



Funding Local Roads - Report 2015

**Recommendations to clear the
Infrastructure Backlog**

May 2016

About the National Roads and Motorists' Association

Better road and transport infrastructure has been a core focus ever since the National Roads & Motorists' Association (NRMA) first came into being in 1920 when our founders lobbied for improvements to the condition of Parramatta Road in Sydney. Today NRMA continues working with government, advocating for more road funding to improve safety and for solutions to ever increasing traffic congestion. By working together with all levels of government to improve not only road infrastructure but also public transport infrastructure we can give motorists a real choice about how they get around. NRMA believes that efficient roads, public transport and better facilities for cyclists and pedestrians work hand in hand to solve the many transport problems that we face each day.

Comments and Queries

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Introduction

Over the seven year period from 2008 to 2014, there were 1,766 fatalities and 128,671 people injured on roads managed by regional local councils in NSW. Deaths and injuries on these roads cost regional communities up to \$18 billion over the seven year period.¹ With the total economic cost of crashes to regional communities averaging between \$1 billion and \$2.6 billion per year, there is an urgent need to address safety standards on our local roads.

While both the Australian and NSW Governments have increased spending on roads in regional NSW, the revenue streams available to local councils are inadequate to maintain existing road infrastructure to a satisfactory standard. Budgetary pressures on local councils are also affecting their ability to directly fund road maintenance.

Continued population and economic growth will increase passenger and freight movements on our roads. This, in turn, will create additional road safety concerns if the regional road network continues to deteriorate.

The current infrastructure and maintenance backlog is putting greater pressure on the NSW local and regional road network, with road safety being a primary concern. The economic cost will continue to increase if a suitable plan is not implemented to adequately fund local roads.

The NRMA wants to see this issue resolved with a permanent long term solution that addresses the infrastructure backlog and provides a sustainable level of infrastructure maintenance going forward.

Recommendations

1. **Fast track funding of the Roads to Recovery program**
2. **Return a greater share of the fuel excise levy to regional councils**
3. **Expand the Local Government Infrastructure Backlog Fund**
4. **Provide Local Government with low interest region specific infrastructure and investment funds, similar to the Hunter Infrastructure and Investment Fund**
5. **Aggregate the measurement of specific road asset management benchmarking, and consolidate regional road infrastructure planning**
6. **Rebuild the diminishing engineering capacity in regional councils to assess road projects and provide reports to improve decision making.**
7. **Build road networking alliances with the private sector to use joint expertise in engineering, finance, procurement and maintenance to improve the delivery of road projects in regional NSW**
8. **Reform current Australian and NSW Government funding programs for local councils**

Economic cost of inadequate road funding

The Bureau of Infrastructure, Transport and Regional Economics (BITRE) estimates the cost of road crashes in Australia.ⁱⁱ These estimates are based on the number and type of casualty and factors such as human cost, loss of life, treatment of injuries and ongoing care of persons with disabilities, property costs and other general costs. This is known as the Human Capital Evaluation technique (HCE).

BITRE (2009) estimated the average cost of each road crash in NSW for an individual as follows (in 2015 prices):

1. **Fatality: \$3,408,704,**
2. **Serious injury: \$339,594 and**
3. **Non Serious Injury: \$18,767**

Using BITRE's method, the cost of road crashes on regional and local council roads in NSW was calculated for NSW roads for the period 2008 to 2014.

Table 1A summarises the cost of road crashes, using the HCE, for all regional and local council roads and the split between metropolitan and regional councils. The major difference between metropolitan and regional councils is quite obvious when the cost of fatalities in country NSW compared with the Sydney metropolitan area is taken into account. On average, country roads have twice as many fatalities than metropolitan roads, with total kilometres travelled in non-urban areas estimated at less than 30 per cent of kilometres travelled in urban NSW.ⁱⁱⁱ

Table 1A: The Cost of Road Crashes (HCE) – Council, Regional and Local Roads (\$ million)

Year 2008-2014 (Annual Average)	Fatality	Serious Injury	Non-Serious Injury	Total
Total	860.0	787.2	301.7	1,948.9
Metropolitan Councils	284.4	473.9	181.7	939.9
Regional Councils	575.6	313.3	120.1	1,008.9

The \$1.9 billion annual cost estimate based on a human capital cost evaluation is seen as somewhat conservative when compared with the willingness to pay approach. Traditional methods of estimating accident costs, such as the human capital cost approach, focus on the direct costs associated with road crashes. These methods do not fully account for the social costs of road crashes to the wider economy and each person's perceived value of wanting to avoid the cost of the road crash.

The Willingness to Pay (WTP) evaluation approach is the “*theoretical maximum*” amount an individual is willing to pay to avoid a road crash. Transport for NSW uses the WTP approach to evaluate major transport projects. The Principles and Guidelines for Economic Appraisal of Transport Investment and Initiatives cost-benefit manual (2013)^{iv}, estimates the average cost of road crashes in NSW (Table 1B) for an individual as follows (in 2015 prices), for both urban roads and rural roads are as follows:

Table 1B: Willingness to Pay (WTP) – Average Cost of Crashes for Urban and Rural Roads (\$)

	Urban Roads	Rural Roads
Fatality	6,473,693	7,101,115
Serious Injury	475,495	662,214
Non Serious Injury	78,863	112,495

The total cost of road crashes using the WTP approach increases the cost to the NSW economy to \$4.5 billion, with a \$2.5 billion estimate for regional councils, compared to a human capital estimate of \$1 billion.

Table 1C summarises the cost of road crashes, under the WTP approach, for all regional and local council roads and the split between metropolitan and regional councils

Table 1C: The Cost of Road Crashes (WTP) - Regional and Local Roads (\$ million)

Year 2008-2014 (Annual Average)	Fatality	Serious Injury	Non-Serious Injury	Total
Total	1,739.2	1,274.4	1,483.2	4,496.8
Metropolitan Councils	540.1	663.5	763.4	1,967.0
Regional Councils	1199.1	610.9	719.8	2,529.8

An annual cost range of \$1.9 billion to \$4.5 billion to the NSW economy is a significant cost which cannot be sustained. Investment in NSW regional and local council roads is required to reduce this social cost, and allow for more productive investment across other portfolios in NSW.

Financial assessment of NSW regional and local council roads

Table 2 summarises the annual recurrent road expenditure received by councils from both the Australian and NSW Governments as provided through the 2015-16 budgetary process and the 2014-15 annual financial assessment submitted by local councils to the NSW Department of Local Government as part of their annual reporting obligations.^v

Table 2: Financial Assessment of Local Council Roads 2014-15 (\$ million)

	Recurrent Road Grants	Estimated Annual Road Maintenance	Actual Annual Maintenance	Maintenance Shortfall	Infrastructure Backlog
All councils	678.1	617.2	596.1	-21.1	1,730.8
Metropolitan councils	132.6	229.2	243.0	13.8	374.8
Regional councils	545.5	387.9	353.1	-34.8	1,356.0

This table shows that all local councils in NSW require over \$1.7 billion in funding to bring their roads to a satisfactory condition and an overall \$21.1 million maintenance shortfall. The definition of “satisfactory condition” is the estimated cost to bring the asset to a satisfactory condition as deemed by Council. It does not include any planned enhancements to the existing asset. The cost to regional councils is in the order of \$1.3 billion. In addition, the shortfall in maintenance was at least \$34.8 million in 2014-15.

The cost of crashes for regional councils, estimated at \$2.5 billion, under the WTP approach, could be eliminated or at least reduced if \$1 billion is spent each year over the next three years by regional councils.

By comparison with the 2013-14 financial assessment, the total infrastructure backlog estimate for all councils has been reduced by approximately \$1.4 billion, with three quarters of the reduction occurring in regional councils.

Recommendations to clear the road infrastructure backlog

Given the current backlog in road infrastructure across NSW, it is important to assess a range of options to solve the problem.

As a first priority, **NRMA calls for the fast tracking of the Roads to Recovery program.**

The release of the Australian Government's 2016-17 Budget outlines their Roads to Recovery commitments to 2019-20 with a further intention to increase funding by an additional \$50 million per year from 2019-20.

This increased financial commitment made by the Australian Government would not see the current reported \$1.7 billion backlog eliminated until 2026-27.

Other options that should be considered include:

- **Return a greater share of the fuel excise levy to regional councils**

Annual investment in the NSW road network has ranged between \$3.6 billion and \$6.7 billion over the past seven years. Currently \$15.7 billion is collected by the Australian Government from all road users through the current fuel excise levy at a rate of 39.5 cents per litre for unleaded and diesel fuel purchases.

Only 18.5 cents out of 39.5 cents collected from Australian motorists will be returned to the road network in 2015-16. For 2016-17 the percentage returned to motorists is expected to rise from 47 per cent in 2015-16 to 57 per cent in 2016-17. In addition, motorists pay other taxes and fees, which add to the disparity between what they pay to use the road and what is invested back into the road network by all levels of government.

The NRMA as part of its wider commitment to secure adequate road funding would like to see a permanent legislated solution. For example 50 per cent of fuel excise collected is returned to the road network **as a minimum**. A specific allocation to local council roads is also worth pursuing.

The NRMA also does not support the indexation of fuel excise in its current form given the imbalance between what is collected from Australian motorists and returned to the road network. There is ample capacity for the Australian Government to secure a permanent fuel excise allocation for all councils to fund their infrastructure backlog and maintenance shortfalls.

A 10 per cent annual allocation of gross fuel excise collected, for example, would deliver \$1.5 billion for local and regional roads, and greatly assist councils across Australia to maintain their respective road networks.

- **Expand the Local Government Infrastructure Backlog Fund**

The NSW Government has provided \$120 million to implement a Local Government Infrastructure Backlog Policy. This policy is intended to provide a financial platform to assist local councils to become more financially sustainable. While improved financial assessment, asset benchmarking and asset condition audits are a step in the right direction, annual grants are also critical under this policy for councils to address the current backlog in road investment.

➤ **Provide low interest region specific infrastructure and investment funds**

The implementation of region specific funds, like the Hunter Infrastructure and Investment Fund, should also assist in reducing the road infrastructure backlog for various councils. The use of lower interest rates to fund finance projects could assist local councils to bring forward backlog projects.

The upgrade of Main Road 101 between Dungog and Raymond Terrace, an important road between two regional towns worth \$20 million, is another significant project that has already made travel between the towns safer. This is an example of an important project delivered under the Hunter Infrastructure Investment Fund.

➤ **Aggregate specific road asset management benchmarking, and consolidate regional road infrastructure planning**

Given the large number of regional councils and the size of the infrastructure backlog, the consolidation of road asset benchmarking, infrastructure planning and financial evaluation by councils pooling their resources into bigger regions may assist decision makers to fund and build road projects. Setting up regional organisations of councils (ROCs) can assist in building larger bodies to aggregate specific functions adding more leverage to rebuild more local roads. WSROC and NSROC, metropolitan organisations representing local councils in Western Sydney and North Sydney, are examples of what can be achieved.

Similar collectives also exist in regional NSW with Central NSW Councils (CentROC) and Southern Council Group in the Illawarra undertaking similar functions.

➤ **Rebuild the diminishing engineering capacity especially in regional local councils to assess road projects and provide reports for improved decision making**

Currently there is a lack of qualified engineering expertise within Local Councils and the NSW Government level to undertake the necessary evaluation of proposals to build roads and other key infrastructure. A recent report from Professionals Australia warned that up to 20 per cent of capital costs can be wasted due to a lack of engineering expertise in project scoping for both RMS and local councils.^{vi} This affects the ability of councils to provide sound business cases to NSW Treasury for evaluation. The use of consultant services is cost prohibitive for many local councils and in-house engineers can also reduce the costs associated with tendering and procurement for councils.

➤ **Build road networking alliances with the private sector to use joint expertise in engineering, finance, procurement and maintenance to improve delivery of road projects in regional NSW**

Alliances between the public and private sector in regional towns have expedited the delivery of key road projects especially in Queensland. Southern Pacific Alliance Network is such an example.^{vii} Similar opportunities should be explored in regional NSW.

➤ **Reform of current Australian and NSW Government Funding Programs for Local Councils**

The NRMA is concerned that some of the current funding programs are not being correctly accessed to fund road infrastructure for local councils.

Some of the funding provided under the existing recurrent programs is now being accessed for roads under the jurisdiction of both the NSW and Australian governments.

This has partly resulted in under-investment in local and regional roads which cover about 90 per cent of the total network. This needs to be examined in light of the imbalance in road funding across all levels of government.

Additionally, the structure of road grants also tends to favour heavily populated local councils. Geographically larger and less populated regional councils outside urban areas and major regional centres are disadvantaged attracting sufficient funding to maintain their critical asset bases.

Resolution of these two issues would help to address the current shortfall in infrastructure and maintenance spending for regional local councils.

The NSW road network

The NSW road network is around 184,859 km in length. Roads and Maritime Services (RMS) is responsible for the management of 18,028 km of the major arterial road network in NSW, (“State Roads”), and provides funding for councils to manage 18,257 km of state-significant regional roads. RMS also manages 2,970 km of roads in far western NSW where there is no council jurisdiction.

The remaining, (approximation), 146,000 km of the NSW road network is classified as local roads which are funded and managed by local councils. Councils also own and manage the land on all public roads other than freeways.

RMS management of other state roads focuses on network development, enhancement and maintenance, but only in relation to the carriageway and associated roadway elements relating to the state-significance of the route.

According to the NSW Local Government Grants Commission Report 2014-15, the total local road network in NSW comprises the following:

Local Road Category and Length (km) – Controlled by Local Government Councils	
Urban Local Roads	32,262
Non-Urban Sealed Local Roads	34,381
Non-Urban Unsealed Local Roads	79,554
Total Local Road Network	146,325

Note: Total Road Km Network – not correct due to rounding.

Local councils outside the Sydney metropolitan basin are responsible for:

- 60 per cent of the Urban Local Road network;
- 95 per cent of the Non-Urban Sealed Local Road network; and
- 99 per cent of the Non-Urban Unsealed Local Road network.

State of funding for the Local Government road network

The road networks in regional and local government areas across NSW have not received adequate levels of maintenance investment to ensure a minimum road standard.

The existing road network requires funding to cover general maintenance, road improvement, bridge repair, safety and traffic works and natural disasters repair.

Local councils rely on Australian Government grants and NSW Government funding to maintain the local road network. In recent years, funding provided to councils to maintain regional roads has been inadequate. In addition, the need to cater for future growth in both passenger and freight traffic has not been addressed.

This systemic underinvestment has given rise to concerns about safety standards across the regional road network.

The potential to expand tourism and increase agricultural and industrial freight in regional areas will be restricted if roads are not built and maintained to a standard that can cater for existing and future traffic demand on regional roads.

Indicative estimates made by various engineering bodies, including the Institute of Public Works Engineers Australia (IPWEA), suggest that the annual maintenance backlog of regional and local government roads is increasing exponentially.

IPWEA's 2012 assessment of the NSW regional road network, estimated a backlog of at least \$18 billion in road infrastructure projects, with an updated 2014 assessment for an annual maintenance funding shortfall in the order of \$447 million.^{viii} This amount is a lot higher than the estimate derived from each local council assessment of its maintenance backlog.

The task of funding the project backlog and maintenance task for the NSW road network is significant and requires urgent action to address what is a growing problem. A long term plan is required across all levels of government to address this issue.

Funding Sources

Local councils can access funding for roads from a number of traditional revenue streams, including:

- Council rates and annual charges;
- Council user charges and fees;
- Operating grants; and
- Other ad hoc payments.

On average, operating grants comprise about 20 per cent of council's total revenue base.^{ix} Grants are made up of two types of revenue:

- Recurrent annual grants (determined by a set criteria from both the Australian and NSW Governments); and
- Ad hoc payments (that relate to natural disasters and other associated factors).

Local councils are responsible for not only road infrastructure in their jurisdiction, but also for key public assets including buildings, non-building structures, water, sewerage and drainage assets. The ability of local councils, especially in regional NSW, to maintain these assets has become quite constrained over the past three decades. There is an increasing need for Australian and NSW Government support for councils to maintain core services.

Australian Government Funding

Local councils receive specific recurrent annual road grants through:

- Roads to Recovery; and
- Financial Assistance Grants.

Funding is also provided by the Australian Government through the Black Spot Program. This is a set criteria (including road safety) based assessment program that local councils bid for. The bids are assessed on an annual basis and prioritised in order of merit.

NSW Government Funding

The NSW Government provides funding to local councils through the Regional Road Block Grant Program. This funding is for the management and maintenance of regional and council roads. This is an annual agreement between RMS and the local council which outlines the council's authority and capacity to manage the relevant region under their jurisdiction.

In addition, the NSW Government road maintenance funding grants under the REPAIR (Repair And Improvement of Regional Roads) Program – to assist in larger works of rehabilitation and development on regional roads to minimise the long term maintenance of these roads commensurate with their function and usage.

Councils also receive a Traffic Route Lighting Subsidy for their local road network.

The other funding arrangements provided by the NSW Government are non-recurrent annual payments. These include the following programs:

- Timber Bridge Partnership – repair of worn bridges that are life expired and cannot accommodate heavy road vehicles, on a dollar for dollar basis with local councils;
- State Black Spot Program – for local council bids that failed the Australian Government Black Spot Program evaluation; and
- Natural Disaster Restoration Programs (as required).

Reform of Local Government Sector – Road Funding

As part of the NSW Government’s wider reform agenda to enhance long term financial sustainability of local councils, better asset measuring and reporting, and infrastructure planning is required.

A lack of consistency in asset benchmarking for regional road infrastructure and the management of road assets has resulted in a growing backlog of unfunded regional work projects. Even more critically this has led to a lack of funds to maintain the upkeep of the road asset base.

As part of the NSW Government’s local government reform, each council is required to report on the condition of its public assets within its annual financial reports. The report known as **Special Schedule No 7 – Condition of Public Works**, provides the following information:

1. Current Asset Valuation;
2. Accumulated Depreciation;
3. Written Down Asset Valuation;
4. Rated Asset Condition assessment;
5. Estimated cost to bring up to a satisfactory condition-standard;
6. Required Annual Maintenance for each asset; and
7. Current Annual Maintenance for each asset.

While this schedule is required as part of the compulsory annual reporting requirements imposed on local councils, the financial numbers reported are classified as unaudited numbers.

The intention of this **Special Schedule Report** is to improve the accuracy and financial transparency of the numbers provided by councils in future years. Local Councils have now submitted returns for 2012-13, 2013-14 and 2014-15 financial years.

2014-15 Summary Results – Road Asset Condition

The results of the 2014-15 road asset condition assessment for local council as summarised in Tables 3, 4 and 5, show the value of the road infrastructure backlog and the difference between estimated required maintenance and actual maintenance expenditure on local council road assets.

Table 5 provides a high level summary of all local councils, split between metropolitan and regional councils. Issues of note include:

- The current backlog of infrastructure funding required to bring roads to a satisfactory condition is \$1.7 billion, of which \$1.3 billion is required for regional and \$375 million for metropolitan councils.
- The maintenance deficit for 2014-15 is \$35 million for regional councils, with metropolitan councils having a surplus \$13.8 million. This is due to a number of metropolitan councils spending a greater portion of funds on road resurfacing activities. This expenditure is not regular and does vary with the size of council's road network.
- The annual recurrent government grants that are given to local councils for roads was \$677 million for 2013-14 (up \$47 million on 2013-14). This increase, while a positive step in the right direction, is \$21 million short of required maintenance funding for 2014-15.

2014-15 Summary Results for Regional Councils – Road Asset Condition

Table 3 provides the regional council financial assessment for 2014-15 for councils in the Central West, Hunter, Illawarra, Mid North Coast, North Coast, New England, Orana, South East and South West regions.

Key results are:

- Hunter region has the highest infrastructure backlog estimate at \$286.5 million, being 16.7 per cent of the total backlog.
- Mid North Coast region backlog fell from \$608.4 million in 2013-14 to \$253.8 million in 2014-15. The backlog fell \$354.6 million equivalent to a 58 per cent reduction.
- The South West region experienced the biggest percentage fall in its backlog at 68 per cent.
- No regional council has a backlog of more than \$100 million worth of road infrastructure in 2014-15 compared to five regional councils in 2013-14.
- Port Macquarie Hastings council has the highest road infrastructure backlog estimate at \$91.4 million, down from \$225.1 million in 2013-14.
- Gosford council also has the biggest maintenance deficit estimated at \$11.6 million.
- Regional councils tend to have relatively higher road infrastructure and maintenance backlogs than metropolitan councils.

2014-15 Summary Results for Metropolitan Councils – Road Asset Condition

Table 4 provides the regional council financial assessment for 2013-14 for councils in the Metropolitan North, South and West regions.

Key results in summary are:

- Blacktown council has the highest road infrastructure backlog of \$51.3 million.
- Bankstown council has the largest annual maintenance shortfall of \$9.5 million.
- Metropolitan councils are generally better positioned to finance road maintenance compared to regional councils.

TABLE 3: Regional Councils Financial Assessments in \$'000s - 2014-15

Central West

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Bathurst	5,123	9,203	5,379	-3,824	15,218
Blayney	2,590	1,900	2,010	110	6,658
Cabonne	6,392	3,056	2,922	-134	5,632
Cowra	3,737	2,239	3,222	983	1,180
Forbes	5,279	1,190	3,806	2,616	863
Lachlan	10,878	3,915	3,152	-763	3,673
Lithgow	3,279	3,852	3,257	-595	7,644
Mid-Western	7,938	4,442	3,427	-1,015	31,357
Oberon	2,870	1,761	1,575	-186	5,147
Orange	3,442	1,774	1,360	-414	2,657
Parkes	5,906	2,083	2,075	-8	6,168
Weddin	2,996	910	910	0	1,665
Young	4,050	1,837	1,837	0	-
Central West	64,477	38,162	34,932	-3,230	87,862

Hunter

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Cessnock	5,379	8,314	5,528	-2,786	2,673
Dungog	3,458	5,294	2,561	-2,733	21,987
Gosford	8,320	15,432	3,843	-11,589	52,748
Lake Macquarie	8,124	4,341	4,088	-253	50,611
Maitland	3,889	5,579	2,980	-2,599	77,161
Muswellbrook	2,493	1,818	1,727	-91	5,222
Newcastle	6,285	7,691	5,908	-1,783	23,363
Port Stephens	3,902	4,064	4,525	461	13,592
Singleton	4,042	4,264	3,887	-377	8,307
Upper Hunter	5,781	5,515	5,312	-203	3,321
Wyong	6,285	7,267	9,770	2,503	27,471
Hunter	57,960	69,579	50,129	-19,450	286,456

Illawarra

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Kiama	1,773	1,510	1,702	192	2,248
Shellharbour	2,346	1,817	1,462	-355	5,224
Shoalhaven	10,059	7,120	6,486	-634	22,370
Wingecarribee	5,595	5,340	4,486	-854	5,119
Wollondilly	5,403	6,959	4,181	-2,778	33,030
Wollongong	7,700	8,997	8,229	-768	71,433
Illawarra	32,876	31,743	26,546	-5,197	139,424

Mid North Coast

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Bellingen	2,321	4,319	2,999	-1,320	6,134
Coffs Harbour	6,078	4,817	4,417	-400	-
Gloucester	3,303	2,222	2,055	-167	14,367
Great Lakes	5,891	1,933	1,983	50	19,628
Greater Taree	7,815	7,053	4,703	-2,350	63,376
Kempsey	6,128	5,623	4,527	-1,096	49,761
Nambucca	3,297	410	388	-22	9,199
Port Macquarie Hasting	8,067	9,463	7,406	-2,057	91,382
Mid North Coast	42,899	35,840	28,478	-7,362	253,847

New England

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Armidale	3,960	3,932	3,681	-251	11,036
Glen Innes	3,592	1,343	1,853	510	17,904
Gunnedah	4,161	2,785	2,785	0	7,404
Guyra	3,171	1,421	1,522	101	4,325
Gwydir	6,141	3,669	3,669	0	13,896
Inverell	7,611	4,535	4,548	13	5,097
Liverpool Plains	4,984	3,565	5,867	2,302	5,597
Moree Plains	8,415	5,165	4,639	-526	7,521
Narrabri	6,354	5,178	6,150	972	8,925
Tamworth	11,987	11,553	11,709	156	-
Tenterfield	5,445	2,405	2,792	387	11,148
Uralla	3,278	2,583	2,550	-33	533
Walcha	2,914	1,326	1,399	73	16,407
New England	72,014	49,460	53,164	3,704	109,793

North Coast

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Ballina	4,174	2,470	2,470	0	1,508
Byron	3,701	3,938	3,268	-670	28,518
Clarence Valley	11,570	12,548	8,679	-3,869	28,978
Kyogle	4,835	3,913	3,721	-192	34,289
Lismore	6,440	5,466	6,574	1,108	88,264
Richmond Valley	4,582	2,695	2,717	22	2,729
Tweed	9,078	5,086	4,997	-89	46,429
North Coast	44,379	36,116	32,426	-3,690	230,715

Orana

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Bogan	4,013	-	1,919	1,919	1,469
Bourke	6,539	2,200	2,169	-31	4,379
Brewarrina	4,417	1,709	1,254	-455	1,660
Broken Hill	1,547	1,096	1,096	0	-
Central Darling	6,087	4,515	4,602	87	6,850
Cobar	5,865	6,253	2,745	-3,508	17,503
Coonamble	4,777	749	2,355	1,606	1,769
Dubbo	5,096	3,781	3,609	-172	4,499
Gilgandra	3,469	3,316	2,972	-344	4,953
Narromine	4,634	1,790	1,783	-7	5,195
Walgett	6,652	2,890	3,618	728	4,009
Warren	4,140	1,580	1,916	336	875
Warrumbungle	8,459	4,162	6,124	1,962	1,577
Wellington	4,240	2,395	2,777	382	2,182
Orana	69,934	36,436	38,939	2,503	56,920

South East

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Bega Valley	7,129	5,992	4,969	-1,023	1,473
Bombala	2,500	1,677	1,095	-582	5,075
Boorowa	2,313	1,201	1,350	149	1,536
Cooma-Monaro	3,096	3,026	2,652	-374	2,717
Eurobodalla	4,836	2,303	2,303	0	34,033
Goulburn	4,551	2,549	1,966	-583	17,655
Palerang	4,894	900	1,586	686	6,797
Queanbeyan	2,650	5,536	4,486	-1,050	655
Snowy River	2,947	2,490	1,672	-818	9,290
Upper Lachlan	5,974	3,059	3,526	467	2,688
Yass Valley	4,355	4,159	4,076	-83	7,536
South East	45,245	32,892	29,681	-3,211	89,455

South West

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Albury	3,697	3,688	3,452	-236	2,652
Balranald	4,306	1,045	1,108	63	8,663
Berrigan	4,197	1,018	1,024	6	-
Bland	7,672	5,255	4,781	-474	4,220
Carrathool	6,817	2,855	3,005	150	930
Conargo	4,047	1,483	1,609	126	-
Coolamon	4,179	1,114	911	-203	137
Cootamundra	2,102	1,425	1,617	192	3,200
Corowa	3,768	1,955	1,647	-308	8,363
Deniliquin	854	706	647	-59	516
Greater Hume	7,014	3,252	3,221	-31	88
Griffith	4,182	4,814	4,694	-120	4,638
Gundagai	2,319	655	1,053	398	-
Harden	2,609	1,435	1,467	32	80
Hay	2,690	1,465	1,416	-49	-
Jerilderie	3,053	948	1,053	105	609
Junee	2,527	931	740	-191	1,510
Leeton	2,704	813	1,577	764	2,304
Lockhart	4,705	1,075	1,408	333	-
Murray Plains	4,377	4,150	4,678	528	-
Murrumbidgee	1,524	389	402	13	491
Narrandera	4,046	1,438	1,472	34	1,687
Temora	3,503	1,228	1,468	240	-
Tumbarumba	2,058	1,056	973	-83	-
Tumut	2,379	1,046	1,046	0	-
Urana	3,189	1,238	1,194	-44	2,996
Wagga	9,336	7,216	7,423	207	28,698
Wakool	5,542	2,122	1,829	-293	145
Wentworth	6,279	1,903	1,903	0	29,583
South West	115,676	57,718	58,818	1,100	101,510

TABLE 4 Metropolitan Councils Financial Assessments in \$000s 2014-15

Metropolitan North

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Hornsby	5,054	5,480	5,255	-225	750
Hunter's Hill	455	825	969	144	917
Ku-Ring-Gai	2,973	3,820	2,911	-909	18,896
Lane Cove	932	583	1,207	624	429
Manly	1,026	908	944	36	165
Mosman	882	740	614	-126	3,030
North Sydney	1,945	1,494	1,547	53	-
Pittwater	1,937	2,010	2,605	595	4,092
Ryde	2,780	3,884	4,572	688	18,922
The Hills	6,615	10,033	22,632	12,599	-
Warringah	4,231	3,226	3,295	69	2,983
Willoughby	1,833	3,838	3,003	-835	4,619
Metropolitan North	30,661	36,841	49,554	12,713	54,803

Metropolitan South

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Ashfield	1,021	1,398	1,406	8	6,672
Botany Bay	1,108	1,228	1,413	185	4,447
Burwood	1,070	1,079	771	-308	9,130
Canada Bay	2,207	3,231	3,431	200	7,789
Canterbury	3,551	5,197	4,894	-303	15,542
Hurstville	2,301	3,099	3,101	2	1,837
Kogarah	1,456	2,760	2,832	72	304
Leichardt	1,447	713	761	48	2,628
Marrickville	2,349	1,482	1,220	-262	6,176
Randwick	3,053	3,087	4,618	1,531	4,461
Rockdale	2,540	1,605	2,286	681	1,283
Sutherland	6,454	16,396	15,572	-824	20,200
Sydney	5,441	6,672	7,908	1,236	4,684
Waverly	1,420	6,225	5,007	-1,218	4,296
Woollahra	1,609	932	1,548	616	3,394
Metropolitan South	37,030	55,104	56,768	1,664	92,843

Metropolitan West

Councils	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
Auburn	2,333	4,099	3,161	-938	6,080
Bankstown	5,416	27,931	18,405	-9,526	48,841
Blacktown	10,581	25,033	33,901	8,868	51,255
Blue Mountains	3,710	2,329	2,289	-40	8,010
Camden	2,845	3,410	3,764	354	6,588
Campbelltown	5,533	10,840	18,899	8,059	18,478
Fairfield	6,156	16,604	15,318	-1,286	10,226
Hawkesbury	5,052	9,243	6,522	-2,721	11,282
Holroyd	2,933	2,416	2,258	-158	6,444
Liverpool	6,450	9,367	9,441	74	37,074
Parramatta	5,619	8,749	6,328	-2,421	6,341
Penrith	7,200	15,854	15,846	-8	14,742
Strathfield	1,108	1,410	526	-884	1,774
Metropolitan West	64,937	137,285	136,658	-627	227,135

TABLE 5: Summary Local Councils Financial Assessments in \$000s 2014-15

	Recurrent Road Funding Available \$'000s	Estimated Annual Maintenance Required \$'000s	Actual Annual Maintenance \$'000s	Maintenance Shortfall \$'000s	Infrastructure Backlog \$'000s
ALL COUNCILS	678,089	617,176	596,093	21,083	1,730,763
METROPOLITAN COUNCILS	132,628	229,230	242,980	13,750	374,781
REGIONAL COUNCILS	545,461	387,946	353,113	34,833	1,355,982

References

- ⁱ NRMA Motoring & Services, “Cost of Road Crashes”, March 2012.
- ⁱⁱ Bureau of Infrastructure, Transport and Regional Economics, “Cost of road crashes in Australia 2006”, December 2009.
- ⁱⁱⁱ Australian Bureau of Statistics: CAT 9208.0 “Survey of Motor Vehicle Use – 12 months ended 30 June 2012, April 2013, p17.
- ^{iv} NSW Government – Transport Port for NSW: “Principles and Guidelines for Economic Appraisal of Transport Investment and Initiatives”, March 2013, p247.
- ^v See 1) 2014-15 NSW Local Government Grants Commission Annual Report, 2) Australian Government: Department of Regional Australia, Regional Development and Local Government State Summary – General Purpose and Local Road Financial Assistance Grant 2015-16, 3) Australian Government: Department of Regional Australia, Regional Development and Local Government State Summary – Roads to Recovery 2015-16, 4) NSW Government: Transport Roads & Maritime Services, Block Grant Allocations FY2015-16, and 5) Local Government Councils – Annual Financial Statement 2014-15.
- ^{vi} Professionals Australia, “Best value is elusive without engineers”, 22 March 2014. Published online at <http://www.professionalsaustralia.org.au/newsviews/latest/?id=3064>
- ^{vii} See the following link with road network alliance history in Queensland, use by the Queensland - Department of Main Roads
https://www.google.com.au/url?q=http://www.alliancenetwark.com.au/documents/DavisCowan_CompetitiveAlliancesPaper.pdf&sa=U&ei=tqhpU7OUMsrrkAWL0IG4BQ&ved=0CEIQFjAG&usg=AFQjCNGQBfvjREL597b5msH3hzCqh4_q3g
- ^{viii} Local Government Association of NSW, “Local Government in NSW” presentation to the Shire Association of NSW October 2012, p1.
- ^{ix} 2014-15 NSW Local Government Grants Commission Annual Report.