

9 January 2024

Chris Doms
fyi-request-25172-8053e32e@requests.fyi.org.nz

REF: OIA-14298

Dear Chris

Request made under the Official Information Act 1982

Thank you for your email of 14 December 2023 requesting the following information under the Official Information Act 1982 (the Act):

Can you please provide the following information with respect to the Bayfair to Baypark project:

- *The original budget at the time CPB was selected.*
- *The final budget as it stands now (should be very nearly actualised).*
- *The original time for completion at the time CPB was selected.*
- *Key reasons for variances between those original budgets and the final cost and time*

In late 2014, the Transport Agency board approved \$120 million for the Bay Link project. This figure is for the construction contract cost and does not include the investigation, design and property costs.

The total project cost is now \$292 million, which covers the increased cost for materials, labour and additional COVID-19 impacts since the change of scope for the project in 2020 and allows for future variations, including contingency.

Construction of this project started in 2017, and the expected completion date was late-2020. Enhancements to pedestrian and cycling modes and unforeseen ground conditions arising from this improvement led to scope, cost and time impacts. Following an extensive amount of reprogramming work in 2020, NZTA advised in January 2021 the new completion date for the Bay Link project is late-2023 and the total project cost of \$262 million. The project is currently running on schedule.

Like the rest of New Zealand and other parts of the world, projects in the Bay of Plenty continue to be affected by the challenges resulting from the ongoing impacts of COVID-19, including a constrained labour market, supply chain issues and cost escalations. Along with inflation we are seeing cost increases continue across all projects.

In line with NZTA policy, this response will soon be published on our website, with personal information removed.

If you would like to discuss this reply with NZTA, please contact us by email to official.correspondence@nzta.govt.nz.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Jo Wilton', with a large, sweeping initial 'J' and 'W'.

Jo Wilton

Acting National Manager Infrastructure Delivery