for which the Council provided in-principle support in December 2023.

Understanding the present value of costs of an initiative can help determine the best value between several options for an initiative with a medium – long term life. Generally speaking, all other factors being equal, the option with the highest net present value, or in this case where there is no foreseen income, the lowest present value of costs, would be the most cost effective option to take.

It can be noted from the comparative table that the proposal now put to the Council from the State Government (Scenario 3) has a lower whole of life cost to Council than the proposal that Council previously put to the State (Scenario 2). This is of course contingent on no project cost overruns.

In relation to cash flow for the project, it is understood that the Council would receive the funding from the State up front when the Grant Agreement was executed. The Funding Deed is provided in **Appendix 2**.

The funding from the Federal Government will be provided in instalments as agreed milestones are met and validated.

#### Immediate costs

Given the deadline with the Federal Government, completion of construction works before 30 June 2025, there will a need to source additional resource to assist with Project Management and administration of the project in addition to the consultants associated with design completion, native vegetation approvals and final cost estimations of the project.

#### ➤ **Customer Service and Community/Cultural Implications**

It is reasonable to suggest that the community has a high expectation that Stage 4 of the Amy Gillett Bikeway will be delivered, and the on-going delays are causing frustration in the community and the family of Amy Gillett.

#### ➤ **Sustainability Implications**

Based on the experiences shared on construction of the first three stages and potential broader connections to trails, it is forecast that the Amy Gillett Bikeway would generate sustained positive impacts both economically and socially.

#### ➤ **Engagement/Consultation conducted in the development of the report**

Consultation on the development of this report was as follows:

<i>Council Committees:</i>	Audit Committee – 12 February 2024
<i>Council Workshops:</i>	Not Applicable
<i>Advisory Groups:</i>	Not Applicable
<i>External Agencies:</i>	Department for Transport and Infrastructure
<i>Community:</i>	Not Applicable

#### ➤ **Additional Analysis**

The Prudential Report highlighted several risks associated with the project based on legislative considerations under the Act. These are summarized in the executive summary and table of the Prudential Report, with management responses included in the table.

### Financial Risks

The Prudential Report highlighted the financial risks associated with the project, given the unique nature and history of the project. This risk relates to the ability to deliver the project within the \$5.7M available funding.

The Council has undertaken some initial informal market testing for vegetation removal costs and pavement construction. This, in addition to the known contract rates for our spray-sealing contractor, has formed the basis of the Council's estimate. This initial estimate by the Council indicated a base cost estimate of \$4.77M. With contingency added for risk, the current Council estimate is \$5.96M (90% confidence level). This is \$260,000 greater than the current available funding of \$5.7M (**Appendix 4**).

This Council estimate was based on the design and estimate work undertaken by the Department for Infrastructure and Transport (*DIT*).

If one considers that initial DIT estimate and uses all the rates and inherent and contingent risks as per the DIT process, the estimated cost to deliver the project would be \$7.4M (including contingency), or \$1.7M greater than the available funding for the project. This uses the DIT estimate but removes the DIT costs and overheads (**Appendix 5 and Appendix 6**). This assessment has been undertaken to provide an upper level of potential financial risks to Council should it decide to proceed.

The reduction of these current risks can only be progressed by committing to additional planning, design, and estimating along with tender for a contractor to assist in the final design. This will take 3 – 4 months to complete in full.

### Project Timelines

The Council currently has a variation request lodged with the Federal Government for the Amy Gillett Stage 4. This was necessary when it became apparent that the original milestones as part of the signed funding agreement would not be met. This originally required confirmation of funding, final design and cost estimates, and 10% of construction being completed by 1 November 2023. The variation put forward and still under consideration by the Federal Government delegate reset milestone 1 to the 15th of May 2024 with a final completion date of April 2025. Noting that this variation request was lodged on 1 November 2023 and still under consideration.

Should the Council determine to commit to the construction of the project and commence pre-construction activities, the administration will be able to consider options to meet the requirements of Milestone 1 of the 15th of May 2024. Noting that this timeline is still very tight regarding commencing construction; however, a commitment to undertake the construction will allow the project team to work towards this milestone outcome and explore opportunities to facilitate the start of construction works.

### Procurement

Noting the critical nature of the timeline and for Council to progress the engagement of a design consultant, it would expedite the engagement using the LGA Procurement Panel Contract for Design Consultants. These are pre-qualified consultants that have the capabilities to undertake the work. Noting that the Procurement Policy requires open tender for procurements above \$100,000. It is possible that the design consultant

engagement may exceed this amount and hence approval to seek 4 quotes through the LGA Procurement Panel would be required, in lieu of full open tender. It is considered, given the nature of the works and the pre-qualification of suitable consultants, that 4 quotes from the pre-qualified panel contract for the works will provide value for money for a design consultant engagement.

### Managing Scope

A key component of the final costs to construct an extension of Amy Gillett and connect that path from Mt Torren to Birdwood is the scope management.

It should be noted that the current funding agreement with the Federal Government is for an unsealed path only. Also, the minimum extent of the path delivered shall be 5.46km. This will get the path to the southern edge of the Birdwood township.

The current design of the Amy Gillett is for 6.14km of path with the path extending along the railway corridor within Birdwood and terminating at Blocks Lane.

For example, the reduction in the length of construction will reduce the Council estimate by \$140,000 and the corresponding DIT estimate by at least \$200,000. The further reduction in scope to deliver an unsealed path further reduces the estimates by \$210,000 for Council and \$330,000 based on the DIT Estimate for sealing.

Therefore, the potential exists to reduce the length of the path that is constructed and also the possibility to complete the path as an unsealed connection to reduce the final costs to within available funding should that be required. While Council could consider these as options going forward, the Administration's goal remains to complete a sealed path to Birdwood within the available funding.

In addition, the creek crossings at William Creek and Angas Creek will have the capacity to reduce the service levels to reduce these costs. This will include the potential of smaller pipe systems and floodway-type arrangements. This may increase the frequency when the path is not accessible; however, the flooding of these creeks from anecdotal evidence is that they rise and fall reasonably quickly. This is the type of issue that can only be resolved through the detailed design phase to understand the costs/risk and serviceability for various scenarios.

One of the other unknowns is the final cost to upgrade and use the old railway bridge over Burford Hill Road. While this is the preferred alignment for the overall experience of the route and for the safety of pedestrians and cyclists, an alternate at-grade crossing of the road could be built using part of the Fife Road corridor. Again, the Administration considers that the use of the old railway bridge as the preferred route alignment; however, Council would be aware that other at-grade crossings operate on the Amy Gillett Bikeway, with the most notable being the crossing on Lobethal Road.

### Recent Progress on Amy Gillett Stage 4

In addition to the conduct of the Prudential Review, the following has occurred since December 2023:

- A native vegetation consultant engaged to commence on the final native vegetation assessment clearance application. Council officers have also met with staff from the



Native Vegetation assessment branch of the Department of Environment and Water to brief them on the project.

- Council officers have continued to liaise with staff at the Department of Transport, Regional Development, and Communications regarding the status of the Variation submitted by Council for the project. The feedback that Council has recently received is that a decision on the variation is expected to occur by the end of February 2024.
- The Office of Rebekha Sharkie MP has been kept informed of the current status of the negotiations.

#### Department of Infrastructure and Transport Support

Senior DIT personnel have initiated follow-up contact with Council to provide support where possible to ensure the progress and delivery of the Project.

- Provide support regarding any vegetation survey clarifications for Councils consultant.
- Undertake all necessary resumption of leases/ licences as required to facilitate the path and ensure that adjacent landowners have continued use and crossing of the corridor to maintain business operation.
- Provide a formal Funding Deed for signing by Council.
- DIT has made Council aware of the Coonawarra Rail Trail delivered by the Wattle Range Council. This is a 20km sealed bike path that was recently completed for about \$2.5M on the limestone coast. Council officers have contacted Wattle Range Council to seek advice from them on specifications, tendering, procurement, and delivery of this project to assist Council in its approach to the Amy Gillett Stage 4. While no two projects are exactly the same, this comparison identifies that these types of assets can be delivered at lower rates than current DIT estimates for Amy Gillett Stage 4.

### **3. OPTIONS**

Council has the following options:

- i. Enter the Deed with the State Government and in doing so commit to undertaking the construction with current known risks identified in this Report. In doing so it is acknowledged that financial risks still exist based on the current DIT estimates. The commitment to undertaking the construction will allow the administration to commence the necessary pre-construction activities and develop options to meet the proposed first milestone under consideration by the Federal Government as of the 15 May 2024. However, it is also recognised that not committing to the construction of the project will open risks associated with the delivery timeframes still under consideration through a variation request to the Federal Government. If the commitment to undertake construction is further delayed, Council will have to start a process to renegotiate milestones with the Federal Government. The current funding agreement requires completion of construction works by June 2025. The current timelines to deliver the project are already very tight and further delays will

mean that a completion date before June 2025 is very unlikely. Noting that is has been over 3 months since Council lodged a variation with the Federal Government department. (Recommended)

- II. Council does not enter into a Funding agreement with the State Government until greater certainty is known regarding the final construction costs. This will require Council to invest significantly in consultants for detailed design, without engaging a construction contractor. This procurement approach will potentially extend the timeline by 3 – 4 months to enable the administration to provide this level of certainty on the final costs to Council. This will require new negotiations with the Federal Government regarding the current funding agreement as the variation request with a 15 May 2024 deadline will not be achieved. (Not Recommended)
- III. Council does not progress with the construction of Stage 4. This will reduce any potential financial risk to the project through either final construction costs exceeding available funding or the Federal Government funding being withdraw where milestone timelines are not met. However, it is likely that there will be considerably community disappointment given expectation that has built over several years that this project will eventually be delivered. (Not Recommended)

#### **4. APPENDICES**

- (1) Section 48 Prudential Report: Amy Gillett Pathway Stage Four
- (2) Draft Funding Deed with State Government
- (3) Funding Variation with Federal Government
- (4) Council Estimate Summary
- (5) DIT Summary Estimate without Overheads
- (6) DIT Full Estimate (excluding Overheads)

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# **Appendix 1**

*Section 48 Prudential Report: Amy Gillett Pathway  
Stage Four*

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Adelaide Hills Council

Section 48 Prudential Report:  
Amy Gillett Pathway Stage Four

February 2024



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## EXECUTIVE SUMMARY

The following report has been prepared for the Adelaide Hills Council (AHC) to review its prudential activities in relation to the proposed Stage Four extension of the Amy Gillett Bikeway (AGB). The purpose of a Prudential Report is to ensure the Elected Members have the necessary information to enable an informed decision whether or not to proceed with a project.

The AGB is a 17.3km shared-use path along a disused railway corridor linking Oakbank and Mount Torrens. It was constructed by the State Government between 2009 and 2014 in three stages at a cost of approximately \$4.5 million.

Stage Four of the AGB (the Project) is the extension of the AGB by 6.2km from its current end point in Mount Torrens and take it through to Birdwood. This will involve vegetation clearance along the naturalised corridor, construction of the pathway including drainage culverts at two creek crossings, and bridge works focused on restoring/reusing the former railway bridge at Burford Hills Road.

The Project has a long history, with almost ten years of negotiations between AHC and State Government around who should be responsible for funding, delivering and maintaining Stage Four of the AGB. There is currently \$5.700 million of funding committed to the project, with the Commonwealth and State Governments contributing \$2.600 million each, and AHC committing \$0.500 million.

The State Government has taken the lead on the design and costing work to date, and their latest cost estimate based on 30% concept designs is between \$8.218 million and \$9.629 million. Given it is now proposed that AHC finalise the design work, construct the pathway and bear responsibilities for all cost over-runs beyond a \$0.200 million contingency from State Government, AHC staff have reviewed the cost estimates and identified opportunities for cost savings. AHC's internal cost estimate to construct the Project is currently \$5.965 million.

The history and nature of this project presents some unique risks to AHC. Principal amongst these is delivering the Project with the available \$5.700 million of funding. At this point in time, there is a low level of certainty that the funds available will not be exceeded given the status of design work (30%), and the untested nature of assumptions put forward in AHC's cost estimate, especially around AHC's ability to achieve cost savings in construction relative to DIT's initial cost estimates.

While AHC has the financial capacity to borrow additional funds to absorb cost over-runs associated with the project, the extent of these over-runs, and the impact these would have on AHC's ability to deliver other strategic projects, is not known at this point in time.

### Key Observations:

- A Funding Agreement with the State Government is not yet in place, meaning State funding is not secured, and AHC has not achieved the first milestone relating to the \$2.600 million of Commonwealth funding.
- There is a degree of uncertainty with key elements of the internally developed Project costings. An independent cost report from a quantity surveyor would provide a greater degree of assurance on the accuracy of these cost estimates and the reasonableness of the assumptions being made by AHC and DIT staff. Doing so may place additional time pressures on the Project, and given the need to achieve the tight timeframes in the Commonwealth funding agreement, consideration should be given to seeking this cost estimate in parallel with other Project tasks.
- The scale of vegetation clearance has not been finalised, nor approvals granted. This introduces uncertainty into the Project in terms of the cost of vegetation clearance and offsets, as well as the potential for delays and/or path realignment to avoid native vegetation.



- AHC will have an obligation to maintain Stage Four of AGB which is estimated to cost \$55,000 per annum. These costs, and the cost of purchasing additional equipment to support the maintenance operations, have been estimated by AHC but not yet factored into the latest LTFP. AHC is soon to undertake its next annual review of its LTFP and this process provides an opportunity to incorporate these costs into future projections.
- The risk of inadequate consultation with adjacent landowners and occupiers, causing project delays and changes to scope, has not yet been included in the Project Risk Register. We recommend progressing consultation with landowners and occupiers directly adjacent the proposed pathway so that feedback can inform final design work, vegetation clearance arrangements and delivery plans.

While there are several noted prudential issues that should be addressed as the Project due diligence continues, the risk of not proceeding with the Project must also be noted by AHC, as such an outcome is likely to cause wider community disappointment and result in lost funding support from both the Commonwealth and State Governments.

Our detailed report follows.

## PRUDENTIAL REVIEW KEY FINDINGS

S48 (2)	Description	Prudential Review Comments	Management Response
(a)	The relationship with <b>strategic management plans.</b>	<p>AHC has included \$125,000 of operational funding for the Project in the 2023-24 Annual Business Plan and Budget. This forms part of its overall commitment of \$500,000 over four years, as included in the latest iteration of the LTFP.</p> <p>Whilst not specifically mentioned in the Strategic Plan, the Project is broadly aligned to a number of AHC’s Strategic Plan priorities, the Trails and Cycling Routes Management Policy, and Regional Public Health and Wellbeing Plan.</p> <p>The Project is also strongly aligned with a number of State Government Plans including the Game On Strategy, 30 Year Plan and Walking Strategy through the delivery of infrastructure that supports active transport, connection between townships, recreation and tourism. The commitment of State Government funding in support of the Project demonstrates the strong alignment of the Project to State Government objectives.</p>	The Amy Gillett Bikeway Stage 4 has been a priority of Council for many years.
(b)	The objectives of the <b>Development Plan.</b>	The Project accords with the desired outcomes for the Productive Rural Landscape Zone. A Development Application is not likely to be required because the construction of a recreational path, and ancillary works and structures, falls within the exclusion from the definition of development in the <i>Planning, Development and Infrastructure (General) Regulations 2017</i> . Once details of the proposed bridge works at Burford Hills Road are finalised, there will be a need to confirm whether the works are captured within the exclusions from the definition of development. If a Development Application is required, time will need to be allocated in the Project Plan for assessment of the Application and any mandatory public notification.	<p>Council is aware of the need to consider a development application for any new structures on the alignment.</p> <p>The Burford Hill Road Bridge may require a development application once a final alignment and details of any bridge modifications are completed through the detailed design phase.</p>

S48 (2)	Description	Prudential Review Comments	Management Response
(c)	<p>The expected contribution of the project to the <b>economic development</b> of the local area. The impact on <b>businesses carried on in the proximity</b>.</p> <p>How the project should be established in a way that ensures <b>fair competition</b> in the marketplace.</p>	<p>AHC has quantified the expected economic impact from the construction phase of the Project using the NIEIR Economic Impact Model to be \$10.49 million and the creation of 24 jobs. We do not expect that businesses in the proximity of the pathway will be materially negatively impacted by the construction phase.</p> <p>The future economic benefits of the pathway on local towns in the area which the bikeway traverses has not been quantified by AHC but is expected to be positive.</p>	Noted.
(d)	<p>The level of <b>consultation</b> with the local community and the means by which the community can influence the project.</p>	<p>There is no requirement under the Local Government Act or AHC's Public Consultation Policy to undertake a public consultation process in relation to this Project.</p> <p>There is evidence of feedback from the community over many years indicating strong support for the Project, and for Council to be involved and contribute financially.</p> <p>As a matter of good practice, it is recommended that AHC resume consultation with landowners and occupiers directly adjacent the proposed pathway as the design work, vegetation clearance arrangements and delivery plans are progressed so that stakeholder feedback can influence the final designs.</p>	<p>It should be noted that as part of the design work undertaken by DIT, initial notification and discussion with landowners has occurred to inform early design work.</p> <p>Council will engage directly with adjacent landowners to ensure that any impact associated with current access and use of the corridor is managed and considered in the final design. DIT has indicated that there are no known impediments relating to leases or licences to adjacent land owners that would jeopardise the pathway project.</p>

S48 (2)	Description	Prudential Review Comments	Management Response
(e)	<p><b>Revenue projections and potential financial risks.</b></p>	<p>The ability to deliver the Project within the funding currently committed, whilst meeting stakeholder expectations, is the major financial risk relating to the Project.</p> <p>At this point in time, there is a high level of uncertainty with some elements of the costings, including the final scope of vegetation removal and offsets, the design of bridge works and culverts and AHC's ability to achieve cost savings relative to DIT's initial cost estimates. Engaging a third-party cost consultant could help to provide additional assurance on the reasonableness of AHC's current cost estimate, and reduce some of this uncertainty.</p>	<p>It is noted the concern regarding the difference in estimates. However, it should be noted that the State Government design standards and process are considered to add significant cost base to the delivery of what, from a construction perspective, is a relatively simple construction project.</p> <p>DIT has indicated that they believe that Council will be able to deliver the project for a lower cost than the department. DIT has been very clear that they are only seeking basic standard of construction and not seeking to impose any unreasonable restriction that will compromise the delivery of the project by Council.</p> <p>Council has undertaken a review of the DIT cost estimation and removed the direct DIT overheads from those estimates – this places the DIT estimate at \$7.37M (\$5.5M construction costs and \$1.8M for inherent and contingent risks) This is in the order of \$1.7M over the current available funding of \$5.7M.</p> <p>DIT has made Council aware of the Coonawarra Rail Trail delivered by the Wattle Range Council. This is a 20km sealed bike path that was recently completed for about \$2.5M on the limestone coast. Council officers have contacted Wattle Range Council to seek advice from them on specifications, tendering, procurement, and delivery of this project to assist Council in its approach to the Amy Gillett Stage 4. Whilst no two projects are exactly the same, this comparison identifies that these types of assets can be delivered at lower rates than current DIT estimates for Amy Gillett Stage 4.</p>
(f)	<p><b>Recurrent and whole-of-life costs and financial arrangements</b></p>	<p>If the Project progresses, AHC will have an obligation to maintain Stage Four of AGB which is estimated to cost \$55,000 per annum, or approximately \$3.00 per rateable property per annum. These costs, and the cost of purchasing additional equipment to support the maintenance operations, have not yet been factored into the latest LTFP.</p> <p>As the Project assets constructed will be transferred to the State Government upon completion, there is no ongoing depreciation impact nor asset renewal requirements relating to the Project.</p> <p>The whole of life cost of AHC's up-front and ongoing contribution has been estimated by AHC to be \$2.15 million over 30 years (in today's dollars).</p>	<p>These costs will need to be added to Council's LTFP as an on-going additional operating cost. While this incremental operating cost is relatively small it will be an above 'inflation increase' in costs.</p> <p>Please see Ongoing Operational Costs and Whole of Lifecycle Costs with the Financial and Resources Implications section of this report.</p>

S48 (2)	Description	Prudential Review Comments	Management Response
(g)	<b>Financial viability</b> of the project.	AHC's LTFP has sufficient financial capacity to undertake the Project. Should the Project proceed, the next iteration of the LTFP should include a provision for ongoing maintenance of the completed bikeway.	Noted.
(h)	<b>Risks</b> associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks.	The risk register captures most of the key project risks at this stage of the Project lifecycle, with all but two of the above project risks have a residual risk rating of high or extreme. Two risks that have not yet been captured in the register relate to engagement of landowners/occupiers adjacent the corridor, and reputational risk of not proceeding with the project. Given the unusual nature of this project in that much of the planning work has not been completed by AHC, the high risk profile documented in the risk register is reflective of the actual risk of progressing the Project. To reduce risk to a more manageable level, the design, planning and cost estimate processes need to advance. Regular updates to the risk register should be undertaken as the project moves through the design and construction phases.	It is agreed that the planning, design and cost estimation needs to be progressed as a matter of urgency. This will both clarify the current unknowns regarding the structural and large culvert options for crossing William and Angus Creeks, but also is critical in meeting the tight timeframes associated with the funding agreement with the Federal Government. It is acknowledged that the project register will require updating as we move through the phases of final investigation, design, procurement, and construction. This would be in line with our current Project Management Framework process.
(i)	The most appropriate mechanisms or arrangements for <b>carrying out the project.</b>	Although a Project Delivery Plan has not yet been prepared, AHC has outlined the proposed mechanisms and arrangements to carry out the Project. The proposed arrangements include early engagement of the civil contractor to finish the design work and then build the pathway, which aims to help ensure ease of constructability and achieve the required cost efficiencies. It is expected that other specialist contractors will have responsibility for vegetation clearance, and the final spray seal of the pathway. Given the high level of risk currently associated with the Project, the tight timeframes within the modified Commonwealth Funding Agreement and the importance of an effective working relationship between AHC and the contractors to deliver the Project on time and on budget, it is recommended that the Project Manager and Project Team be appointed early in the delivery phase	Agreed. The report to Council will seek to allocate the necessary funds from Council's commitment to project to engage the necessary resources to progress the project. This will include a dedicated Project Manager resource, engagement of LGA Procurement to assist in tendering and contract administration support for both the detailed design consultants and contractor selection (under an early contractor engagement model).

S48 (2)	Description	Prudential Review Comments	Management Response
(j)	If the project involves the <b>sale or disposition of land</b> , the valuation of the land by a qualified valuer under the Land Valuers Act 1994	Requirements of Section 48 (2) (j) are not applicable to this Project.	Noted.
	An <b>appropriate level of due diligence</b> is applied to the proposed project.	At this stage of Project planning, there is a high level of uncertainty associated with key elements of the Project. Further due diligence work is required by AHC to better quantify and mitigate existing risks so that Council can be fully appraised of the expected cost and outcomes from progressing the Project.	



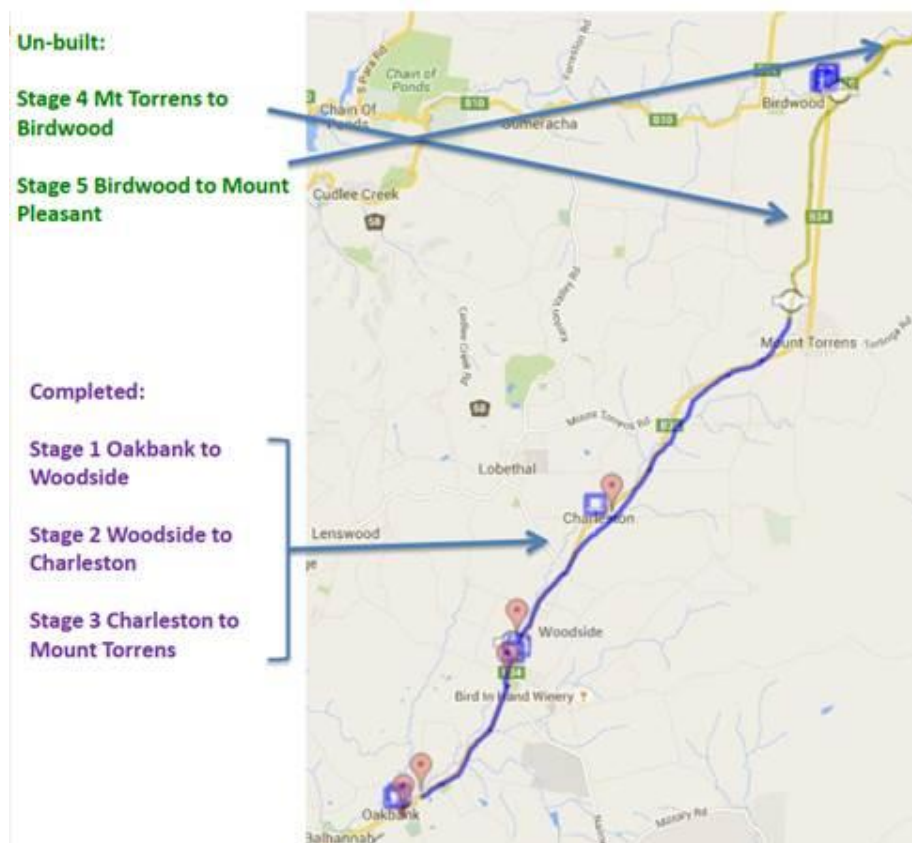
## 1. INTRODUCTION

### 1.1 Background

- 1.1.1 The Amy Gillett Bikeway (AGB) is a 17.3km sealed and shared-use path through the Onkaparinga Valley linking Oakbank and Mount Torrens, and passing through the townships of Woodside and Charleston. It is named after a member of the Australian women's cycling team who was tragically killed while training in Germany in 2005.
- 1.1.2 It was constructed by the State Government between 2009 and 2014 in three stages at a cost of approximately \$4.5 million.
- 1.1.3 The pathway is built upon a disused railway corridor on lands vested in the Commissioner of Highways. The intention outlined in a 2003 Feasibility Study was for a shared use pathway that connects Oakbank and Mount Pleasant. For this vision to be realised, there is a need for the final two stages of the AGB to be completed:
- Stage Four connecting Mount Torrens and Birdwood; and
  - Stage Five connecting Birdwood with Mount Pleasant.

Figure One contains a map of the current and unbuilt stages of the AGB, while Figure Two contains photos of the current pathway.

**Figure One: The completed and unbuilt stages of the Amy Gillett Bikeway.**







**Figure Two: Sections of the current Amy Gillett Bikeway.**



1.1.4 Since 2014, there has been ongoing negotiations between Adelaide Hills Council (AHC), State Government and Commonwealth Government around the construction and maintenance of the unbuilt Section 4 between Mount Torrens and Birdwood.

1.1.5 While the State Government funded the construction and maintenance of the first three stages of the AGB as a State Government owned asset on State Government



land, the experience elsewhere in South Australia is of local government taking the lead in the funding, development and maintenance of mixed use paths along disused rail corridors. These factors have impacted the negotiations due to differing expectations around who ought to hold primary responsibility for delivering Stage Four of the AGB.

- 1.1.6 On 26 September 2014, in response to correspondence from AHC, the State Government (Minister for Transport and Infrastructure) advised that no State Government funds had been committed for further extensions of the AGB, and that AHC could seek funding through the State Government's Planning and Development Fund to complete the project.
- 1.1.7 At its meeting on 28 October 2014, Council resolved to note the response from the Minister, and to apply for grant funding from the Planning & Development Fund to progress the project in collaboration with the then Department for Planning and Infrastructure.
- 1.1.8 At its meeting on 19 January 2016, Council noted that the estimated cost to complete Stage Four of AGB was \$2.600 million based on estimates prepared three years earlier by the then Department of Planning, Transport and Infrastructure, which were indexed by CPI. At this meeting, Council resolved to use the 2016/17 Annual Business Plan consultation to seek community feedback around support for the Project, and a possible Council financial contribution to the Project.
- 1.1.9 Funding to complete the AGB was a key community discussion point during the 2019 Federal Election campaign. In 2020, the Commonwealth Government allocated \$2.600 million to the project following advocacy from the Member for Mayo Rebekha Sharkie MP. This resulted in an offer of \$2.600 million of funding being made to AHC by the Commonwealth Government in May 2021 as part of the Community Development Grants Program.
- 1.1.10 At its meeting on 25 January 2022, Council resolved to accept the Commonwealth Government funding and seek an extension of time until 30 June 2022 to enable further negotiations to take place with the State Government. This was required as the Commonwealth funding offer was dependent upon an executed agreement being in place between AHC and the State Government's Department for Infrastructure and Transport (DIT).
- 1.1.11 At this meeting, Council also resolved to re-confirm its position that construction and maintenance of Stage Four of AGB is a State Government responsibility; and that Council is prepared to commit \$100,000 of its own funds to incentive the State Government to complete the project.
- 1.1.12 Throughout 2022 and into early 2023, there was regular correspondence between AHC and the State Government to negotiate a State Government funding contribution to the Project, as well as consider matters including cost estimates, design standards, land lease, asset ownership, insurance, delivery of construction, management of cost over-runs and ongoing maintenance. Some of these negotiations involved senior officers from AHC and DIT, while others involved the Mayor and the Minister for Infrastructure and Transport. A range of options for project delivery were considered





reflecting different positions on the sharing of responsibly, resourcing and risk between AHC and the State Government.

- 1.1.13 Through this process and as concept designs and cost estimates prepared by DIT progressed, it became apparent that it would not be possible to deliver the project with the available funding. DIT cost estimates, which were based on 30% concept designs and an assumption that DIT would be delivering the project, ranged from \$7.900 million for an unsealed path to \$11.700 million for a sealed path of a similar standard to the first three stages of AGB.
- 1.1.14 These cost estimates triggered discussion about a possible change of path material (i.e. to unsealed), as well as pathway alignment, and the design standard to be applied to the proposed bridges and culverts. During this time, AHC received multiple extensions on its funding offer with the Federal Government given written agreement had not been reached with the State Government.
- 1.1.15 With a pending deadline to formalise the funding offer with the Commonwealth Government, Council on 26 April 2023 noted numerous updates with the project negotiations and resolved to commit up to \$500,000 to the project.
- 1.1.16 On 28 April 2023, the agreement with the Federal Government was formalised on the basis of an unsealed pathway at a reduced estimated cost of \$7.900 million, and an assumption of \$500,000 contribution from AHC and a \$4.800 million contribution from the State Government, which would need to be confirmed by 3 October 2023. This agreement includes a requirement to expend all funds by December 2024. At this point in time, AHC had assumed that the State Government would be delivering the project, with AHC being a key partner and remitting payments to the State Government as construction progressed.
- 1.1.17 On 21 August 2023, following an announcement at the Country Cabinet hosted in the Adelaide Hills, the State Government's Minister for Infrastructure and Transport wrote to AHC offering a funding commitment of \$2.600 million to the project (which would be inclusive of costs incurred by the Department to date). This offer was subject to a number of conditions, including a \$2.600 million commitment from AHC. These conditions were not acceptable to AHC, which led to a number of counter-offers and negotiation between AHC and the State Government.
- 1.1.18 In the final quarter of 2023, further negotiations between AHC and the State Government focused on a proposal for:
  - AHC to manage the construction of Stage 4 of the Amy Gillett Bikeway from Mount Torrens to Birdwood;
  - The design and construction standard to be determined by AHC and not be constrained by the usual 'bikeway' standard adopted by DIT, albeit Council would need to seek DIT concurrence;
  - The State Government to remain the owner of the land and of the asset built on it, and therefore be responsible for asset renewal at 'end of life';



- AHC to be responsible for maintenance of Stage 4 of the corridor, including the bikeway, structures, drainage assets and vegetation (for clarity, DIT would retain its existing responsibility for operations and maintenance of Stages 1–3); and
- The State Government to contribute \$2.600 million to the Council for the construction works, with an additional contingency of up to \$200,000 if required. Any further cost overruns would be borne by the Council. The State Government contribution would be exclusive of costs that DIT has incurred to date on design work.

1.1.19 These arrangements have not yet been formalised in a Funding Deed between State Government and AHC.

1.1.20 At its meeting on 19 December 2023, Council resolved to provide in-principle support to undertake the construction and ongoing maintenance of AGB Stage Four in accordance with the above proposal. This in-principle support was subject to a Prudential Review (this report), approval of a variation with the Federal Government, final construction estimates and confirmation of the scope of native vegetation clearance and potential offsets.

## 1.2 The Project

1.2.1 The Project proposes to extend the AGB from its current end point in Mount Torrens at Oval Road, taking it through to the intersection with Onkaparinga Valley Road in Birdwood. This proposed extension will add approximately 6.2 kilometres to the overall length of the bikeway. The project includes:

- Clearance of vegetation along the disused railway corridor which has naturalised, with a vegetated area of approximately 2.5Ha, or around 12.5% of the entire corridor, to be cleared;
- Construction of a 6.2 kilometre pathway with a 150mm granular pavement with a sprayed bitumen seal;
- Drainage culverts at two creek crossings; and
- Bridge works at Burford Hills Road focused on restoring/reusing the former railway bridge.

1.2.2 The funding currently being proposed to support the project is \$5.700 million, made up of:

- \$2.600 million from the Federal Government (contingent on a funding agreement with the State Government);
- \$2.600 million from the State Government (subject to final negotiations and drafting of agreements); and
- \$0.500 million from AHC.



- 1.2.3 The latest cost estimates prepared by DIT's quantity surveyors is for a pathway built with a 150mm rubble with a two coat spray seal, and has a base cost of \$7.394 million, or \$9.628 million as a P90 cost estimate (which is a cost estimate incorporating sufficient contingency such that there is a 90% likelihood that this cost estimate will not be exceeded). This estimate was based upon 30% concept drawings for the pathway itself and the Burford Hill bridge works. It also assumed the construction of footbridges at Williams Creek and Angas Creek, and included a small budgetary allocation for tree removal and payment of vegetation offsets.
- 1.2.4 AHC staff have updated this cost estimate based on a series of assumptions about cost savings that could be realised as a Council-led project built to a lower design standard. The most significant cost savings were associated with the DIT overhead charge, reduction in overall contingency, replacing footbridges at Williams Creek and Angas Creek with culverts, and changes to assumptions around earthworks, pavement, bitumen surfacing, road furniture and traffic management. The AHC cost estimates include a larger budgetary allocation for vegetation removal than DIT's costings, and provision for Significant Environmental Benefit offsets.
- 1.2.5 AHC's current cost estimate is for a base cost of \$4.772 million, or \$5.965 million inclusive of contingencies.

### 1.3 Purpose of a Prudential Review

- 1.3.1 Section 48 of the Local Government Act 1999 (Act) requires a Council to consider a report addressing the prudential issues set out in subsection (2) of the Act when a project meets certain criteria, namely where a council:

*"(b) engages in any project*

- (a) Where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or*
- (b) where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 000 000 (indexed); or*
- (c) where the council considers that it is necessary or appropriate."*

Attachment One contains Section 48 of the Act in full.

- 1.3.2 Council has an adopted Prudential Management Policy, which was last reviewed 27 June 2017, that sets out Council's approach for meeting the prudential management requirements set out in Section 48 of the *Local Government Act 1999*.
- 1.3.1 AHC's current estimated cost of the Project is \$5.965 million, which exceeds the current indexed threshold stipulated in Section 28(2)(b) of \$5.814 million. Therefore, this Prudential Report has been prepared to satisfy the requirements of Section 48 (2) of the Act.



#### 1.4 **Other requirements**

- 1.4.1 A Prudential Report must be prepared by a person whom the Council reasonably believes to be qualified to address the prudential issues set out in Section 48(4) and must not be a person who has an interest in the relevant project as defined in Section 48(6a) - (6c).
- 1.4.2 BRM Advisory was engaged to prepare this report and we confirm we do not have an interest in the Project, as defined in section 48(6a) - (6c) of the Act.
- 1.4.3 Section 126 (4) (i) requires a council's Audit and Risk Committee to review any report obtained by the council under Section 48 (1) of the Act.
- 1.4.4 This report will be considered by AHC's Audit and Risk Committee on 12 February 2024.



## 2. PRUDENTIAL REVIEW

### 2.1 Relationship with Strategic Management Plans

*Section 48 (2) (a) the relationship between the project and relevant strategic management plans;”*

Elements	Relevant Documents	Prudential Review Comments
<b>Council Plans</b>	Strategic Plan 2020-24 – A brighter future Annual Business Plan and Budget 2023/24 Long Term Financial Plan April 2023 Trails and Cycling Routes Management Policy August 2021	<p>Whilst the Project is not specifically mentioned in the Strategic Plan 2020-24, it is consistent with two priorities under Goal One – A Functional Built Environment, specifically:</p> <ul style="list-style-type: none"> <li>• Priority B1.1: Increase accessibility to our district through the development and delivery of high priority trails and routes for all cyclists (on-road, off road, commuters, recreational) and pedestrians.</li> <li>• Priority B1.3: Progress state-wide and inter-regional connectivity of cyclist routes by partnering with neighbouring councils.</li> </ul> <p>It is also consistent with Goal Two – Community Wellbeing:</p> <ul style="list-style-type: none"> <li>• C4.3 Recognise that trails are a destination in their own right and support both commuter and recreational trail opportunities.</li> </ul> <p>The 2023/24 Annual Business Plan and Budget contains a listing of all strategic initiatives to be delivered in support of the Strategic Plan goals and priorities. The “Amy Gillett Bikeway Contribution (Stage 4)” is listed as an operating expense with a budget of \$125,000 allocated for 2023/24. The Mayor’s foreword at the start of the Annual Business Plan also notes the importance of Council advocating for the State Government to complete the AGB.</p> <p>The Project has been included in Long Term Financial Plan (last updated April 2023) with a \$500,000 commitment over a four year period commencing in 2023/24. It is understood that these costs were spread over four years on the assumption that AHC would be providing funds to State Government rather than delivering the project itself. With the Project now proposing that Council lead the final design work and construction, it is likely that the funding will be required sooner to achieve the project timelines.</p> <p>The project will be treated as operational expenditure as the State Government will retain ownership of the land and assets. While no Council assets will be created, there will still be a requirement for AHC to maintain the constructed track and future budget provisions for maintenance will need to be developed if the Project proceeds.</p>



		Adelaide Hills Council has also developed a Trails and Cycling Routes Management Policy, which notes “the positive contribution that recreation trails and cycling routes provide to the local community and visitors alike” and that “Council understands it plays a pivotal role in providing trail and cycle experiences within the Council area”. This project is directly aligned to the policy, and will help council achieve its policy commitment.
<b>State Plans</b>	Game On Getting South Australia moving Strategy 30 Year Plan for Greater Adelaide (2017 update) SA Walking Strategy 2022-2032	<p>The Game On Strategy promotes a number of priority outcomes including:</p> <ul style="list-style-type: none"> <li>• Lifelong physical activity;</li> <li>• Places and spaces for movement;</li> <li>• Growth in active transport; and</li> <li>• Affordable sport and recreation.</li> </ul> <p>The proposed Project will help to enhance all of these priorities by constructing infrastructure that supports walking, cycling and horse riding in the Adelaide Hills.</p> <p>The Project supports the objectives of the 30-Year Plan for Greater Adelaide in relation to ‘Open space, sport and recreation’, and related policies around providing quality trails, greenways and shared used paths that serve as linkages and encourage walking and cycling.</p> <p>The Project also supports the SA Walking Strategy priority to “Build connected, safe and pleasant walking environments for all” and related outcomes to:</p> <ul style="list-style-type: none"> <li>• Develop trails and open space opportunities for walkers</li> <li>• Create linear parks along waterways, coastlines and other strategic locations</li> <li>• Develop, promote and market walking tourism experiences in South Australia.</li> </ul>
<b>Regional Plans</b>	Southern and Hills LGA Regional Public Health and Wellbeing Plan 2022-27	The Regional Public Health and Wellbeing Plan contains a goal around “stronger communities and healthier environments”, with related actions around improving accessibility of public spaces, and maximising community usage of green open spaces for activities that support health and wellbeing. The Project will support the achievement of these priorities through delivering new infrastructure that supports active travel in an otherwise disused green open space corridor.
<p><b>Findings:</b>          Requirements of Section 48 (2) (a) <b>have been met.</b>          AHC has included \$125,000 of operational funding for the Project in the 2023-24 Annual Business Plan and Budget. This forms part of its overall commitment of \$500,000 over four years, as included in the latest iteration of the LTFP.</p>		





Whilst not specifically mentioned in the Strategic Plan, the Project is considered broadly aligned to a number of AHC's Strategic Plan priorities, the Trails and Cycling Routes Management Policy, and Regional Public Health and Wellbeing Plan.

The Project is also strongly aligned with a number of State Government Plans including the Game On Strategy, 30 Year Plan and Walking Strategy through the delivery of infrastructure that supports active transport, connection between townships, recreation and tourism. The commitment of State Government funding in support of the Project demonstrates the strong alignment of the Project to State Government objectives.



## 2.2 Objectives of the Development Plan

*Section 48 (2) (b) the objectives of the Development Plan in the area where the project is to occur;*

Elements	Relevant Documents	Prudential Review Comments
<b>Development zone</b>	Planning and Design Code	The Project is located entirely within the Productive Rural Landscape Zone within the Planning and Design Code. This zone envisages a diverse range of land uses focused on the conservation of natural and rural character, primary production and horticulture, and value-adding activities such as tourism development and accommodation. The project broadly accords with the desired outcome for this zone in that it will support the conservation of the open and natural character of the rail corridor.
<b>Development Assessment</b>	Planning, Development and Infrastructure Act 2016. Planning, Development and Infrastructure (General) Regulations 2017.	AHC’s planning staff have provided preliminary advice that the project is unlikely to require a development application. This is because the construction of a recreational path by either the Crown, a council or other public authority is listed within the exclusions from the definition of development within Section 20 of Schedule 4 of the <i>Planning, Development and Infrastructure (General) Regulations 2017</i> . Any excavations, footings, landscaping and support structures that are ancillary to development of a recreational path are also captured within this exclusion. Once details of the proposed bridge works at Burford Hills Road are finalised, there will be a need to confirm whether the works are captured within the definition of support structures, and thus also exempt from the definition of development.
<p><b>Findings:</b>            Requirements of Section 48 (2) (b) <b>have been met.</b>            The Project accords with the desired outcomes for the Productive Rural Landscape Zone. A Development Application may not be required because the construction of a recreational path, and ancillary works and structures, falls within the exclusion from the definition of development in the <i>Planning, Development and Infrastructure (General) Regulations 2017</i>. Once details of the proposed bridge works at Burford Hills Road are finalised, there will be a need to confirm whether the works are captured within the exclusions from the definition of development. If a Development Application is required, time will need to be allocated in the Project Plan for assessment of the Application and any mandatory public notification.</p>		



### 2.3 Contribution to Economic Development

*Section 48 (2) (c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;”*

Elements	Relevant Documents	Prudential Review Comments
<b>Contribution to economic development</b>	Economic Impact Report	<p>AHC has commissioned an Economic Impact Report of the Project from .id consulting and RDA Adelaide Hills, Fleurieu and Kangaroo Island. This report is based on the National Institute of Economic and Industry Research (NIEIR) modelling and estimates the expected impact the construction phase of the Project will have on economic activity and jobs.</p> <p>From an assumed direct investment of \$5.70 million over a construction period of 1.33 years, the total increase in economic output is forecast to be \$10.49 million once all direct, supply chain and consumptions effects are considered.</p> <p>It is also expected that the construction phase of the Project will create an additional 13 direct local jobs per year, as well as 11 indirect jobs.</p> <p>Once constructed, it is expected that there will be positive benefits to businesses in Mount Torrens, Birdwood and other townships along the AGB as a result of increased patronage in the area. These ongoing economic benefits have not been quantified by AHC.</p>
<b>Impact on businesses in the proximity</b>	None	Given the location of the proposed extension of the AGB on rural land between Mount Torrens and Birdwood, and expected use of the pathway by walkers, cyclists and horse-riders, we do not expect the project to have any significant negative adverse impact on businesses in the locality.
<b>Fair competition</b>	None	AHC is not intending to undertake any commercial activities by progressing the Project. Therefore, the principles of Fair Competition do not apply.
<p><b>Findings:</b>            Requirements of Section 48 (2) (c) <b>have been met.</b>            AHC has quantified the expected economic impact from the construction phase of the Project using the NIEIR Economic Impact Model to be \$10.49 million and the creation of 24 jobs. We do not expect that businesses in the proximity of the pathway will be materially negatively impacted by the construction phase. The future economic benefits of the pathway on local towns in the area which the bikeway traverses has not been quantified by AHC.</p>		



## 2.4 Level of Consultation

*Section 48 (2) (d) the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;*”

Elements	Relevant Documents	Prudential Review Comments
<b>Level of consultation</b>	Public Consultation Policy (2020) Local Government Act 1999	<p>AHC’s Public Consultation Policy (Policy), last reviewed on 21 August 2020, applies to all consultation processes required under the <i>Local Government Act 1999</i>. The policy notes that there are other occasions where community engagement may be desirable, but these are not covered by the requirements of the policy.</p> <p>There is no requirement under the <i>Local Government Act 1999</i> to undertake community consultation when constructing a recreational trail as proposed by the Project and therefore AHC’s Public Consultation Policy does not apply.</p> <p>In our view, a degree of consultation with the local community, including contact with persons who may be directly affected by the Project, is both desirable and practical given the size and complexity of the Project. The State Government consulted the local community, including landowners adjacent the corridor, when constructing the first three stages of the AGB, which sets a precedence for consulting the community on the Project.</p> <p>Written evidence has been provided showing evidence of community consultation associated with the Project through:</p> <ul style="list-style-type: none"><li>• Consultation on the Local Area Strategic Bike Plan in 2015 which identified broad support for the completion of the AGB, and more general themes about the importance of off-road cycling infrastructure within AHC;</li><li>• Consultation on the Annual Business Plan and Budget for 2016/17, which included a number of specific questions regarding the completion of the AGB, and possible Council financial contributions to the Project;</li><li>• A number of deputations to Council over many years expressing support for the project, and a desire for the AGB to be constructed in full in a timely manner; and</li><li>• The escalation of this issue by the community to State and Federal politicians, which ultimately led to funding commitments from higher levels of government.</li></ul> <p>The most extensive of these processes was the Annual Business Plan and Budget consultation for 2016/17, with 220 people responding to a specific online survey about the AGB. Of these, 96% indicated that they were supportive of extending the Amy Gillett Bikeway between Mt Torrens and Birdwood. When asked about what</p>



		<p>contribution level they felt Council should provide (excluding ongoing maintenance/depreciation), the following responses were received:</p> <table border="1" data-bbox="676 341 1397 544"> <thead> <tr> <th>RESPONSE</th> <th>NUMBER</th> <th>PERCENTAGE</th> </tr> </thead> <tbody> <tr> <td>\$250,000</td> <td>16</td> <td>8%</td> </tr> <tr> <td>\$500,000</td> <td>20</td> <td>10%</td> </tr> <tr> <td>\$750,000</td> <td>16</td> <td>8%</td> </tr> <tr> <td>\$1.33 million</td> <td>148</td> <td>74%</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>200</b></td> <td><b>100%</b></td> </tr> </tbody> </table> <p>While this consultation process occurred some time ago, it does indicate strong support for the Project, and support for AHC to contribute financially to the Project.</p> <p>AHC has not yet consulted with landowners or occupiers directly adjacent to the proposed pathway, although we were informed that some contact was made by DIT and their consultants during preliminary survey and design work, and this engagement focused on access, use and crossing points on the proposed pathway. We understand that some landowners are using the corridor for stock grazing and other purposes and have leases in places with DIT associated with this.</p> <p>Given this, and the likelihood that adjacent land owners and occupiers will have an interest in the proposed path alignment, crossing points, vegetation clearance and the construction approach, AHC will need to resume this consultation as delivery plans are progressed.</p>	RESPONSE	NUMBER	PERCENTAGE	\$250,000	16	8%	\$500,000	20	10%	\$750,000	16	8%	\$1.33 million	148	74%	<b>TOTAL</b>	<b>200</b>	<b>100%</b>
RESPONSE	NUMBER	PERCENTAGE																		
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\$1.33 million	148	74%																		
<b>TOTAL</b>	<b>200</b>	<b>100%</b>																		
<p><b>Level of community influence to the Project</b></p>		<p>While AHC does not have obligations under the Local Government Act 1999 or its Public Consultation Policy to consult its community on this Project, it is evident that AHC’s long term advocacy around the completion of the AGB and interest in leading its delivery has been driven by strong and consistent community support for the Project.</p> <p>It is recommended that AHC engage with landowners and occupiers adjacent the rail corridor as the design work and delivery plans are finalised to both inform them of the Project, and provide an opportunity for feedback around how any direct impacts to them will be managed.</p>																		
<p><b>Findings:</b></p> <p>Requirements of Section 48 (2) (d) <b>have been met.</b></p> <p>There is no requirement in the Local Government Act for AHC to undertake a public consultation process in relation to this Project.</p> <p>There is evidence of feedback from the community over many years indicating strong support for the Project, and for Council to be involved and contribute financially.</p> <p>As a matter of good practice, it is recommended that AHC resume consultation with landowners directly adjacent the proposed pathway as the design work, vegetation clearance arrangements and delivery plans are progressed so that stakeholder feedback can influence the final designs.</p>																				



## 2.5 Revenue, Revenue Projections and Potential Financial Risks

*Section 48 (2) (e) if the project is intended to produce revenue, revenue projections and potential financial risks”*

Elements	Relevant Documents	Prudential Review Comments
<b>Revenue projections</b>	Funding Agreement with the Commonwealth Government	<p>A total of \$2.600 million of Commonwealth Government funding is committed to supporting the construction of the AGB, which will be recorded as revenue in accordance with Australian Accounting Standards.</p> <p>The State Government has also committed to providing \$2.600 million of funding to the Project. It is anticipated this funding would be received up-front upon the execution of the Grant Funding Agreement, and this will also be recorded as revenue in accordance with Australian Accounting Standards.</p> <p>The Project is not expected to directly generate any new or recurrent revenue streams for AHC.</p>
<b>Potential financial risks</b>	<p>Amy Gillett Bikeway Stage Four Risk Register (January 2024)</p> <p>AHC Project Cost Estimates and Assumptions</p> <p>Funding Agreement with the Commonwealth Government</p>	<p>The Project at this point presents a number of material financial risks to AHC, which reflect the unique financial arrangements of the Project, the fact that the project design and cost estimate work has been progressed to date by State Government but is being transferred to AHC, and also the early stage of the Project in its lifecycle.</p> <p>Three financial risks have been identified in the current Project Risk Register:</p> <ul style="list-style-type: none"> <li>• Amy Gillett Bikeway Stage 4 does not have sufficient funding</li> <li>• Available funding of \$5.700m is insufficient to deliver the path from Mount Torrens to Birdwood</li> <li>• Additional funding is required to complete project.</li> </ul> <p>The first financial risk about the Project not having sufficient funding relates specifically to the State Government funding of \$2.600 million, which has been committed but not yet confirmed in a written agreement due to the ongoing negotiations.</p> <p>If an agreement with the State Government cannot be reached, AHC will also lose the committed Commonwealth funding, as the first milestone under the signed agreement with the Commonwealth Government is formalising the funding agreement with the State Government. The deadline for achieving this agreement was 31 October 2023. While we understand that AHC have been in regular discussion with the Commonwealth funders and have submitted a request to vary the milestones in the agreement, not achieving this milestone escalates the likelihood of this risk materialising.</p> <p>If AHC is unable to secure the State Government funding, it will likely lose the Federal funding, and AHC’s financial contribution towards the Project would need to increase dramatically if it was to proceed.</p>



	<p>The Project Risk Register assessed this risk as having a major consequence, and a possible likelihood, resulting in a risk rating of high. We agree with this assessment, and recommend that AHC seek to formalise its agreement with the State Government as a matter of urgency, and seek confirmation of a variation with the Commonwealth Government to adjust the milestones in the Funding Agreement.</p> <p>The second financial risk relates to \$5.700 million being insufficient to deliver the project. We note that the most recent cost estimates completed by DIT (for the proposed 150mm granular pavement with a sprayed bitumen seal) costed the Project at \$9.628 million as a P90 cost estimate based on 30% concept designs.</p> <p>AHC staff have used this DIT cost estimate to develop their own costings, based on informal market testing and identification of where other efficiencies can be made, for example removing DIT's overhead cost recovery and reducing contingencies, replacing the two footbridges with culverts, and accessing AHC's contract for spray sealing. On this basis, AHC staff have estimated that the project can be delivered for \$5.965 million.</p> <p>At this point in time, there is potential for variance in this estimate given the untested nature of many of the assumptions and the current level of design documentation for the pathway and the Burford Hill Road bridge works. There remains a residual risk that the \$5.965 million cost estimate will be exceeded.</p> <p>An independent cost report from a quantity surveyor would provide a greater degree of assurance on the accuracy of the cost estimate and the reasonableness of the assumptions being made by AHC staff. This is especially important given that AHC's work is building on the early cost estimates provided by DIT's quantity surveyors. An independent cost report will provide the added benefit of assisting AHC in its work with a civil contractor given the proposed delivery strategy involving early contractor engagement.</p> <p>Doing so may place additional time pressures on the project, and given the need to achieve the tight timeframes in the Commonwealth funding agreement, consideration should be given to seeking this cost estimate in parallel with other project tasks.</p> <p>Vegetation removal presents another complicating factor to the risk of insufficient funds. As part of the preliminary design work, DIT commissioned Jacobs to undertake a vegetation survey to estimate the scale of clearance required, and provide an indication of the Significant Environmental Benefit amount (offsets) that may be required. More recently, AHC staff have met with staff from the Native Vegetation Branch within the Department for Environment and Water to discuss the project, and have engaged a consultant who will review the initial work completed by Jacobs, and prepare the information required to lodge the clearance application to the Native Vegetation Council.</p> <p>Financial risks associated to this include the potential need to redesign/realign the pathway to avoid large trees or important areas of vegetation (AHC staff have advised that they expect some minor realignment), payment of a Significant Environmental Benefit amount (offsets) and/or time delays associated with the</p>
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		<p>approval process and any subsequent redesign work, which in turn may impact the delivery schedule or contribute to other cost escalations.</p> <p>It is noted that AHC's current cost estimates include an allocation of approximately \$730,000 for possible costs associated with vegetation assessment and removal, and the provision in the current costings for offsets is larger than the initial estimation by Jacobs. Progressing the work associated with the Native Vegetation Council approval as a matter of urgency will help mitigate the residual risk that vegetation clearance, and associated scope changes or delays, may present to the project.</p> <p>Council staff have identified that early contractor involvement is proposed to ensure that the design is practical and deliverable within budget. They have also advised that there is some opportunity to reduce the scope and design standard of the project in the event that funds are insufficient. Specifically, the Commonwealth funding only requires the delivery of 5.4km of pathway (rather than the current designs, which are for a 6.2km pathway), and for the path treatment to be unsealed (rather than the current designs which are for a spray seal). It is noted that these scope management options may help the project to be delivered on budget, but not meet stakeholder expectations.</p> <p>The Project Risk Register assessed the risk of \$5.7 million of funding being insufficient as having major consequences, and a possible likelihood, resulting in a risk rating of high. We agree with this assessment. We recommend AHC engage an independent Quantity Surveyor to review council's cost estimates as a priority action, along with progressing the application for vegetation clearance with the Native Vegetation Council, to help reduce this level of risk.</p> <p>The third financial risk relates to the final project costs exceeding the funding available, and council needing to fund the remainder of any cost over-run beyond \$200,000. The identified mitigating factors for this risk are the design work already in place, proposed early involvement of the contractor and scope management. It is also noted that the unconfirmed arrangements with the State Government propose that AHC be provided with up to \$200,000 from the State Government for cost over-runs, with AHC responsible for any cost overruns beyond this.</p> <p>Given the previously discussed factors, the potential for cost over-runs remains high. In addition, it is foreseeable that variations and changes of scope may arise during the finalisation of the designs and during the actual construction process.</p> <p>The Project Risk Register assessed this risk as having moderate consequences, and a possible likelihood, resulting in a risk rating of medium.</p>
<p><b>Findings:</b> Requirements of Section 48 (2) (e) <b>have been partially met.</b></p>		





The ability to deliver the Project within the funding currently committed, whilst meeting stakeholder expectations, is the major financial risk relating to the Project.

At this point in time, there is a high level of uncertainty with some elements of the costings, including the final scope of vegetation removal and offsets, the design of bridge works and culverts and AHC's ability to achieve cost savings relative to DIT's initial cost estimates. Engaging a third-party cost consultant could help to provide additional assurance on the reasonableness of AHC's current cost estimate, and reduce some of this uncertainty.



## 2.6 Recurrent and Whole of Life Costs

*Section 48 (2) (f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;”*

Elements	Relevant Documents	Prudential Review Comments
<b>Recurrent costs</b>	Whole of Life Costings	<p>There will be recurrent costs to AHC from progressing the Project as a result of new maintenance obligations that will exist in perpetuity. These maintenance tasks will include civil works associated with the pathway (e.g. crack sealing and edge break work), as well as slashing, vegetation management, signage, litter management and periodic sweeping. AHC staff have advised that because existing civil infrastructure and parks maintenance resources are fully committed, additional operating funding and the purchase of additional equipment will be required.</p> <p>The annual operating costs have been estimated at \$55,000, comprised of \$40,000 for maintenance tasks and \$15,000 for works on the physical assets. These recurrent costs have been informed by DIT’s actual expenditure on the maintenance of the existing three stages of AGB, which were adjusted based on AHC’s internal staffing costs and contracted unit rates.</p> <p>The additional maintenance burden equates to approximately \$3.00 per rateable property per annum.</p> <p>We understand that these operating costs have not yet been incorporated in Council’s Long Term Financial Plan. Similarly, no allowance has been made in either the Project costing or Council’s Long Term Financial Plan for the purchase of equipment to enable AHC to deliver the maintenance operations.</p> <p>It should be noted that because AHC is not the asset owner, it will not incur depreciation costs associated with the pathway itself. The State Government will remain the owner of the land and of the asset built on it, and therefore will also be responsible for asset renewal at ‘end of life’. It will be important that the agreement with the State Government, which has not yet been signed, clearly outlines the State Government’s commitment to renew the asset at the end of life to avoid any asset renewal responsibility being shifted to AHC.</p>
<b>Whole of life costs</b>	Whole of Life Costings	<p>The whole of life cost for the Project will include Council’s up-front contribution of \$500,000, plus the sum of the annual maintenance cost of \$55,000 per annum. This has been estimated by AHC to be \$2.15 million over 30 years (in today’s dollars). It is noted that Council is responsible to bear the risk of cost overrun beyond \$200,000 and thus this figure could increase if the Project is not delivered on budget.</p>
<b>Financial arrangements</b>	Annual Business Plan and Budget Treasury Policy	<p>The proposed financial arrangements for the Project are as follows:</p> <ul style="list-style-type: none"> <li>• Commonwealth Government to provide grant funding of \$2.600 million, to be paid at agreed milestones in accordance with the Funding Deed</li> </ul>



		<ul style="list-style-type: none"><li>• State Government to provide grant funding of \$2.600 million, to be paid upfront at the time of execution of the Funding Deed (noting that this deed is not yet in place), with up to \$200,000 to be made available to AHC to cover any cost overruns</li><li>• Council to provide funding of \$500,000 to be provided through a \$125,000 operational allocation in the annual budget each year from 2023/24 to 2026/27, as identified in the AHC Long Term Financial Plan.</li></ul> <p>In order to meet the timeframes in the Commonwealth funding agreement, AHC will need to complete the project no later than December 2025, and thus some of the AHC funding will need to be brought forward.</p>
<p><b>Findings:</b> Requirements of Section 48 (2) (f) <b>have been partially met</b></p> <p>If the Project progresses, AHC will have an obligation to maintain Stage Four of AGB which is estimated to cost \$55,000 per annum, or approximately \$3.00 per rateable property per annum. These costs, and the cost of purchasing additional equipment to support the maintenance operations, have not yet been factored into the latest LTFP.</p> <p>As the Project assets constructed will be transferred to the State Government upon completion, there is no ongoing depreciation impact nor asset renewal requirements relating to the Project.</p> <p>The whole of life cost of AHC's up-front and ongoing contribution has been estimated by AHC to be \$2.15 million over 30 years (in today's dollars).</p>		



## 2.7 Financial Viability

*Section 48 (2) (g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;*

Elements	Relevant Documents	Prudential Review Comments
<p><b>Financial viability</b></p>	<p>Long Term Financial Plan</p>	<p>AHC has developed a LTFP to support Council to understand the financial opportunities and constraints in the delivery of its Strategic Plan. The latest version of the AHC LTFP was last updated in April 2023.</p> <p>The latest LTFP contains the following financial provisions for progressing the Project:</p> <ul style="list-style-type: none"> <li>• \$125k per annum operating expenditure in FY2023/24, FY2024/25 and FY2025/26</li> <li>• \$nil increases in maintenance costs.</li> </ul> <p>On the proviso that there are no project cost overruns, the current assumptions in the LTFP are reasonable to deliver the Project. Practically, there may be timing differences as to when specific AHC funding is required. We expect that the AHC will need to expend money upfront to support risk management and Project due diligence in the early phases of the Project and if this occurs it may necessitate a budget review.</p> <p>The LTFP does not include provisions for future maintenance costs. If the Project proceeds, the next iteration of the LTFP should include an additional \$55k per annum to maintain the new Project assets.</p> <p>We have reviewed the outputs of the LTFP, and in particular the modelled performance of AHC against its key financial ratios. Our analysis concludes that AHC is currently in a financially sustainable position, with adequate operational revenue to meet both current and future forecast costs without the need for excessive rating or borrowings increases.</p> <p>The challenge with this Project is mitigating the risk of Project overruns and the financial impact this could cause. Significant overruns are unlikely to impact the overall financial viability of AHC, but they could place more pressure on AHC’s debt levels and limit capacity to undertake other strategic projects.</p>
<p><b>Findings:</b>            Requirements of Section 48 (2) (g) <b>have been met.</b> AHC’s LTFP has sufficient financial capacity to undertake the Project. Should the Project proceed, the next iteration of the LTFP should include a provision for ongoing maintenance of the completed bikeway.</p>		



## 2.8 Risk Management

*Section 48 (2) (h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);”*

Elements	Relevant Documents	Prudential Review Comments
<p><b>Risk assessment</b></p>	<p>Risk Management Policy            Amy Gillett Bikeway Stage Four Risk Register (January 2024)</p>	<p>The AHC Risk Management Policy, last reviewed 24 May 2022, articulates AHC’s policy position in relation to managing risk to achieve its objectives.</p> <p>AHC recently developed a Project Risk Register which evaluates eight major risks relating to the Project. These are:</p> <ul style="list-style-type: none"> <li>• Amy Gillet Bikeway Stage 4 does not have sufficient funding (residual risk: high)</li> <li>• Native Vegetation approval is delayed (residual risk: high)</li> <li>• Native Vegetation approval is not approved without significant changes (residual risk: extreme)</li> <li>• Council decides not to proceed with Construction of Stage 4 (residual risk: medium)</li> <li>• Variation to Deed with Federal Government not approved (residual risk: extreme)</li> <li>• Available funding of \$5.7 million is insufficient to deliver the path from Mount Torrens to Birdwood (residual risk: high)</li> <li>• Further variation approvals required from the Federal Government (residual risk: extreme)</li> <li>• Additional funding is required to complete project (residual risk: medium)</li> </ul> <p>Many of these risk items, and others, have been highlighted in the regular reports to Council about the Project over many years. The financial implications of these risks, including discussion of additional risk treatments that may be needed, has been reviewed in Section 2.5.</p> <p>One item that is not listed in the register is the risk of inadequate consultation with adjacent landowners and occupiers who currently use the corridor for grazing and other purposes, as resolving these concerns may introduce time delays to the project. This risk item has been discussed in the reporting to Council, but not captured in the risk register.</p> <p>Similarly, the risk register does not sufficiently discuss the reputational risk of AHC not proceeding with the Project. While the risk of “Council decides not to proceed with Construction of Stage 4” has been rated as medium, there is evidence of strong and sustained expectation from the community (including from the family of Amy Gillett) that the Project will be delivered. Given this, not progressing the Project may expose</p>



		<p>Council to reputational risk. We recommend these two risks, and the plans to address them are included in the next iteration of the risk register.</p> <p>The level of risk assessment work undertaken demonstrates that risk management activities have been considered by the Project Team, consistent with the requirements of the Risk Management Policy. However, at this point in time, all but two of the above project risks have a residual risk rating of high or extreme.</p> <p>Given the unusual nature of this project in that much of the planning work has not been completed by AHC, the high risk profile documented in the risk register is reflective of the actual risk of committing to the Project.</p> <p>To reduce Project Risk to a more manageable level, the design, planning and cost estimate processes need to advance, and risk treatments matured, including through the implementation of new treatments.</p> <p>As the Project continues to evolve, the risk profile will change and hopefully reduce. The Project Risk Register should be comprehensively reviewed at regular intervals, and particularly once a civil contractor has been appointed. This is especially important given the proposal for early involvement of the contractor and the proposal to work with them to finalise the design and manage cost pressures.</p>
<p><b>Findings:</b></p> <p>Requirements of Section 48 (2) (h) <b>have been partially met.</b></p> <p>The risk register captures most of the key project risks at this stage of the Project lifecycle, with all but two of the above project risks have a residual risk rating of high or extreme. Two risks that have not yet been captured in the register relate to engagement of landowners/occupiers adjacent the corridor, and reputational risk of not proceeding with the project.</p> <p>Given the unusual nature of this project in that much of the planning work has not been completed by AHC, the high risk profile documented in the risk register is reflective of the actual risk of progressing the Project. To reduce risk to a more manageable level, the design, planning and cost estimate processes need to advance.</p> <p>Regular updates to the risk register should be undertaken as the project moves through the design and construction phases.</p>		



## 2.9 Project Delivery

*Section 48 (2) (i) the most appropriate mechanisms or arrangements for carrying out the project;*

Elements	Relevant Documents	Prudential Review Comments
<b>Project Delivery</b>	Procurement Policy	<p>A Project Delivery Plan has not yet been prepared, although AHC staff have documented their broad approach to procurement and construction.</p> <p>The proposed approach involves using external resources to initially secure native vegetation approvals, and then clear the corridor ready for civil works.</p> <p>In terms of the civil contractor, AHC is proposing to work with LGA Procurement to engage this contractor early on the basis of the current concept alignment, and work with them to finish the designs. This aims to ensure ease of constructability and help achieve the required cost efficiencies.</p> <p>Once civil works are complete, Council’s existing spray seal contractor will undertake the final sealing.</p> <p>AHC has acknowledged that while this arrangement is intended to be the most efficient approach, it does mean that some risk is retained by AHC given the involvement of multiple contractors in delivery.</p> <p>AHC intends to set up a Project Team, engage a specialist project manager to support delivery of the Project, and fully cost the project management expenditure. It is expected that the project manager may be sourced internally, requiring backfilling of existing personnel.</p> <p>Given the high level of risk currently associated with the Project, and the importance of an effective working relationship between AHC and the contractors to deliver the Project on time and on budget, it is recommended that the Project Manager and Project Team be appointed early in the delivery phase.</p>
<p><b>Findings:</b></p> <p>Requirements of Section 48 (2) (i) <b>have been partially met.</b></p> <p>Although a Project Delivery Plan has not yet been prepared, AHC has outlined the proposed mechanisms and arrangements to carry out the Project. The proposed arrangements include early engagement of the civil contractor to finish the design work and then build, which aims to help ease of constructability and help achieve the required cost efficiencies. Other contractors will have responsibility for vegetation clearance, and the final spray seal of the pathway.</p> <p>Given the high level of risk currently associated with the Project, the tight timeframes within the modified Commonwealth Funding Agreement and the importance of an effective working relationship between AHC and the contractors to deliver the Project on time and on budget, it is recommended that the Project Manager and Project Team be appointed early in the delivery phase.</p>		



## 2.10 Sale or Disposition of Land

*Section 48 (2) (j) if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994;”*

Elements	Relevant Documents	Prudential Review Comments
<b>Valuation of land</b>	None	The Project does not involve the sale or disposition of land.
<b>Findings:</b> Requirements of Section 48 (2) (j) are not applicable to this Project.		





## ATTACHMENT ONE: LOCAL GOVERNMENT ACT, 1999 SECTION 48

### Section 48 – Prudential requirements for certain activities

- (aa1) A council must develop and maintain prudential management policies, practices and procedures for the assessment of projects to ensure that the council—
- (a) acts with due care, diligence and foresight; and
  - (b) identifies and manages risks associated with a project; and
  - (c) makes informed decisions; and
  - (d) is accountable for the use of council and other public resources.
- (a1) The prudential management policies, practices and procedures developed by the council for the purposes of subsection (aa1) must be consistent with any regulations made for the purposes of this section.
- (1) Without limiting subsection (aa1), a council must obtain and consider a report that addresses the prudential issues set out in subsection (2) before the council—
- (b) engages in any project (whether commercial or otherwise and including through a subsidiary or participation in a joint venture, trust, partnership or other similar body)—
    - (i) where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or
    - (ii) where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 000 000 (indexed); or
    - (iii) where the council considers that it is necessary or appropriate.
- (2) The following are prudential issues for the purposes of subsection (1):
- (a) the relationship between the project and relevant strategic management plans;
  - (b) the objectives of the Development Plan in the area where the project is to occur;
  - (c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;
  - (d) the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;
  - (e) if the project is intended to produce revenue, revenue projections and potential financial risks;
  - (f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;
  - (g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;
  - (h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);
  - (i) the most appropriate mechanisms or arrangements for carrying out the project;
  - (j) if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994.
- (2a) The fact that a project is to be undertaken in stages does not limit the operation of subsection (1)(b) in relation to the project as a whole.
- (3) A report is not required under subsection (1) in relation to—
- (a) road construction or maintenance; or
  - (b) drainage works.



- (4) A report under subsection (1) must be prepared by a person whom the council reasonably believes to be qualified to address the prudential issues set out in subsection (2).
- (4a) A report under subsection (1) must not be prepared by a person who has an interest in the relevant project (but may be prepared by a person who is an employee of the council).
- (4b) A council must give reasonable consideration to a report under subsection (1) (and must not delegate the requirement to do so under this subsection).
- (6) However, a council may take steps to prevent the disclosure of specific information in order to protect its commercial value or to avoid disclosing the financial affairs of a person (other than the council).
- (6a) For the purposes of subsection (4a), a person has an interest in a project if the person, or a person with whom the person is closely associated, would receive or have a reasonable expectation of receiving a direct or indirect pecuniary benefit or a non-pecuniary benefit or suffer or have a reasonable expectation of suffering a direct or indirect detriment or a non-pecuniary detriment if the project were to proceed.
- (6b) A person is closely associated with another person (the relevant person)—
- (a) if that person is a body corporate of which the relevant person is a director or a member of the governing body; or
  - (b) if that person is a proprietary company in which the relevant person is a shareholder; or
  - (c) if that person is a beneficiary under a trust or an object of a discretionary trust of which the relevant person is a trustee; or
  - (d) if that person is a partner of the relevant person; or
  - (e) if that person is the employer or an employee of the relevant person; or
  - (f) if that person is a person from whom the relevant person has received or might reasonably be expected to receive a fee, commission or other reward for providing professional or other services; or
  - (g) if that person is a relative of the relevant person.
- (6c) However, a person, or a person closely associated with another person, will not be regarded as having an interest in a matter—
- (a) by virtue only of the fact that the person—
    - (i) is a ratepayer, elector or resident in the area of the council; or
    - (ii) is a member of a non-profit association, other than where the person is a member of the governing body of the association or organisation; or
  - (b) in a prescribed circumstance.
- (6d) In this section, \$4 000 000 (indexed) means that that amount is to be adjusted for the purposes of this section on 1 January of each year, starting on 1 January 2011, by multiplying the amount by a proportion obtained by dividing the CPI for the September quarter of the immediately preceding year by the CPI for the September quarter, 2009.
- (6e) In this section—
- employee** of a council includes a person working for the council on a temporary basis;
- non-profit association** means a body (whether corporate or unincorporate)—
- (a) that does not have as its principal object or 1 of its principal objects the carrying on of a trade or the making of a profit; and
  - (b) that is so constituted that its profits (if any) must be applied towards the purposes for which it is established and may not be distributed to its members.
- (7) The provisions of this section extend to subsidiaries as if a subsidiary were a council subject to any modifications, exclusions or additions prescribed by the regulations.

## **Appendix 2**

*Draft Funding Deed with State Government*

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**FUNDING DEED** under **STAGE 4 AMY GILLETT BIKEWAY PROGRAM**

Stage 4 Amy Gillett Bikeway between Mount Torrens and Birdwood

Between

**MINISTER FOR INFRASTRUCTURE AND TRANSPORT**  
**(Minister)**

And

**THE COUNCIL NAMED IN THE SCHEDULE**  
**(Council)**

DEED dated the                    day of

**PARTIES:**

**MINISTER FOR INFRASTRUCTURE AND TRANSPORT**, a body corporate pursuant to the *Administrative Arrangements Act 1994*.....(**Minister**)

And

**THE COUNCIL NAMED IN THE SCHEDULE** a body corporate under the *Local Government Act 1999*.....(**Council**)

It is agreed:

**1. FUNDING**

- 1.1 Subject to this deed, the Minister will pay the Council up to the amount of money specified in the Schedule (**Funding**).
- 1.2 The Council must only use the Funding for the **Purpose** set out in clause 3 of the Schedule.
- 1.3 For the purposes of this deed, the **Funding Period** is the period commencing on the Start Date and, subject to funding being available, will continue until the End Date. The **Start Date** and **End Date** are set out in the Schedule.
- 1.4 The Funding is payable by way of a lump sum in accordance with the Schedule. During the Funding Period, the Council is entitled in accordance with the conditions set out in the Schedule to invoice the Minister for the payment of the Funding.
- 1.5 At the end of the Funding Period the Council must provide a report on the level of any unexpended Funding.
- 1.6 The Council must repay any part of the Funding which is unexpended at the end of the Funding Period to the Minister unless the Minister gives written approval for the Council to retain the money.

**2. GST**

- 2.1 In addition to any amounts payable by the Grantor as part of the Funding (**Base Payment**), the grantor must, if in relation to a Taxable Supply for which the grantor has received a Tax Invoice, pay to the Council an additional amount (**GST Payment**) calculated by multiplying the Base Payment by the rate at which GST is levied at the time of this deed.
- 2.2 The GST Payment is payable at the same time and subject to the same conditions as the Base Payment. "*Taxable supply*", "*GST*" and "*Tax Invoice*" have the meaning attributed under the *A New Tax System (Goods and Services Tax) Act 1999*.

**3. ADMINISTRATION OF DEED**

- 3.1 Any power or discretion exercisable by the Minister under this deed may be exercised by the person (**Minister's Representative**) for the time being in the position within the Department for Infrastructure and Transport (**Department**) set out in the Schedule.
- 3.2 Any power or discretion exercisable by the Council under this deed may be exercised by the person (**Council's Representative**) for the time being in the position within the Council set out in the Schedule.

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#### 4. PROVISION OF FINANCIAL INFORMATION

- 4.1 The Council must provide the Minister with appropriate and regular information, records and reports as the Minister may request from time to time about:
- 4.1.1 the administration and financial affairs of the Council;
  - 4.1.2 the progress of and any change to the authorised scope of the Purpose;
  - 4.1.3 any significant changes to the nature and scope of the activities conducted by the Council;
  - 4.1.4 any other matter relevant to the granting of assistance;
  - 4.1.5 any other funding or financial assistance promised or received from any source other than the Minister;
  - 4.1.6 the Council's management of the Funding, including, but not limited to, the economic and efficient use of resources to achieve the outcomes of the Purpose; and
  - 4.1.7 the performance of the Council's undertakings and obligations under this deed.
- 4.2 The information provided by the Council must be sufficient for the Minister to make an informed judgement about:
- 4.2.1 the Council's ongoing financial position and its resources and expertise in relation to the Purpose;
  - 4.2.2 the Council's performance in managing public moneys, acquiring, and using resources economically and efficiently and in achieving specified objectives in relation to the Purpose;
  - 4.2.3 the overall effectiveness of the Funding throughout the Funding Period;
  - 4.2.4 compliance with legislation and generally accepted accounting principles; and
  - 4.2.5 compliance with the Council's constitution and the conditions of this deed.
- 4.3 The Council must permit any officer authorised by the Minister:
- 4.3.1 to enter the Council's premises and to have access to all accounting records, equipment, documents, and information in possession of the Council; and
  - 4.3.2 to interview employees of the Council on matters pertaining to the operations of the Council.

#### 5. OBLIGATIONS OF THE COUNCIL

The Council must:

- 5.1 ensure that any works undertaken towards the Purpose are undertaken in accordance with (and to the standard required by) any applicable Standards published by Austroads and Standards Australia Limited;
- 5.2 maintain accounting records of the Funding in accordance with generally accepted accounting principles;

- 5.3 ensure that any activity carried out by the Council in connection with the Council's use of the Funding complies with the laws from time to time in force in South Australia;
- 5.4 comply with its constitution;
- 5.5 comply with the reporting requirements set out in the Schedule;
- 5.6 prepare financial statements in accordance with Australian Accounting Standards at the end of the Funding Period and submit the financial statements, signed by a senior office holder of the Council, to the Minister no later than one calendar month after the expiry of the Funding Period; and
- 5.7 where requested by the Minister, provide to the Department management accounts, annual reports, financial statements and any other information or documents relevant to the Council's operations.

## 6. TERMINATION

- 6.1 If the Council fails to comply with this deed, the Minister may:
  - 6.1.1 require the Council to repay either the whole or a portion of the Funding (whether expended or not);
  - 6.1.2 withhold all future funding from the Council;
  - 6.1.3 pursue any legal rights or remedies which may be available to the Minister; and
  - 6.1.4 terminate or curtail any program or project conducted by the Minister of which the Purpose conducted by the Council is part.
- 6.2 The Minister may review any decision made pursuant to this clause if the Council is able to satisfy the Minister within a period of 30 days from the decision that the Council has complied with the conditions of this deed.
- 6.3 Nothing in this deed is to be taken to limit the Minister's discretion to determine whether and how any program or project of the Minister is to be conducted, except if and to the extent that the Minister gives an express undertaking in that regard.

## 7. INSURANCE

The Council warrants that it is a member of the Local Government Association Mutual Liability Scheme (**Scheme**) and is bound by the Scheme pursuant to section 142 and Schedule 1, Part 2 of the *Local Government Act 1999* (SA) (**Act**) and in the event that the Council ceases to be a member of the Scheme it will forthwith, pursuant to Section 142(1) of the Act and the regulations under that Act, take out and maintain insurance to cover its civil liabilities at a minimum level of cover of AUD \$50 million.

## 8. ACKNOWLEDGEMENTS

The Council acknowledges that the Funding represents a one-off contribution by the Minister towards the Purpose, and the Council agrees that any request for subsequent funding will require a new application to the Minister.

The Minister is under no obligation to agree to pay any subsequent funding to the Council.

The Council further acknowledges and agrees that the Minister will not be liable to reimburse the Council for any losses (or cost over runs) that may result from the operation of this Agreement or the carrying out of the Purpose or a Project.

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9. **INDEMNITY**

The Council acknowledges and agrees that it remains at all times solely responsible for the conduct of the Purpose and any Project and it releases and indemnifies the Minister, the Commissioner of Highways and the Crown in right of the State of South Australia together with their employees, contractors and agents (**those indemnified**) from and against any loss or liability incurred or suffered by any of those indemnified as a result of any claim, suit, demand, action or proceeding brought by any person against any of those indemnified in respect of the works to carry out the Purpose and/or a Project or otherwise caused by any breach or default of the Council under this Agreement.

10. **AUDIT**

The Minister may direct the Council to arrange for the financial accounts relating to the Funding to be audited at the Council's expense. The Minister may specify the minimum qualifications to be held by a person appointed to conduct the audit.

11. **ASSIGNMENT**

The Council must not assign, novate, or encumber any of its rights or obligations under this deed.

12. **PUBLICITY**

The Council must not make or permit a public announcement or media release to be made about any aspect of this deed without first obtaining the Minister's consent.

13. **CONSENT**

If the Council requires the Minister's consent under this deed, the Minister may, in its absolute discretion, give or withhold its consent and if giving consent, the Minister may impose any condition on that consent that it considers appropriate. The Minister's consent will not be effective unless it is in writing and signed.

14. **ENTIRE DEED**

This deed incorporates any attached schedules and annexures. This deed contains the entire agreement between the parties with respect to its subject matter and supersedes any prior agreement, understanding or representation of the parties on the subject matter.

15. **PROPER LAW**

The laws in force in South Australia apply to this deed.

16. **JURISDICTION OF COURTS**

The courts of South Australia have non-exclusive jurisdiction to determine any proceeding in relation to this deed. Any proceeding brought in a Federal Court must be instituted in (and remain with) the Adelaide Registry of that Federal Court.

17. **COMPLIANCE WITH LAWS**

The Council must comply with the laws in force in South Australia in the course of performing its obligations under this deed.

18. **NOTICES**

A notice is properly given or served if the party delivers it by hand, posts it or transmits it by electronic mail or facsimile, to the address of the Representative of the



other party. A notice is taken to be received:

- 18.1 if sent by post, at the time it would have been delivered in the ordinary course of the post to the address to which it was sent;
- 18.2 if sent by electronic mail, only in the event that the sender receives confirmation that the e-mail has been successfully transmitted to the correct e-mail address; or
- 18.3 if delivered by hand, the party who sent the notice holds a receipt for the notice signed by a person employed at the physical address for service.

19. **WAIVER**

Any waiver of any provision of this deed is ineffective unless it is in writing and signed by the party waiving its rights. A waiver by either party in respect of a breach of a provision of this deed by the other party is not a waiver in respect of any other breach of that or any other provision. The failure of either party to enforce any of the provisions of this deed at any time must not be interpreted as a waiver of that provision.

20. **VARIATION**

Any variation of this deed must be in writing and signed by each party (or its Representative).

Any request by the Council for agreement to vary the Funding or the Purpose must be accompanied by sufficient details explaining the reasons for the requested variation to enable the Minister to have regard to its merits.

21. **READING DOWN AND SEVERANCE**

In the event that any provision (or portion of any provision) of this deed is held to be unenforceable or invalid by a Court of competent jurisdiction, the validity and enforceability of the remaining provisions (or portions of such provisions) of this deed shall not be adversely affected.

The offending provision or part of a provision shall be read down to the extent necessary to give it legal effect or shall be severed if it cannot be read down, and the remaining part and provisions of this deed shall remain in full force and effect.

22. **AUDITOR GENERAL**

Nothing in this deed derogates from the powers of the Auditor-General under the *Public Finance and Audit Act 1987* (South Australia). Without limiting this clause, the Council acknowledges the Auditor General's obligations and powers under sections 32 and 34 of the *Public Finance and Audit Act 1987* (South Australia).

23. **PUBLIC DISCLOSURE**

The Minister may disclose this deed and/or information relating to this deed in both printed or electronic form and either generally to the public or to a particular person as a result of a specific request. Nothing in this clause derogates from the Council's obligations under any provision of this deed or the provisions of the *Freedom of Information Act, 1991*.

24. **ADDITIONAL CONDITIONS**

The additional conditions set out in the Schedule (if any) form part of this deed.



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## SCHEDULE

### 1. THE COUNCIL

Legal Name: Adelaide Hills Council  
 Trading Name: Adelaide Hills Council  
 Site Address: 63 Mount Barker Road, STIRLING SA 5152  
 Postal Address: 63 Mount Barker Road, STIRLING SA 5152  
 ABN: 23 955 071 393

### 2. REPRESENTATIVES

#### Minister's Representative

Name: Mr Andrew Excell  
**Position:** Executive Director, Transport Strategy and Planning  
 Address: Level 7, 83 Pirie Street, ADELAIDE SA 5000  
 Telephone: 7133 1675  
 E-mail: [andrew.excell@sa.gov.au](mailto:andrew.excell@sa.gov.au)

#### Council's Representative

Name: David Collins  
**Position:** Manager, Strategic Assets  
 Address: 63 Mount Barker Road, STIRLING SA 5152  
 Telephone: 8408 0501  
 E-mail: [dacollins@ahc.sa.gov.au](mailto:dacollins@ahc.sa.gov.au)

### 3. PURPOSE

The Funding is provided for the Purpose of the Council undertaking (within the Funding Period) the **Project** described below (and in the proposal and plans attached to this deed) in accordance with (and to the standard required by) any applicable Standards published by Austroads and Standards Australia Limited.

#### Description of Project

Stage 4 of the Amy Gillett Bikeway between Mount Torrens and Birdwood

### 4. FUNDING PERIOD

**Start Date:** 8 February 2024  
**End Date:** 30 June 2025

### 5. FUNDING

**Amount (AUD):** \$2,600,000 (GST exclusive)

### 6. MANNER & CONDITIONS OF PAYMENT

#### Limit on payments

The Funding of \$2,600,000 (GST exclusive) is the maximum total amount the Minister may be liable to pay the Council under this deed.

Invoice

The Minister is **not** obligated to pay an invoice unless properly rendered. An invoice is properly rendered if it:

- (a) is issued in respect of a payment for which the Council is entitled to invoice for under this deed;
- (b) quotes the relevant purchase order number allocated by the Minister;
- (c) reflects the correct amount for payment under this deed; and
- (d) is a valid Tax Invoice in accordance with GST Law.

Payment Term

Provided that the total amount of the Funding has not been (or will be) exceeded, the Minister must pay the amount of a properly rendered invoice for the Funding within 30 days of receiving the Council's invoice.

7. **ADDITIONAL REPORTING REQUIREMENTS**

<b>Report</b> (Title)	<b>Frequency</b> (By when)	<b>Requirements</b> (Information and applicable standard)
<b>Project Report</b>	Every 3 months  or 7 days from request.	<ul style="list-style-type: none"> <li>• The progress of the Project and scheduling of works.</li> <li>• Updated Expenditure forecasts during the term of the funding period</li> <li>• The management of the Funding (i.e., break down of expenditure of the Funding).</li> <li>• Any changes to the authorised scope of the Project.</li> <li>• Any significant changes to the nature and scope of the activities conducted by the Council.</li> <li>• Any operational matters requested from time to time by the Minister for inclusion in the Project Report.</li> </ul>
<b>Financial Statements</b> (As referred to in clause 5)	Within 30 days from the expiry of the Funding Period.	Financial Statements prepared in accordance with Australian Accounting Standards setting out in detail the Council's expenditure of the Funding (with invoices attached from any contractors engaged for the Purpose) and signed by a senior office holder of the Council.

8. **SPECIAL CONDITIONS****Alteration to DIT Roads or other Assets**

If the Project requires any traffic management, alteration to (or effect on) a road or other asset that is under the care, control, and management of (or is otherwise the responsibility of) the Commissioner of Highways or is the responsibility of the Department for Infrastructure and Transport (**DIT**), the Council must seek the written approval of the appropriate DIT Regional Manager prior to commencing any work.

**Traffic Control Devices**

The installation of Traffic Control Devices must comply with the requirements outlined in the Manual of Legal Responsibilities and Technical Requirements for Traffic Control devices – Part 2 – Code of Technical Requirement – February 2012.

**Ongoing Maintenance of the Project**

The Council must enter into a Licence Agreement under the *Head Agreement for Shared Use Pathways between the Commissioner of Highways and the Adelaide Hills Council* for the Project prior to commencement of the project and prior to rendering an invoice for payment.

# **Appendix 3**

## *Funding Variation with Federal Government*

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## SCHEDULE 1 PARTICULARS

### A. Programme, Project, Purpose, Activity and Funding and Payment (Recital A, clauses 1.1.1 and 2.1.1)

#### Programme

The Commonwealth is undertaking the Community Development Grants programme, which was to support needed infrastructure that promotes stable, secure and viable local and regional economies.

#### Project

The project to be undertaken by the Recipient is the construction of a shared unsealed bike path of at least 5.4 km from Mount Torrens to Birdwood, South Australia, along a disused railway corridor. This is an extension of the current Amy Gillett Bikeway. The Project will include the Activity that the Programme will fund, defined in more detail in item A.5 of the Schedule.

The Project Completion Date is ~~2 September 2024~~ **30 April 2025**

#### A.3. Purpose

The Purpose for which the completed Project is required to be used is:

- Increased tourism and social amenity in the area; and
- Increased employment, with increased local spending on goods and services.

#### A.4. Operational Period

The Operational Period commences on the date the Commonwealth accepts the Project Completion Report, to the Commonwealth's satisfaction. The duration of the Operational Period is dependent on the amount of Funding provided by the Commonwealth under this Agreement. The thresholds are set out in the table below:

Amount of Funding	Duration of Operational Period
Over \$1,000,000	Five (5) years

During the Operational Period, the Recipient must, if requested by the Commonwealth to do so, promptly provide evidence satisfactory to the Commonwealth that the Project is Operational.

#### A.5. Activity

The Activity to be undertaken by the Recipient is an extension of at least 5.4~~6~~ km of the Amy Gillett Bikeway as a bike path (unsealed trail) from Mount Torrens to Birdwood, continuing along a disused railway corridor including:

- ~~Construction of at least 3 bridges with the following dimensions—~~
  - ~~Bridge 1— at least 7.5m long— 7.5m single span x 2.5m clear width~~
  - ~~Bridge 2— at least 15m long— at least 2 x 7.5m Double Span x 2.5m Clear Width~~

~~○ Bridge 3 – at least 22.5m long – at least 3 x 7.5m Double Span x 2.5m Clear Width~~

- Construction/upgrade of 1 bridge at Burford Hill Road and construction of two large box culverts. The two large box culverts will be installed to cross Angus Creek and Williams Creek near Mullers Road.
- Clearing of timber as required to ensure path is trafficable and overhead branches do not impede the use of the bike path by all users
- Base Preparation – structural base for the bike path (unsealed trail) surface. To be undertaken in accordance with the Guide to Bikeway Pavement Design Construction and Maintenance
- Signage for the Bikeway – at least 4 interpretative and descriptive signs that meet section 2 of the Manual of Legal Responsibilities and Technical Requirements for Traffic Control Devices (SA Department of Planning, Transport and Infrastructure) along the Bikeway.

The Activity Period commences on the Date of this Agreement and ends on the Activity Completion Date which is ~~2 September 2024~~ **30 April 2025**

**A.6. Reserved**

**A.7. Funding and Payment  
(clauses 1.1.1, 3.1, 6)**

The total Funding for the Activity is **\$2,600,000** GST exclusive. The Funding will be paid as follows:

1. The first payment of Funding specified in the table at Annexure A will not be made until:
  - a) this Agreement has been executed by all Parties and all Milestones specified in the table at Annexure A that relate to the first payment have been achieved to the Commonwealth's satisfaction; and
  - b) all Reports identified in item D of the Schedule as being due on or before the due date for the first payment have been received and accepted by the Commonwealth; and
2. The second and each subsequent payment specified in the table at Annexure A will not be made until:
  - a) all Milestones specified in the table at Annexure A that relate to the relevant payment have been achieved to the Commonwealth's satisfaction;
  - b) all Reports identified in item D of this Schedule as being due on or before the due date for the relevant payment have been received and accepted by the Commonwealth; and
  - c) the Recipient has provided the Commonwealth with evidence that all previously paid Funds have been expended or committed.



### Invoicing

The Commonwealth must receive a properly rendered invoice or, if required a tax invoice which meets the requirements of the Australian Taxation Office for the amount of the payment and;

The Recipient must provide the Commonwealth with evidence that all previous paid Funding has been expended or committed.

### **B. Budget** **(clause 6.2)**

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The Budget for the Activity, identifying the Funding and Other Contributions, is at Annexure B.

The percentage of the Budget (Total Cost) below which Funding may be transferred between Cost items without the Commonwealth's approval is 10%.

The percentage of the Budget (Total Cost) which must not be exceeded in total transfers between expenditure items per Financial Year is 20%.

### **C. Other Contributions** **(clause 7)**

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#### **Other Contributions**

Other Contributions are specified at the table titled "Other Contributions" in Annexure B. Any financial or in-kind assistance that the Recipient has received from the Commonwealth of Australia or a State, Territory or local government and which the Recipient intends to, or is required to, use to perform the Activity must be identified in Other Contributions.

### **D. Reporting** **(clauses 1.1.1, 2.6)**

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#### **Progress Reports, Activity Completion Report and Project Completion Report**

D.1.1 The Recipient must give the Commonwealth the Progress Reports, the Activity Completion Report and Project Completion Report by the times specified in the Table of Milestones, Reports and Payments relating to the Activity at Annexure A.

D.1.2 Each Progress Report must contain:

- a. details of progress and performance against the Activity, and the Project (to the extent that it is directly related to the relevant part of the Activity which is being covered by that Progress Report) and evidence of completion of the Milestones listed in Annexure A of the Schedule that are due for completion (including but not limited to photographs to demonstrate completion of Milestones) during the period between the Recipient's previous Progress Report and the due date of this Progress Report (or in the case of the first Progress Report, the period between the Date of this Agreement and the due date of the first Progress Report);
- b. details of mitigating circumstances and remedial action undertaken in the event a Milestone is not met or completed in the manner and/or by the time

specified;

- c. copies of any published reports, promotional material, media publicity, pamphlets or other documentation relevant to the Project;
- d. evidence that the Recipient has obtained and/or utilised in-kind Other Contributions specified in the table at Annexure B;
- e. a statement of receipts (which separately identifies any interest earned on the Funding) and expenditure to date in respect of the Funding; and
- f. a statement of receipts and expenditure to date in respect of Other Contributions (excluding in-kind).

D.1.3 The Activity Completion Report must contain:

- a. evidence that the Activity and the Milestones have been completed;
- b. an analysis of the planning, implementation and overall process the Recipient followed to deliver the Activity;
- c. any recommendations on improved practice, relevant to the Recipient's and the Commonwealth's practices, that may assist in the delivery of future projects;
- d. a copy of the current Assets register described in item E.1.2 of this Schedule and a copy of the Real Property register described in item E.2.4 of this Schedule;
- e. evidence that the Recipient has obtained in-kind Other Contributions for the Activity specified in the table at Annexure B;
- f. an up to date Audited Financial Report in respect of the Activity; and
- g. copies of any published reports, promotional material, media publicity, pamphlets or other documentation relevant to the Activity, not already included in the Progress Report/s.
- h. a copy of the Assets register described in item E.1 of this Schedule and a copy of the Real Property register described in item E.2 of this Schedule.

D.1.4 The Project Completion Report must contain:

- a. evidence that the Project has been completed;
- b. an analysis of the planning, implementation and overall process the Recipient followed to deliver the Project;
- c. any recommendations on improved practice, relevant to the Recipient's and the Commonwealth's practices, that may assist in the delivery of future projects;
- d. a copy of the Assets register described in item E.1 of this Schedule and a copy of the Real Property register described in item E.2 of this Schedule.
- e. evidence that the Recipient obtained in-kind contributions specified in the table at Annexure B;
- f. an Audited Financial Report; and
- g. copies of any published reports, promotional material, media publicity, pamphlets or other documentation relevant to the Project, not already included in the Progress Report/s.

In addition, the Project Completion Report must also:

- h. describe the Recipient's activities during the Term;  
discuss in detail the conduct, benefits and outcomes of the Activity as a whole and the Activity's results and findings; and

Reserved.

The Recipient must also include in the Project Completion Report a discussion of any other matters relating to the performance of the Project and Activity, which the Commonwealth notifies the Recipient is required to be included in the Project Completion Report. Any such requirement will be notified to the Recipient at least 20 Business Days before the Project Completion Report is due.

- D.1.5. Unless otherwise agreed by the Commonwealth in writing, all Reports must be:
  - a. supplied in hard copy or electronic form;
  - b. supplied in a format that is acceptable to the Commonwealth; and
  - c. signed by the Recipient's Chief Executive Officer, Chief Financial Officer or other person authorised by the Recipient to execute documents and legally bind the Recipient by their execution.

### **Audit and certification**

The Activity Completion Report and Project Completion Report must be accompanied by a copy of a letter to the Recipient from the Approved Auditor, or a report from the Approved Auditor, that includes:

- a. separate audited statements of receipts and expenditure in respect of the Funding and Other Contributions (excluding in-kind), which must:
  - i. comply with all relevant Australian Accounting Standards
  - ii. separately identify any interest earned on the Funding
  - iii. include a definitive statement made by an Approved Auditor as to whether:
    - 1. the statements of receipts and expenditure are fair and true
    - 2. Funding and Other Contributions (excluding in-kind) were held and expended in accordance with this Agreement
- b. a certificate, signed by the Recipient's Chief Executive Officer, Chief Financial Officer or a person authorised by the Recipient to execute documents and legally bind the Recipient by their execution, that:
  - i. all Funding and Other Contributions (excluding in-kind) received was expended for the purpose of the Activity and Project and expended and held in a manner in accordance with this Agreement
  - ii. salaries and allowances paid to persons involved in the Activity are in accordance with any applicable award or agreement in force under any relevant Law on industrial or workplace relations.

### **Other Reports**

Throughout the Term, the Commonwealth may require the Recipient to provide ad-hoc Reports concerning:

any significant developments concerning the Activity;

any significant delays or difficulties encountered in performing the Activity in accordance with the Agreement; and

the outcomes and outputs of the project as listed in the application.

The Recipient must provide any such ad-hoc Reports within the timeframe notified by the Commonwealth.

## **E. Assets and Real Property**

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### **(clauses 1.1.1 and 9)**

#### **Assets**

- E.1.1. For the purposes of Clause 9, the Recipient may create, acquire or upgrade the following Assets: None Specified.
- E.1.2. The Recipient must for the Term of this Agreement maintain an Asset Register in the following form and containing the following information:
- a. Asset description;
  - b. acquisition, upgrade or creation price or total lease cost;
  - c. date of acquisition, creation, upgrade or lease;
  - d. if leased, type and term of lease;
  - e. location of Asset;
  - f. date of Disposal;
  - g. disposal method; and
  - h. if the Asset was partly created, acquired or upgraded using the Funding, the proportion of that creation, acquisition or upgrade that was paid for with the Funding.
- E.1.3. The Recipient must use the Assets created, acquired, or upgraded under this Agreement for the Purpose set out in item A.3 of the Schedule for the duration of the Operational Period.

#### **Real Property**

- E.2.1. The Real Property includes the Amy Gillett Bikeway – Mount Torrens to Birdwood project.
- E.2.2. The Capital Works includes the construction of an unsealed shared bike path from Mount Torrens to Birdwood, South Australia including the Works Location.
- E.2.3. The Works Locations extends from Mount Torrens to Birdwood SA, along the designated project track.
- E.2.4. The Recipient must for the Term of this Agreement maintain a Real Property Register in the following form and containing the following information:
- a. Real Property description;

- b. acquisition, upgrade or creation price or total lease cost;
- c. date of acquisition, creation, upgrade or lease;
- d. if leased, type and term of lease;
- e. location of Real Property;
- f. date of Disposal;
- g. disposal method; and
- h. if the Real Property was partly created, acquired or upgraded using the Funding, the proportion of that creation, acquisition or upgrade that was paid for with the Funding.

E.2.5. The Recipient must use the Real Property created, acquired, or upgraded under this Agreement for the Purpose set out in item A.3 of the Schedule for the duration of the Operational Period.

**F. Insurance**

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**(clause 21.5)**

The Recipient must maintain:

workers compensation insurance as required by law where the Recipient carries out activities under this Agreement;

public liability insurance to the value of at least \$10 million for each and every claim, or occurrence giving rise to a claim, in respect to activities undertaken under this Agreement, where occurrence means either a single occurrence or a series of occurrences if these are linked or occur in connection with one another from one original cause, as the case may be; and

insurance against any loss or damage to an Asset or Real Property for its full replacement cost including where relevant the costs of demolition and removal of debris and the cost of architects, engineers and other consultants.

**G. Reserved**

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**H. Acknowledgement and publicity**

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**(clause 14)**

H.1.1 If the Recipient erects or maintains any signage in relation to the Project, the signage must be approved by the Commonwealth prior to use and contain an acknowledgement of the Funding as required under Clause 14 of this Agreement. Any signage must remain in place during the Operational Period for the Project as specified in Item A.4. Signage for the Activity may be paid from the Budget if approved by Us. Signage for any other part of the Project must be at the Recipient's own cost.

H.1.2 If a Federal, State or Local Government election is announced, the Recipient must cover any sign that is displayed within 100 metres of a polling place with an opaque (impenetrable to sight), durable and water repellent material from a period not less than 48 hours before the commencement of polling at that polling place until the polls close.

- H.1.3 The Recipient must include the Commonwealth logo in all signage, publications and promotional activities related to the Activity.
- H.1.4 The Recipient must not use the Commonwealth's logo without the Commonwealth's approval. If the Commonwealth provides approval for the Recipient's use of the Commonwealth's logo, the Recipient must use it in accordance with the Commonwealth's Print Style Guidelines (as advised by the Commonwealth).
- H.1.5 All the Recipient's publicity, announcements and media releases relating to the Activity must be cleared through the Commonwealth's contact officer specified at item L of the Schedule with at least 10 Business Days' notice, before release.
- H.1.6 The Commonwealth reserves the right to publicise and report on the provision of Funding to the Recipient, including progress on completing the Activity and the Project. The Commonwealth may do this by including the information specified in clause 14.2 in media releases, general announcements about the Funding and in annual reports and in electronic media.
- H.1.7 The Recipient must conduct an official opening of the completed Activity and Project unless otherwise agreed by the Commonwealth.
- H.1.8 The Recipient must provide to the Commonwealth with at least 3 options for dates for the official opening, or any other milestone events that the Recipient chooses to conduct (e.g. stage completion), for the Activity and the Project. These dates must be provided at least 56 days prior to the first proposed date for each event to be conducted.
- H.1.9 The date of official openings or other official public function for the completed Activity and Project must be agreed by the Commonwealth.
- H.1.10 The Recipient must invite the Commonwealth's representative to officiate at any official opening or other official public function relating to the Activity or the Project.
- H.1.11 The Commonwealth Minister's prior agreement must be sought, to invite any other Commonwealth or State elected official or other officials to attending either function. This invitation must be provided to the Commonwealth no later than 56 days before the date of the official opening or other official public function relating to the Activity or the Project.
- H.1.12 The Recipient must coordinate requests for the Commonwealth's agreement to the date of official openings and requests for Commonwealth representation at official openings or other official functions relating to the Activity or the Project through the Commonwealth's contact officer specified at item L of the Schedule.

**I. Reserved**

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**J. Compliance with laws and policies  
(clause 21.13)**

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The Recipient must comply with the following laws and policies in carrying out the Activity:

- Crimes Act 1914;
- Criminal Code of Conduct 1995;
- Disability Discrimination Act 1992;
- Workplace Gender Equality Act 2012;
- Building and Construction Industry (Improving Productivity) Act 2016;
- Racial Discrimination Act 1975;
- Sex Discrimination Act 1984;
- Migration Act 1958
- Work Health and Safety Act 2011.

For the purposes of clause 21.13, the following policies are identified:

Community Development Grants Programme – Grant Programme Guidelines

**K. Statutory Approvals  
(clause 2A.2)**

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For the purposes of subclause clause 2A.2, the Recipient must obtain statutory approvals for the Project.

**L. Notices**

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**(clause 18.1)**

The Commonwealth's details for notices are as follows:

Name: ~~Jane Hunt~~ **Dr Jennie Hood**  
~~Ag~~ Assistant Secretary  
Regional Programs Branch

Address: Department of Infrastructure, Transport, Regional  
Development, Communications and the Arts  
GPO Box 594  
CANBERRA ACT 2601

Email: [CDG.projects@infrastructure.gov.au](mailto:CDG.projects@infrastructure.gov.au)

The Recipient's details for notices are as follows:

Name: ~~Mr David Waters~~ **Mr Greg Georgopoulos**

Position: ~~Ag~~ Chief Executive Officer

Address: PO Box 44  
WOODSIDE SA 5244

Telephone: 08 8408 0400

E-mail: [ggeorgopoulos@ahc.sa.gov.au](mailto:ggeorgopoulos@ahc.sa.gov.au)

**M. Applicable Law**

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**(clause 21.14)**

The Laws of the Australian Capital Territory apply to this Agreement.

**N. Confidential Information**

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**(clause 13)**

**Commonwealth's Confidential Information**

None Specified

**Recipient's Confidential Information**

None Specified



**ANNEXURE A**

**Table of Milestones, Reports and Funding payments relating to the Activity**

<b>Report</b>	<b>Milestone(s) / Information covered by the Report</b>	<b>Milestone Completion Date</b>	<b>Payment amount (GST Exclusive)</b>	<b>Due Date for Report</b>	<b>Due Date for Funding Payment</b>
Progress Report 1	Evidence acceptable to the Commonwealth that the following have been achieved: <ul style="list-style-type: none"> <li>confirmation of final cost estimates;</li> <li>confirmation of final designs;</li> <li>confirmation of State Government funding;</li> <li>the activity at Item A.5 is reviewed and if required, varied to reflect the outputs of the final designs; and</li> <li><del>30</del> 10 per cent of the Project is completed and certified by the Project Manager, Quantity Surveyor, or similar.</li> </ul>	<del>3 October 2023</del> 15 May 2024	\$780,000 \$500,000	<del>1 November 2023</del> 12 June 2024	<del>15 November 2023</del> 26 June 2024
Progress Report 2	Evidence acceptable to the Commonwealth that the following have been achieved: <ul style="list-style-type: none"> <li>40 per cent of the Project is completed and certified by the Project Manager, Quantity Surveyor, or similar.</li> </ul>	16 October 2024	\$280,000	13 November 2024	27 November 2024
Progress Report 2-3	Evidence acceptable to the Commonwealth that the following has been achieved: <ul style="list-style-type: none"> <li>75 per cent of the Project is completed and certified by the Project Manager, Quantity Surveyor, or similar.</li> </ul>	<del>1 February 2024</del> 20 December 2024	\$1,170,000	<del>1 March 2024</del> 17 January 2025	<del>15 March 2024</del> 31 January 2025

Report	Milestone(s) / Information covered by the Report	Milestone Completion Date	Payment amount (GST Exclusive)	Due Date for Report	Due Date for Funding Payment
Progress Report <del>3-4</del>	Evidence acceptable to the Commonwealth that the following have been achieved: <ul style="list-style-type: none"> <li>an Event Invitation has been submitted to the Department as required at Item H of the Schedule; and</li> <li>90 per cent of the Project is completed and certified by the Project Manager, Quantity Surveyor, or similar.</li> </ul>	<del>3 June 2024</del> 3 March 2025	\$390,000	<del>1 July 2024</del> 31 March 2025	<del>15 July 2024</del> 14 April 2025
Project Completion Report	Evidence acceptable to the Commonwealth that the following have been achieved: <ul style="list-style-type: none"> <li>the Activity, at Item A.5 of the Schedule, is complete;</li> <li>the Project, at Item A.2 of the Schedule, is complete;</li> <li>all approvals required to enable public access and use of the facility have been met; and</li> <li>the Project is fully Operational.</li> </ul>	<del>2 September 2024</del> 30 April 2025	\$260,000	<del>2 December 2024</del> 23 July 2025	<del>16 December 2024</del> 6 August 2025

## ANNEXURE B

<b>BUDGET FOR THE EXPENDITURE OF CDG FUNDING</b>		
Cost item	Description	Amount (GST exclusive)
Construction and Upgrade	Amy Gillett Bike Bikeway – Mount Torrens to Birdwood	\$2,600,000
<b>Funding (A)</b>		<b>\$2,600,000</b>

<b>OTHER CONTRIBUTIONS (FINANCIAL)</b>			
Name of Contributor	Cost Item	Description of item	Amount (GST exclusive)
South Australian Government	Construction and Upgrade	Amy Gillett Bike Bikeway – Mount Torrens to Birdwood	\$4,800,000 <del>\$2,600,000</del>
Adelaide Hills Council	Construction and Upgrade	Amy Gillett Bike Bikeway – Mount Torrens to Birdwood	\$500,000
<b>Other Contributions (Financial) (B)</b>			<b>\$5,300,000</b> <b>\$3,100,000</b>

<b>TOTAL COST ESTIMATE (A + B) (GST exclusive):</b>	<b>\$7,900,000</b> <b>\$5,700,000</b>
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# **Appendix 4**

## *Council Estimate Summary*

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**PRELIMINARY CONCEPT ESTIMATE SUMMARY SHEET**

EST 600-2

ESTIMATE NO: 3002 OE1 L3 R3  
 PROJECT NAME: Amy Gillett Bike Path, Stage 4, Mount Torrens to Birdwood  
 DATE PREPARED: 13/06/2023  
 KNET NO: #20153352 (Version #7)

**OPTION 2: - 150 mm rubble with 10/5 two coat spray seal**

ITEM	SECTION	ESTIMATED MOST LIKELY COST	% OF MOST LIKELY PROJECT COST
<b>SECTION 1 - CLIENT COSTS</b>			
1.1	Scoping Phase - Project Management	11,016	0%
1.2	Scoping Phase - Design and Investigation	11,016	0%
1.3	Development Phase - Project Management	96,133	2%
1.4	Development Phase - Design and Investigation	149,323	3%
1.5	Delivery Phase - Project Management	66,098	1%
1.6	Delivery Phase - Design and Investigation	44,065	1%
1.7	Principal Arranged Insurance and Levies	11,677	0%
1.8	Environmental Assessment	732,034	15%
1.9	Other Client Costs	0	0%
1.10	DIT Overhead Charge	0	0%
<b>Subtotal SECTION 1 - CLIENT COSTS</b>		<b>\$1,121,362</b>	<b>23%</b>
<b>SECTION 2 - PROPERTY ACQUISITION</b>			
2.1	Property Purchase Costs	0 m2	0%
2.2	Transaction, Legal and Other Costs	0	0%
2.3	Business Compensation	0	0%
2.4	Property Modification	0	0%
<b>Subtotal SECTION 2 - PROPERTY ACQUISITION</b>		<b>\$0</b>	<b>0%</b>
<b>SECTION 3 - SERVICES (BY DIT)</b>			
3.1	Electricity	100,000	2%
3.2	Communications	100,000	2%
3.3	Gas	0	0%
3.4	Water and Sewer	0	0%
3.5	Other Services	13,033	0%
<b>Subtotal SECTION 3 - SERVICES (BY DIT)</b>		<b>\$213,033</b>	<b>4%</b>
		<i>Total DIT Costs (Total of sections 1, 2 &amp; 3)</i>	<i>1,334,394</i> 28%
<b>SECTION 4 - CONSTRUCTION COSTS</b>			
4.1	Environmental Works	51,600	1%
4.2	Traffic Management	20,000	0%
4.3	Services (by Contractor)	26,516	1%
4.4	Earthworks and Demolition	12,513 m3	11%
4.5	Retaining Walls	0 m2	0%
4.6	Drainage	156,120	3%
4.7	Bridges	151 m2	28%
4.8	Tunnels	0	0%
4.9	Pavement	21,565 m2	11%
4.10	Bituminous Surfacing / Asphalt	15,435 m2	5%
4.11	Secondary Pavements	0	0%
4.12	Pavement Marking	27,770	1%
4.13	Road Furniture	129,130	3%
4.14	Lighting	25,000	1%
4.15	Landscaping and Urban Design	38,067	1%
4.16	Traffic Signage, Signals and Controls	11,000	0%
4.17	Rail	0	0%
4.18	Other	20,000	0%
<b>Subtotal SECTION 4 - CONSTRUCTION COSTS</b>		<b>\$3,160,974</b>	<b>66%</b>
<b>SECTION 5 - CONTRACTORS PRELIMINARIES &amp; SUPERVISION</b>			
5.1	Design (by Contractor)	0	0%
5.2	Overheads (Onsite)	0%	0%
5.3	Overheads (Offsite)	0%	0%
5.4	Contractors Margin	5%	6%
<b>Subtotal SECTION 5 - CONTRACTORS PRELIMINARIES &amp; SUPERVISION</b>		<b>\$276,879</b>	<b>6%</b>
		<i>Total Contractor Costs (Total of sections 4 &amp; 5)</i>	<i>3,437,853</i> 72%
<b>BASE ESTIMATE TOTAL</b>		<b>\$4,772,248</b>	<b>100.00%</b>

ITEM	SECTION	ESTIMATED COST
<b>SECTION 6 - CONTINGENT RISKS</b>		
NOTE: Contingent risks total represents the most likely cost of risk items used in deterministic risk modelling		

ITEM	SECTION	ESTIMATED COST	% OF RISK IN ADDITION TO BASE ESTIMATE
<b>SECTION 7 - P50 and P90 RISK and CONTINGENCY</b>			
7.1	P50 Inherent and Contingent Risk	823,766	17%
7.2	P90 Inherent and Contingent Risk	1,193,062	25%

<b>PROJECT OPTIONS ESTIMATE TOTALS</b>	<b>P50</b>	<b>5,596,013</b>
	<b>P90</b>	<b>5,965,310</b>

NOTE: These values exclude GST and escalation. Escalation is calculated using the Formal Estimate form. Formal estimate values are to be used when seeking project funding.

INDICATIVE ANNUAL CASH FLOW				
YEAR	ASSUMED COMPONENTS	ESTIMATED ANNUAL BASE ESTIMATE CASHFLOW	ESTIMATED ANNUAL P50 CASHFLOW	ESTIMATED ANNUAL P90 CASHFLOW
Previous Years	-	0	0	0
Year 1	-	7,394,191	8,217,956	9,268,504
Year 2	-	0	0	0
Year 3	-	0	0	0
Year 4	-	0	0	0
<b>TOTALS</b>		<b>7,394,191</b>	<b>8,217,956</b>	<b>9,268,504</b>

ESTIMATED CONSTRUCTION COST VALUE (For use in contract procurement/Acquisition Plan)	
<i>Estimated Total Contractor Costs (Total of sections 4 &amp; 5)</i>	3,437,853 (Excluding GST)
<i>Estimated Contractor Risk (applied at half of the % applicable to the P50 Project Options Estimate)</i>	296,714 (Excluding GST)
<i>Estimated Total Contractor Costs inclusive of Risk</i>	3,734,567 (Excluding GST)
<i>Estimated Total Contractor Costs inclusive of Risk</i>	4,108,024 (Including GST)

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## **Appendix 5**

*DIT Summary Estimate without Overheads*

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**PRELIMINARY CONCEPT ESTIMATE SUMMARY SHEET**

EST 600-2

ESTIMATE NO: 3002 OE1 L3 R3  
 PROJECT NAME: Amy Gillett Bike Path, Stage 4, Mount Torrens to Birdwood  
 DATE PREPARED: 13/06/2023  
 KNET NO: #20153352 (Version #7)

OPTION 2: - 150 mm rubble with 10/5 two coat spray seal			
ITEM	SECTION	ESTIMATED MOST LIKELY COST	% OF MOST LIKELY PROJECT COST
<b>1</b>	<b>SECTION 1 - CLIENT COSTS</b>		
1.1	Scoping Phase - Project Management	11,016	0%
1.2	Scoping Phase - Design and Investigation	11,016	0%
1.3	Development Phase - Project Management	96,133	2%
1.4	Development Phase - Design and Investigation	298,646	5%
1.5	Delivery Phase - Project Management	123,098	2%
1.6	Delivery Phase - Design and Investigation	44,065	1%
1.7	Principal Arranged Insurance and Levies	11,677	0%
1.8	Environmental Assessment	161,621	3%
1.9	Other Client Costs	0	0%
1.10	DIT Overhead Charge	0	0%
<b>Subtotal SECTION 1 - CLIENT COSTS</b>		<b>\$757,272</b>	<b>14%</b>
<b>2</b>	<b>SECTION 2 - PROPERTY ACQUISITION</b>		
2.1	Property Purchase Costs	0	0%
2.2	Transaction, Legal and Other Costs	0	0%
2.3	Business Compensation	0	0%
2.4	Property Modification	0	0%
<b>Subtotal SECTION 2 - PROPERTY ACQUISITION</b>		<b>\$0</b>	<b>0%</b>
<b>3</b>	<b>SECTION 3 - SERVICES (BY DIT)</b>		
3.1	Electricity	100,000	2%
3.2	Communications	100,000	2%
3.3	Gas	0	0%
3.4	Water and Sewer	0	0%
3.5	Other Services	13,033	0%
<b>Subtotal SECTION 3 - SERVICES (BY DIT)</b>		<b>\$213,033</b>	<b>4%</b>
<i>Total DIT Costs (Total of sections 1, 2 &amp; 3)</i>		<i>970,305</i>	<i>18%</i>
<b>4</b>	<b>SECTION 4 - CONSTRUCTION COSTS</b>		
4.1	Environmental Works	51,600	1%
4.2	Traffic Management	257,084	5%
4.3	Services (by Contractor)	76,516	1%
4.4	Earthworks and Demolition	743,276	14%
4.5	Retaining Walls	0	0%
4.6	Drainage	106,120	2%
4.7	Bridges	1,530,695	28%
4.8	Tunnels	0	0%
4.9	Pavement	685,392	12%
4.10	Bituminous Surfacing / Asphalt	377,374	7%
4.11	Secondary Pavements	0	0%
4.12	Pavement Marking	27,770	1%
4.13	Road Furniture	243,580	4%
4.14	Lighting	25,000	0%
4.15	Landscaping and Urban Design	38,067	1%
4.16	Traffic Signage, Signals and Controls	11,000	0%
4.17	Rail	0	0%
4.18	Other	20,000	0%
<b>Subtotal SECTION 4 - CONSTRUCTION COSTS</b>		<b>\$4,193,475</b>	<b>76%</b>
<b>5</b>	<b>SECTION 5 - CONTRACTORS PRELIMINARIES &amp; SUPERVISION</b>		
5.1	Design (by Contractor)	0	0%
5.2	Overheads (Onsite)	0	0%
5.3	Overheads (Offsite)	0	0%
5.4	Contractors Margin	332,255	6%
<b>Subtotal SECTION 5 - CONTRACTORS PRELIMINARIES &amp; SUPERVISION</b>		<b>\$332,255</b>	<b>6%</b>
<i>Total Contractor Costs (Total of sections 4 &amp; 5)</i>		<i>4,525,730</i>	<i>82%</i>
<b>BASE ESTIMATE TOTAL</b>		<b>\$5,496,035</b>	<b>100.00%</b>
<b>6</b>	<b>SECTION 6 - CONTINGENT RISKS</b>		
NOTE: Contingent risks total represents the most likely cost of risk items used in deterministic risk modelling			
<b>7</b>	<b>SECTION 7 - P50 and P90 RISK and CONTINGENCY</b>		
7.1	P50 Inherent and Contingent Risk	823,766	15%
7.2	P90 Inherent and Contingent Risk	1,874,313	34%
<b>PROJECT OPTIONS ESTIMATE TOTALS</b>			
	<b>P50</b>	<b>6,319,800</b>	
	<b>P90</b>	<b>7,370,348</b>	
NOTE: These values exclude GST and escalation. Escalation is calculated using the Formal Estimate form. Formal estimate values are to be used when seeking project funding.			
INDICATIVE ANNUAL CASH FLOW			
YEAR	ASSUMED COMPONENTS	ESTIMATED ANNUAL BASE ESTIMATE CASHFLOW	ESTIMATED ANNUAL P50 CASHFLOW
Previous Years	-	0	0
Year 1	-	7,394,191	6,319,800
Year 2	-	0	0
Year 3	-	0	0
Year 4	-	0	0
<b>TOTALS</b>		<b>7,394,191</b>	<b>6,319,800</b>
<b>ESTIMATED CONSTRUCTION COST VALUE (For use in contract procurement/Acquisition Plan)</b>			
<i>Estimated Total Contractor Costs (Total of sections 4 &amp; 5)</i>		<i>4,525,730</i>	<i>(Excluding GST)</i>
<i>Estimated Contractor Risk (applied at half of the % applicable to the P50 Project Options Estimate)</i>		<i>339,166</i>	<i>(Excluding GST)</i>
<i>Estimated Total Contractor Costs inclusive of Risk</i>		<i>4,864,896</i>	<i>(Excluding GST)</i>
<i>Estimated Total Contractor Costs inclusive of Risk</i>		<i>5,351,386</i>	<i>(Including GST)</i>

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# **Appendix 6**

*DIT Full Estimate (excluding Overheads)*

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#REF!  
SUMMARY SHEET

EST 600-2

ESTIMATE NO: #REF!  
PROJECT NAME: #REF!  
DATE PREPARED: #REF!  
KNET NO: #REF!

#REF!			
ITEM	SECTION	ESTIMATED MOST LIKELY COST	% OF MOST LIKELY PROJECT COST
<b>1</b>	<b>SECTION 1 - CLIENT COSTS</b>		
1.1	Scoping Phase - Project Management	11,016	0%
1.2	Scoping Phase - Design and Investigation	11,016	0%
1.3	Development Phase - Project Management	96,133	1%
1.4	Development Phase - Design and Investigation	298,646	4%
1.5	Delivery Phase - Project Management	123,098	2%
1.6	Delivery Phase - Design and Investigation	44,065	1%
1.7	Principal Arranged Insurance and Levies	11,677	0%
1.8	Environmental Assessment	161,621	2%
1.9	Other Client Costs	0	0%
1.10	DIT Overhead Charge	554,051	7%
<b>Subtotal SECTION 1 - CLIENT COSTS</b>		<b>\$1,311,323</b>	<b>18%</b>
<b>2</b>	<b>SECTION 2 - PROPERTY ACQUISITION</b>		
2.1	Property Purchase Costs	0	0%
2.2	Transaction, Legal and Other Costs	0	0%
2.3	Business Compensation	0	0%
2.4	Property Modification	0	0%
<b>Subtotal SECTION 2 - PROPERTY ACQUISITION</b>		<b>\$0</b>	<b>0%</b>
<b>3</b>	<b>SECTION 3 - SERVICES (BY DIT)</b>		
3.1	Electricity	100,000	1%
3.2	Communications	100,000	1%
3.3	Gas	0	0%
3.4	Water and Sewer	0	0%
3.5	Other Services	13,033	0%
<b>Subtotal SECTION 3 - SERVICES (BY DIT)</b>		<b>\$213,033</b>	<b>3%</b>
<i>Total DIT Costs (Total of sections 1, 2 &amp; 3)</i>		<i>1,524,356</i>	<i>21%</i>
<b>4</b>	<b>SECTION 4 - CONSTRUCTION COSTS</b>		
4.1	Environmental Works	51,600	1%
4.2	Traffic Management	257,084	3%
4.3	Services (by Contractor)	76,516	1%
4.4	Earthworks and Demolition	743,276	10%
4.5	Retaining Walls	0	0%
4.6	Drainage	106,120	1%
4.7	Bridges	1,530,695	21%
4.8	Tunnels	0	0%
4.9	Pavement	685,392	9%
4.10	Bituminous Surfacing / Asphalt	377,374	5%
4.11	Secondary Pavements	0	0%
4.12	Pavement Marking	27,770	0%
4.13	Road Furniture	243,580	3%
4.14	Lighting	25,000	0%
4.15	Landscaping and Urban Design	38,067	1%
4.16	Traffic Signage, Signals and Controls	11,000	0%
4.17	Rail	0	0%
4.18	Other	20,000	0%
<b>Subtotal SECTION 4 - CONSTRUCTION COSTS</b>		<b>\$4,193,475</b>	<b>57%</b>
<b>5</b>	<b>SECTION 5 - CONTRACTORS PRELIMINARIES &amp; SUPERVISION</b>		
5.1	Design (by Contractor)	0	0%
5.2	Overheads (Onsite)	1,131,121	15%
5.3	Overheads (Offsite)	212,984	3%
5.4	Contractors Margin	332,255	4%
<b>Subtotal SECTION 5 - CONTRACTORS PRELIMINARIES &amp; SUPERVISION</b>		<b>\$1,676,360</b>	<b>23%</b>
<i>Total Contractor Costs (Total of sections 4 &amp; 5)</i>		<i>5,869,835</i>	<i>79%</i>
<b>BASE ESTIMATE TOTAL</b>		<b>\$7,394,191</b>	<b>100.00%</b>

ITEM	SECTION	ESTIMATED COST	
<b>6</b>	<b>SECTION 6 - CONTINGENT RISKS</b>		
NOTE: Contingent risks total represents the most likely cost of risk items used in deterministic risk modelling			

ITEM	SECTION	ESTIMATED COST	% OF RISK IN ADDITION TO BASE ESTIMATE
<b>7</b>	<b>SECTION 7 - P50 and P90 RISK and CONTINGENCY</b>		
7.1	P50 Inherent and Contingent Risk	823,766	11%
7.2	P90 Inherent and Contingent Risk	1,874,313	25%

<b>PROJECT OPTIONS ESTIMATE TOTALS</b>		<b>P50</b>	<b>8,217,956</b>
		<b>P90</b>	<b>9,268,504</b>

NOTE: These values exclude GST and escalation. Escalation is calculated using the Formal Estimate form. Formal estimate values are to be used when seeking project funding.

INDICATIVE ANNUAL CASH FLOW				
YEAR	ASSUMED COMPONENTS	ESTIMATED ANNUAL BASE ESTIMATE CASHFLOW	ESTIMATED ANNUAL P50 CASHFLOW	ESTIMATED ANNUAL P90 CASHFLOW
Previous Years	-	0	0	0
Year 1	-	7,394,191	8,217,956	9,268,504
Year 2	-	0	0	0
Year 3	-	0	0	0
Year 4	-	0	0	0
<b>TOTALS</b>		<b>7,394,191</b>	<b>8,217,956</b>	<b>9,268,504</b>

ESTIMATED CONSTRUCTION COST VALUE (For use in contract procurement/Acquisition Plan)	
<i>Estimated Total Contractor Costs (Total of sections 4 &amp; 5)</i>	5,869,835 (Excluding GST)
<i>Estimated Contractor Risk (applied at half of the % applicable to the P50 Project Options Estimate)</i>	326,971 (Excluding GST)
<i>Estimated Total Contractor Costs inclusive of Risk</i>	6,196,806 (Excluding GST)
<i>Estimated Total Contractor Costs inclusive of Risk</i>	6,816,486 (Including GST)

OFFICIAL Estimate  
**#REF!**  
**CALCULATION SHEET**

ESTIMATE NO: #REF!  
 PROJECT NAME: #REF!  
 DATE PREPARED: #REF!  
 KNET NO: #REF!

#REF!

NOTE: Only cells with Blue text are to be edited

Item	Description	Unit	Quantity	Rate	Amount	Comments	Assumption / Risk / Opportunity	Revision No.
<b>1</b>	<b>SECTION 1 - CLIENT COSTS</b>							
1.1	SCOPING PHASE - PROJECT MANAGEMENT					Prior to project being funded		
1.1.1	Project Management	Item	0.25%	4,406,508	11,016			R3
	<b>Subtotal, SCOPING PHASE - PROJECT MANAGEMENT</b>				<b>11,016</b>			
1.2	SCOPING PHASE - DESIGN AND INVESTIGATION							
1.2.1	Design and Investigation	Item	0.25%	4,406,508	11,016			R3
	<b>Subtotal, SCOPING PHASE - DESIGN AND INVESTIGATION</b>				<b>11,016</b>			
1.3	DEVELOPMENT PHASE - PROJECT MANAGEMENT							
1.3.1	DIT Project Manager	weeks	52	1,425	74,100	From project funding to tender call		R2
1.3.2	Project Management	Item	0.50%	4,406,508	22,033	Assume DPTI project manager P03 38 hrs x 100% x 50% External recourses only		R3
	<b>Subtotal, DEVELOPMENT PHASE - PROJECT MANAGEMENT</b>				<b>96,133</b>			
1.4	DEVELOPMENT PHASE - DESIGN AND INVESTIGATION							
1.4.1	Design and Investigation	Item	4.00%	7,466,156	298,646	Design Consultant Fee		R2
	<b>Subtotal, DEVELOPMENT PHASE - DESIGN AND INVESTIGATION</b>				<b>298,646</b>			
1.5	DELIVERY PHASE - PROJECT MANAGEMENT							
1.5.1	External consultants - Enviro / OHS	Item	0.50%	4,406,508	22,033			R3
1.5.2	External consultants - Contract management and	Item	1.00%	4,406,508	44,065			R3
1.5.3	DPTI Project Manager	weeks	20	2,850	57,000	Assume DPTI project manager P03 38 hrs x 100%		R2
	<b>Subtotal, DELIVERY PHASE - PROJECT MANAGEMENT</b>				<b>123,098</b>			
1.6	DELIVERY PHASE - DESIGN AND INVESTIGATION							
1.6.1	Design and Investigation	Item	1.00%	4,406,508	44,065	Cost for this OTL, IFA and IFC design documentation		R3
	<b>Subtotal, DELIVERY PHASE - DESIGN AND INVESTIGATION</b>				<b>44,065</b>			
1.7	PRINCIPAL ARRANGED INSURANCE AND LEVIES							
1.7.1	Principal Arranged Insurance	c per \$	0.00265	4,406,508	11,677			R3
	<b>Subtotal, PRINCIPAL ARRANGED INSURANCE AND LEVIES</b>				<b>11,677</b>			
1.8	ENVIRONMENTAL ASSESSMENT							
1.8.1	External consultants - Assessment	Item	0.5%	4,406,508	22,033			R3
1.8.2	NV offset costs					Amy Gillet Alternate Alignment - High level offset estimate 12/5/2023		R2
1	Amenity vegetation clearance	Item	1	1,037	1,037			R2
2	Native vegetation clearance	Item	1	129,587	129,587			R2
3	Unsurveyed vegetation (based upon a Unit	Item	1	8,964	8,964			R2
	<b>Subtotal, ENVIRONMENTAL ASSESSMENT</b>				<b>161,621</b>			
1.9	OTHER CLIENT COSTS							
1.9.1					0			
	<b>Subtotal, OTHER CLIENT COSTS</b>				<b>0</b>			
1.10	DIT OVERHEAD CHARGE							
1.10.1	DIT Overhead Charge	Item				of Base estimate total		
C	External project \$4m-\$30m	%	8.10%	6,840,139.56	554,051			R3
	<b>Subtotal, DIT OVERHEAD CHARGE</b>				<b>554,051</b>			
	<b>Subtotal, SECTION 1 - CLIENT COSTS</b>				<b>1,311,323</b>			
<b>2</b>	<b>SECTION 2 - PROPERTY ACQUISITION</b>					INDICATIVE RATES ONLY. REQUIRES A VALUER TO COST ACCURATELY		
2.1	PROPERTY PURCHASE COSTS					TOTAL AREA =	0	
2.1.1	Land / Property Purchase Cost	m2			0	Assume nil		
	<b>Subtotal, PROPERTY PURCHASE COSTS</b>				<b>0</b>			
2.2	TRANSACTION, LEGAL AND OTHER COSTS							
2.2.1	DIT Costs	no			0	Assume nil		

2.2.2	Owner Professional Fees	no				0		
	<b>Subtotal, TRANSACTION, LEGAL AND OTHER COS</b>					<b>0</b>		
<b>2.3</b>	<b>BUSINESS COMPENSATION COSTS</b>							
2.3.1	Disturbance	no				0	Assume nil	
2.3.2	Solatium	no				0	Assume nil	
	<b>Subtotal, BUSINESS COMPENSATION COSTS</b>					<b>0</b>		
<b>2.4</b>	<b>PROPERTY MODIFICATION</b>							
2.4.1	Property Modifications	Item				0	Assume nil	
	<b>Subtotal, PROPERTY MODIFICATION</b>					<b>0</b>		
	<b>Subtotal, SECTION 2 - PROPERTY ACQUISITION COSTS</b>					<b>0</b>		
<b>3</b>	<b>SECTION 3 - SERVICES (BY DIT)</b>							
<b>3.1</b>	<b>ELECTRICITY</b>							
3.1.1	Electrical relocation	Item	1.00	100,000.00		100,000	Assume allowance	R2
	<b>Subtotal, ELECTRICITY</b>					<b>100,000</b>		
<b>3.2</b>	<b>COMMUNICATIONS</b>							
3.2.1	Communications Relations	Item	1.00	100,000.00		100,000	Assume allowance	R2
	<b>Subtotal, COMMUNICATIONS</b>					<b>100,000</b>		
<b>3.3</b>	<b>GAS</b>							
3.3.1	Gas relocation works	Item				0	Assume nil	
	<b>Subtotal, GAS</b>					<b>0</b>		
<b>3.4</b>	<b>WATER / SEWER</b>							
3.4.1	Water / Sewer relocation costs	Item				0	Assume nil	
	<b>Subtotal, WATER / SEWER</b>					<b>0</b>		
<b>3.5</b>	<b>OTHER SERVICES</b>							
3.5.1	Pre construction service location works	Item	1.00	13,032.60		13,033		R2
	<b>Subtotal, OTHER SERVICES</b>					<b>13,033</b>		
	<b>Subtotal, SECTION 3 - SERVICES (BY DIT)</b>					<b>213,033</b>		
<b>4</b>	<b>SECTION 4 - CONSTRUCTION COSTS</b>							
<b>4.1</b>	<b>ENVIRONMENTAL MANAGEMENT</b>							
4.1.1	Temporary environmental works							
1	Silt Fencing	metre	500.00	15.00		7,500		R2
2	Maintenance of Environmental Control Measures	weeks	24.00	1,837.50		44,100		R2
	<b>Subtotal, ENVIRONMENTAL MANAGEMENT</b>					<b>51,600</b>		
<b>4.2</b>	<b>TRAFFIC MANAGEMENT</b>							
4.2.1	TRAFFIC MANAGEMENT						Traffic management for this project is expected to include - 3 man gang x 24 weeks and 4 x VMS x 26weeks	
1	Temporary Variable Message Signs	Item	1.00	34,560.00		34,560		R2
2	Total traffic Management crew costs	Item	1.00	218,592.00		218,592		R2
3	Other Traffic Management Items:	Item	1.00	3,932.40		3,932		R2
	<b>Subtotal, TRAFFIC MANAGEMENT</b>					<b>257,084</b>		
<b>4.3</b>	<b>SERVICES (BY CONTRACTOR)</b>							
4.3.1	Identification and Location of Services	Item	1.00	6,516.30		6,516	Identify, saw cut, Potholing, survey, backfill and reinstatement.	R2
4.3.2	Temporary Service Requirements	item	1.00	70,000.00		70,000		R2
	<b>Subtotal, SERVICES (BY CONTRACTOR)</b>					<b>76,516</b>		
<b>4.4</b>	<b>EARTHWORKS AND DEMOLITION</b>		<b>12,513</b>				<b>TOTAL VOLUME =</b>	<b>12,513</b>
4.4.1	Preparation Works							
1	Demolition and removal of Vegetation	item	1.00	199,070.66		199,071	Including tree removal, stump munching and tree trimming	R3
2	Demolition of paving etc	item	1.00	28,080.00		28,080	Stock fencing removal and disposal	R3
4.4.2	Bulk Earthworks							
1	Stripping and Stockpiling of Topsoil	m2	43,129.00	1.39		59,989	assume 150mm thick layer to outside edge window	R2
4.4.3	Proof Roll							
1	Proof Roll fill area subgrades	m2	21,564.50	0.27		5,881	to identify weak spots prior to filling	R2
2	Remove and replace unsuitable subgrade	m3	323.47	22.68		7,336	Assume 5% of pavement area x 300mm deep. Use excess	R2
4.4.4	Earthworks							
1	Cut to Fill	m3	8,200.39	22.68		185,985	Assume redesign to balance the cut / fill to manage all contaminated material onsite.	R2
2	Contamination testing	m3	8,200.39	5.00		41,002		R2
4.4.5	Final trim and compact Design subgrade	m2	6,469.35	4.30		27,792		R2
4.4.6	Trim batters , steeper than 1:3	m2	21,564.50	2.07		44,639		R2
4.4.7	Respreading of Topsoil	m2	43,129.00	3.33		143,502		R2

	<b>Subtotal, EARTHWORKS AND DEMOLITION</b>					<b>743,276</b>			
<b>4.5</b>	<b>RETAINING WALLS</b>						<b>TOTAL AREA =</b>	<b>0</b>	
							NA for this option		
	<b>Subtotal, RETAINING WALLS</b>					<b>0</b>			
<b>4.6</b>	<b>DRAINAGE</b>								
4.6.1	Supply and Install Headwalls	item	1.00	50,000.00		50,000	Preliminary design, no drainage details. Assumed scope.		R3
4.6.2	Excavate, bed, supply and lay and backfill drainage Pipes	item	1.00	50,000.00		50,000	Preliminary design, no drainage details. Assumed scope, 3 crossings.		R3
4.6.3	Scour Protection								
1	Riprap protection at inlets/outlets	m2	36.00	170.00		6,120	300mm minus riprap on geotextile 4m x 3m at outlet		R2
	<b>Subtotal, DRAINAGE</b>					<b>106,120</b>			
<b>4.7</b>	<b>BRIDGES</b>		<b>151</b>				<b>TOTAL AREA =</b>	<b>151</b>	
4.7.1	Williams Creek Foot Bridge	m2	66.50	9,410.59		625,804	Single span steel girder with RC deck on RC abutments and driven piles, approx 19m x 3.5m wide as per drawing No 511 A		R2
4.7.2	Angas Creek Foot Bridge	m2	84.00	9,141.56		767,891	Single span steel girder with RC deck on RC abutments and driven piles, approx 24m x 3.5m wide as per drawing No 501 A		R2
4.7.3	Burford's Hill Road Bridge						existing heritage bridge		
1	Remedial works to bridge	item	1.00	100,000.00		100,000	assumed as no details available, refine once condition report		R2
2	Guard Rail	m	200.00	185.00		37,000	50m guard rail on both side approach and departure		R2
	<b>Subtotal, BRIDGES</b>					<b>1,530,695</b>			
<b>4.8</b>	<b>TUNNELS</b>								
							NA for this option		
	<b>Subtotal, TUNNELS</b>					<b>0</b>			
<b>4.9</b>	<b>PAVEMENT</b>	<b>m2</b>	<b>21,565</b>	<b>\$104.34</b>			<b>TOTAL AREA =</b>	<b>21,565</b>	<b>R2</b>
4.9.1	Pavement Type A - Bikeway	m2	15,434.50	31.60		487,744	150mm Base Course 1 PM1/20, Geogrid		R2
4.9.2	Pavement Type B - Bikeway Shoulder	m2	6,130.00	31.60		193,713	150mm Base Course 1 PM2/20, Geogrid		R2
4.9.3	Pavement Type A - Typical Access	m2	84.00	46.84		3,935	100mm Base Course 1 PM2/20, 100mm Subbase 1 PM2/20, 130mm Subbase 2 Type A Fill		
Note 4.9	Rates inclusive of geotechnical testing								
	<b>Subtotal, PAVEMENT</b>					<b>685,392</b>			
<b>4.10</b>	<b>BITUMINOUS SURFACING / ASPHALT</b>	<b>m2</b>	<b>15,435</b>				<b>TOTAL AREA =</b>	<b>15,435</b>	
4.10.1	Pavement Type A - Bikeway	m2	15,434.50	24.45		377,374			R2
	<b>Subtotal, BITUMINOUS SURFACING / ASPHALT</b>					<b>377,374</b>			
<b>4.11</b>	<b>SECONDARY PAVEMENTS</b>								
							Not applicable		
	<b>Subtotal, SECONDARY PAVEMENTS</b>					<b>0</b>			
<b>4.12</b>	<b>PAVEMENT MARKING</b>								
4.12.1	Line marking	Item	1.00	27,770.00		27,770	Includes the following- Mobilise linemaker, Lines - Solid White, Lines - Broken		R2
	<b>Subtotal, PAVEMENT MARKING</b>					<b>27,770</b>			
<b>4.13</b>	<b>ROAD FURNITURE</b>								
4.13.1	Fencing								
1	Bike maze at the road crossings	no	10.00	1,200.00		12,000			R2
2	Tubular bike fencing	m	300.00	400.00		120,000	50 metres either side of the Burford's Hill bridge both		R2
3	Stock Fencing	m	4,680.00	18.50		86,580			R3
4.13.2	Interpretive and way finding signage	item	1.00	25,000.00		25,000	Assumed amount		R2
	<b>Subtotal, ROAD FURNITURE</b>					<b>243,580</b>			
<b>4.14</b>	<b>LIGHTING</b>								
4.14.1	Flag lighting	no.	1.00	25,000.00		25,000	at Onkaparinga Valley Road, William Street		R2
	<b>Subtotal, LIGHTING</b>					<b>25,000</b>			
<b>4.15</b>	<b>LANDSCAPING AND URBAN DESIGN</b>								
4.15.1	Hydroseeding batters	m2	11,034.00	3.45		38,067			R2
	<b>Subtotal, LANDSCAPING AND URBAN DESIGN</b>					<b>38,067</b>			
<b>4.16</b>	<b>TRAFFIC SIGNAGE, SIGNALS AND CONTROLS</b>								
4.16.1	Static signage						Supply and install new single post signs - Assumed Number		
1	Supply and install new single post signs - Section 1	no.	20.00	550.00		11,000			R2
	<b>Subtotal, TRAFFIC SIGNAGE, SIGNALS AND</b>					<b>11,000</b>			

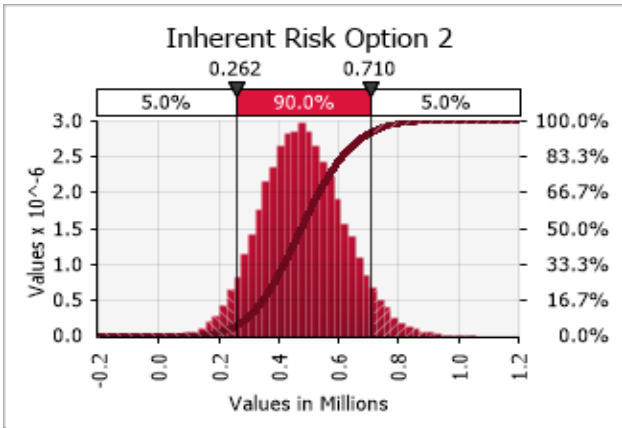
4.17	RAIL							
							Not applicable	
	<b>Subtotal, RAIL</b>					0		
4.18	OTHER							
4.18.1	Modification / protection of Existing Heritage Arch Ch 905 and CH 3010	item	1.00	20,000.00		20,000	Assume allowance	R2
	<b>Subtotal, OTHER</b>					20,000		
	<b>Subtotal, SECTION 4 - CONSTRUCTION COSTS</b>					\$4,193,475		
5	<b>SECTION 5 - CONTRACTORS PRELIMINARIES AND SUPERVISION</b>							
5.1	<b>OVERHEADS AND MARGIN</b>							
5.1.1	Design (by Contractor)	Item	0.00%	4,078,815.08		0	Not applicable	R2
5.1.2	Overheads (Onsite)	Item	26.97%	4,193,475.08		1,131,121	Onsite overheads to construction works	R3
5.1.3	Overheads (Offsite)	Item	4.00%	5,324,596.22		212,984	Offsite overheads to construction works	R3
5.1.4	Contractors Margin	Item	6.00%	5,537,580.07		332,255	Margin applicable to the works	R3
	<b>Subtotal, OVERHEADS AND MARGIN</b>					\$1,676,360		
	<b>Subtotal, SECTION 5 - CONTRACTORS PRELIMINARIES AND SUPERVISION</b>							
	<b>BASE ESTIMATE TOTAL</b>					<b>\$7,394,191</b>		
6	<b>SECTION 6 - CONTINGENT RISKS</b>			Estimated Cost				
7	<b>SECTION 7 - P50 AND P90 RISK AND CONTINGENCY</b>			Estimated Cost	% In Addition to Base Estimate			
7.0	<b>P90 RISK AND CONTINGENCY</b>							
7.1	P50 Inherent AND Contingent Risk			823,766	11%			
7.2	P90 Inherent AND Contingent Risk			1,874,313	25%			
				<b>P50</b>	<b>P90</b>			
	<b>PROJECT OPTIONS ESTIMATE TOTAL</b>			<b>8,217,956</b>	<b>9,268,504</b>			

NOTE: These values exclude GST and escalation. Escalation is calculated using the Formal Estimate form. Formal estimate values are to be used when seeking project funding.

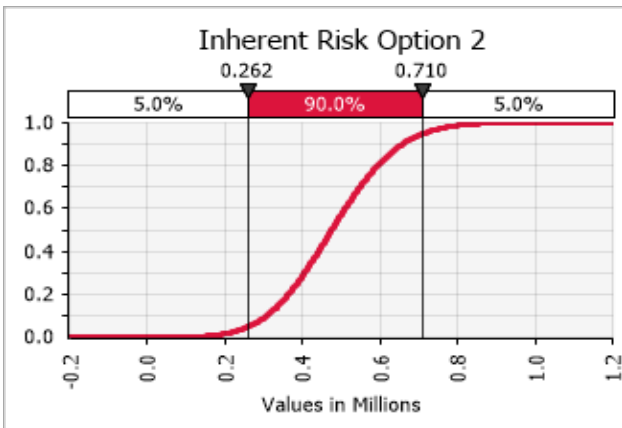


## Inherent Risk Option 2 - 'Calculation Option 2'!AG662

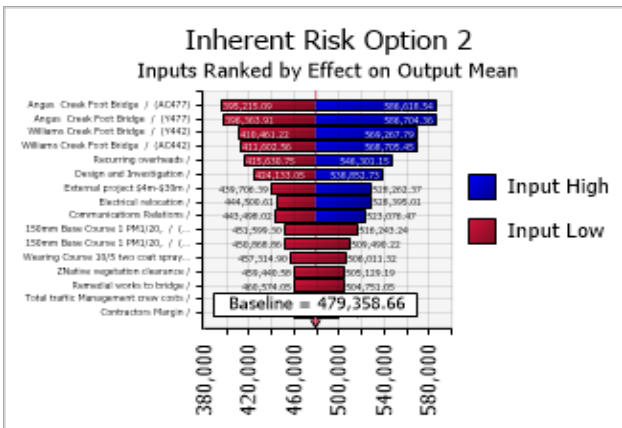
**Report:** Compact Output Report  
**Performed By:** irobertson  
**Date:** Tuesday, 13 June 2023



Summary Statistics	
Statistic	Value
Minimum	-34,895.68
Maximum	1,060,372.06
Mean	479,358.66
Std. Deviation	135,777.29
Variance	1.844E+010
Skewness	0.1643
Kurtosis	2.9713
Median	475,079.61
Mode	470,203.76
Left X	262,348.18
Left P	5%
Right X	710,457.75
Right P	95%



Percentiles	
Percentile	Value
1%	181,780.63
2.5%	225,540.19
5%	262,348.18
10%	307,982.07
20%	363,548.83
25%	385,417.37
50%	475,079.61
75%	568,774.28
80%	592,582.42
90%	656,674.06
95%	710,457.75
97.5%	756,931.49
99%	811,419.30

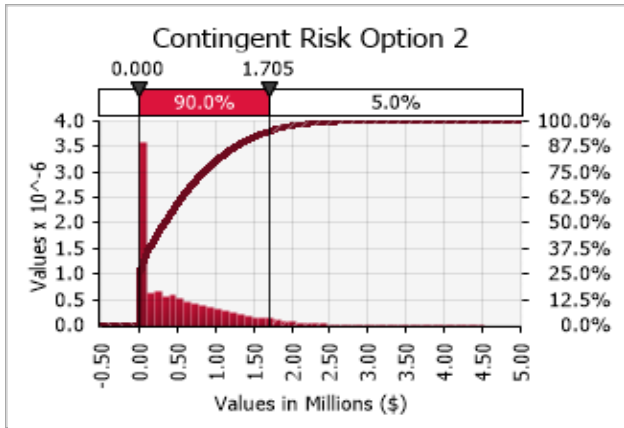


Change in Output			
Rank	Name	Lower	Upper
1	Angas Creek Foot Bridge	395,215.09	586,618.54
2	Angas Creek Foot Bridge	396,363.91	586,704.36
3	Williams Creek Foot Bridge	410,461.22	569,267.79
4	Williams Creek Foot Bridge	411,602.56	568,705.45
5	Recurring overheads /	415,630.75	546,301.15
6	Design and Investigation	424,133.05	538,852.73
7	External project \$4m-\$30m /	439,706.39	528,262.37
8	Electrical relocation /	444,500.61	528,395.01
9	Communications Relation	443,498.02	523,076.47
10	150mm Base Course 1 PM1/20, / (. . .)	451,599.30	516,243.24
11	150mm Base Course 1 PM1/20, / (. . .)	450,868.86	509,490.22
12	Wearing Course 10/5 two coat spray /	457,314.90	506,011.32
13	ZNative vegetation clearance	459,440.58	505,129.19

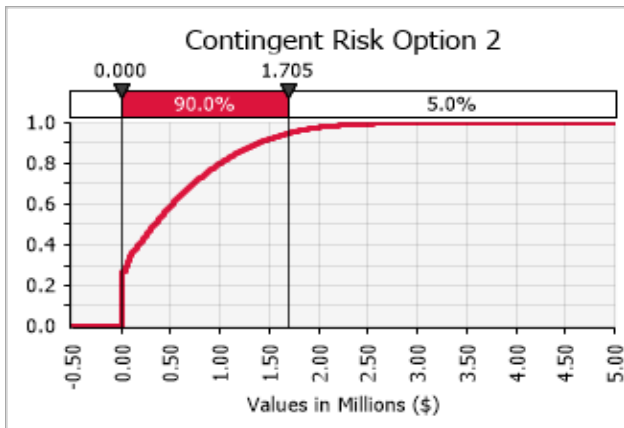


## Contingent Risk Option 2 - 'Cont Risk Option 2'!O59

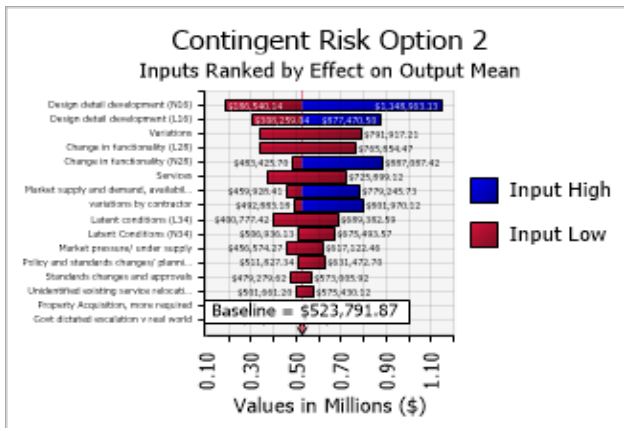
**Report:** Compact Output Report  
**Performed By:** irobertson  
**Date:** Tuesday, 13 June 2023



Summary Statistics	
Statistic	Value
Minimum	\$ 0
Maximum	\$ 4,516,209.59
Mean	\$ 523,791.87
Std. Deviation	\$ 580,984.82
Variance	3.375E+011
Skewness	1.2339
Kurtosis	4.1607
Median	\$ 335,460.13
Mode	\$ 0
Left X	\$ 0
Left P	5%
Right X	\$ 1,704,509.59
Right P	95%



Percentiles	
Percentile	Value
1%	\$ 0
2.5%	\$ 0
5%	\$ 0
10%	\$ 0
20%	\$ 0
25%	\$ 0
50%	\$ 335,460.13
75%	\$ 854,984.73
80%	\$ 998,526.38
90%	\$ 1,380,397.00
95%	\$ 1,704,509.59
97.5%	\$ 1,960,113.77
99%	\$ 2,281,192.68



Change in Output			
Rank	Name	Lower	Upper
1	Design detail development	\$ 186,540.14	\$ 1,148,963.13
2	Design detail development	\$ 308,259.04	\$ 877,470.50
3	Variations	\$ 338,453.87	\$ 791,917.21
4	Change in functionality (L	\$ 340,369.90	\$ 765,854.47
5	Change in functionality (I	\$ 483,425.70	\$ 887,087.42
6	Services	\$ 376,481.59	\$ 725,899.12
7	Market supply and deman	\$ 459,928.41	\$ 779,245.73
8	variations by contractor	\$ 492,883.18	\$ 801,970.12
9	Latent conditions (L34)	\$ 400,777.42	\$ 689,382.59
10	Latent Conditions (N34)	\$ 506,936.13	\$ 675,493.57
11	Market pressure/ under s	\$ 456,574.27	\$ 617,122.46
12	Policy and standards cha	\$ 511,827.34	\$ 631,472.70
13	Standards changes and a	\$ 479,279.62	\$ 573,005.92

**3. Amy Gillett Bikeway Stage 4 – Prudential Review and Construction Funding – Duration of Confidentiality**

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council’s decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 19.2 in confidence under sections 90(2) and 90(3)(j) of the *Local Government Act 1999*, resolves that an order be made under the provisions of sections 91(7) and (9) of the *Local Government Act 1999* to retain the Items in confidence as detailed in the Duration of Confidentiality Table below:

<b>Item</b>	<b>Duration of Confidentiality NB: Item to be reviewed every 12 months if not released</b>
<b>Report</b>	19 December 2024 or upon finalisation of all relevant agreements with the State and Federal Governments, whichever is the earlier.
<b>Related Attachments</b>	19 December 2024 or upon finalisation of all relevant agreements with the State and Federal Governments, whichever is the earlier.
<b>Minutes</b>	19 December 2024 or upon finalisation of all relevant agreements with the State and Federal Governments, whichever is the earlier.
<b>Other</b>	N/A

Notwithstanding, the fact that the Council is working with other levels of government to find a way to complete the Amy Gillett Bikeway extension within available funding levels shall not be subject to the confidentiality order.

Pursuant to section 91(9)(c) of the *Local Government Act 1999*, the Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.

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