

# STATE ROAD FUNDS TO LOCAL GOVERNMENT ADVISORY COMMITTEE

## MINUTES (Meeting 03/2022)

Held at WALGA on  
Friday, 9<sup>th</sup> December 2022 10:00am

### Committee Members Present:

Mr J Erceg	MRWA	(Chair)
Mr D Morgan	MRWA	
Mr M Cammack	MRWA	
Cr K Chappel	WALGA	
Cr M Rich	WALGA	
Cr C Pavlovich	WALGA	
Cr H Sadler	WALGA	
Mr N Sloan	WALGA	

### Others in Attendance:

Mr I Duncan	WALGA	(Observer)
Mr K Pethick	MRWA	(Observer) via TEAMS
Mr S Purdy	IPWEA	(Observer)
Mr M Hoare	MRWA	(Observer)
Mrs A Raath	MRWA	(Secretariat)

### Apologies:

Mr D Snook	MRWA
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### 1. WELCOME AND APOLOGIES

The Chairman welcomed the Committee members and noted Mr D Snook was an apology and that Mr Pethick would be attending via Teams.

Karen Chappel asked the committee to note a declaration of interest as the Shire of Morawa has a project in the State Black Spot program.

### 2. CORRESPONDENCE

No items of correspondence.

### 3. MINUTES OF PREVIOUS MEETINGS (02/2022)

The minutes of the Meeting held on 2 September 2022, as attached to the agenda, were accepted as a true record of proceedings.

#### 4. BUSINESS ARISING FROM PREVIOUS MEETINGS

##### 4.1 Summary of Outstanding Actions

Reference Item No/Officer	Action Required / Taken
<p>Review Road Funding Distribution Methodology 03/2021-2 ID / MC</p>	<p>09/12/2022 Committee discussed the complexities highlighted by the consultants ACIL Allen in determining measures that are well aligned with the principles agreed in the workshop. A model that combines the options provides the best alignment with the policy principles but does not provide a strong fit. The Committee resolved to ask ACIL Allen to finalise their report and recommendations based on the combined variables option and for the recommendation to be considered at the next meeting. Also refer Item 10.2.</p> <p>02/09/2022 Workshop occurred 08/08/2022 to discuss and analyse the data. ACIL Allen are now undertaking further work using the outcomes of the workshop to provide options of potential distribution of Road Project Grant funds.</p> <p>29/04/2022 Refer Agenda Item 10.2 ACIL Allen appointed as consultants and are currently analysing the data to be reviewed at yet to be confirmed workshop with SAC</p> <p>10/12/2021 Ian Duncan to come back before Xmas with a recommendation for one of the two suppliers for commissioning in early January 2022 and then meet with SAC mid-February 2022 to organise a workshop.</p> <p>13/08/2021 Ongoing – The separate workshop for SAC to be held after 31 August 2021 to discuss the Assessment Framework deliverables under Items 6.1 and 6.2 from the paper included with the 01/2021 meeting's agenda has been reset to during September 2021.</p> <p>16/04/2021 Dependent on the progress of the consultant, a separate workshop for SAC will be held after 31 August 2021 to discuss the Assessment Framework deliverables under Items 6.1 and 6.2 from the paper included with the previous meeting's agenda.</p> <p>16/04/2021 Refer item 10.2 for a draft scope of work to a review the current Road Project Grant funding split between Metropolitan and Rural RRGs</p> <p>01/12/20 Maurice Cammack and Ian Duncan to update progress to report back to SAC at the next SAC meeting on 16 April 2021</p> <p>13/08/2020 Maurice Cammack and Ian Duncan to develop a potential scope of work for a review of the current Road Project Grant funding split between Metropolitan and Rural RRGs</p>
<p>Road Safety and Next Agreement 01/2022-1 KP</p>	<p>09/12/2022 A working group, chaired by David Moyses from Road Safety Branch MRWA, will be organised to work out the approach to achieving targets in the strategy. No further action required, closed.</p> <p>Maurice Cammack circulated the paper as agreed from the April 2022 SAC meeting and a discussion followed.</p> <p>29/04/2022</p>

	MC gave an overview of the progress to date and confirmed that work was still in progress to provide more detail. The Paper to be circulated is intended to provide the appropriate level of guidance and linkages to the National Road Safety Strategy and State Strategy
Multi-Criteria Assessment Pro Forma Model 02/2022-1 ID/MC	09/12/2022 Ian Duncan informed that this is ongoing, targeting RRG meetings early next year. The draft will be distributed to SAC prior to engagement with Regional Road Groups. Also refer Item 11.3  2/09/2022 Prepare a Pro Forma MCA Model to provide to each RRG and metrics for the determination of Road Project prioritisation going forward
Federal Black Spot Performance 02/2022-2 MRWA	09/12/2022 Maurice Cammack informed that there is no publicly available data regarding expenditure and delivery performance, there are a number of data sources showing approved projects, but approval and delivery dates are not available. The Federal Department has not been approached as this is sensitive data relating to other jurisdictions that is not appropriate to request. No further action required, closed.  2/09/2022 MRWA to conduct an analysis into how WA performed on the Federal Black Spot Program compared to other States and jurisdictions

Maurice Cammack spoke to the business arising and elaborated on the following item with discussion following:

#### 01/2022-1 - Road Safety and Next Agreement

- A paper was circulated to the attendees and a brief background was provided as to why road safety needs to be a focus in the next agreement (Refer Appendix B).
- Road safety has been a continuing priority in both National and State Road Safety strategies. Both strategies have long term targets of zero deaths and serious injury by 2050 and setting targets for 2030 to reduce deaths by 50% and serious injury by 50% or 30%, depending on which strategy.

## 5. LOCAL GOVERNMENT ROADS PROGRAM

### 5.1 Expenditure Profiles YTD 2022/23

Maurice Cammack provided a summary of the year-to-date expenditures for the 2022/23 Program:

The 2022/23 Program totals \$279.8m (which includes a \$45.95m carryover from the previous year) with \$87.8m recouped as at October 2022 (31%) with 33% of the year elapsed which is a good result. This, however, does include \$30,79m Direct Grants, which is single up front claim at the beginning of the year. It is forecasted that there will be a \$20m under expenditure at the end of the financial year. This time last year a \$20m under expenditure was forecast, the actual under expenditure was \$46m.

Mitigating factors to offset this outcome include decisions taken for the Black Spot program (proposed additional projects to be discussed) and other activities which would total \$10m of extra delivery. This will contribute to an overall reduction in under delivery and acquittal.

For Road Project Grants, only 3 Regions are relatively on track with the balance underperforming. It was noted that the forecast for State Black Spot on Local Roads does not reflect the \$10m for additional projects. Bridge works has forecasted over expenditure due to 3 bridges with accelerated delivery. State initiatives are forecasting 15.4% under expenditure associated with large Commonwealth and State funded projects.

It is expected that the overall total program forecast of a 7% under expenditure will soften as the year progresses which would be in line with previous years.

There was a question about re allocating the \$3m allocated to Orphan Roads. It was noted that this funding, through the Aboriginal Committee is likely to be allocated to remote access roads in the Goldfields-Esperance and Gascoyne Regions.

## 5.2 **Commodity Freight Roads 2023/24**

Ian Duncan noted that the Technical Review Group (TRG) had met and reviewed submissions. Nine projects required additional information and justification from Local Governments to ensure that the design was fit for purpose. As such, the final priority list could not be tabled in time for this meeting.

It was decided that this item would need to be approved out of session when the revised schedule was recommended by the TRG.

## 5.3 **MINDER (Financial Report)**

Ian Duncan commented briefly on the report provided. The Committee noted and endorsed the report.

## 5.4 **2022/23 Local Roads Program Manager Summary**

Ian Duncan spoke to the Local Roads Program Manager Report included in the agenda highlighting the improvement program workshop for proposed improvement applications adding significant value and that a key issue was high Local Government technical staff turnover.

The Committee noted the report included in the agenda.

## 6. **STATE BLACK SPOT PROGRAM**

### 6.1 Summary and Financial Reports

Maurice Commack spoke to the agenda item regarding decisions taken at the September 2022 SAC meeting.

Proposed 2022/23 program of additional road shoulder sealing work listing projects that were able to be delivered this financial year was tabled (refer Appendix C), discussed and endorsed by the Committee. Advice to be provided to Local Governments by Main Roads WA.

The Committee noted the Summary and Financial Reports for 2022/23 as at October 2022

#### **Overall**

- With 33% of the financial year elapsed, expenditure on the State Black Spot Program for 2022/23 is \$5.90M or 14% of the approved budget, including carryovers, of \$40.74M

#### **State**

- Total expenditure for 2022/23 including reprogrammed projects is \$1.31M. The total budget including carryovers is \$15.85M.

#### **Local**

- Total expenditure for 2022/23 including reprogrammed projects is \$4.59M. The total budget including carryovers is \$24.89M.

## 6.2 2023/24 State Black Spot Program

Maurice Commack noted that all projects had been identified through the RRG and if endorsed, Local Governments can commence with design and preconstruction. There are no reserve projects as just enough projects had been nominated to cover available funds. The Great Southern Region did not nominate any projects. A question was raised regarding Metro projects that were initially knocked back due to not meeting the criteria. Maurice confirmed that they have now been included in the program.

The Committee endorsed the draft program.

## 7. **AUSTRALIAN GOVERNMENT BLACK SPOT PROGRAM**

### 7.1 Summary and Financial Reports

The Committee noted the Summary and Financial Reports for 2022/23 as at October 2022.

#### **Overall**

- With 33% of the financial year elapsed, expenditure on the Australian Government Program for 2022/23 is \$4.83M or 27% of the approved budget, including carryovers, of \$18.04M.

#### **State**

- Total expenditure for 2022/23 including reprogrammed projects is \$0.06M. The total budget including carryovers is \$3.05M.

#### **Local**

- Total expenditure for 2022/23 including reprogrammed projects is \$4.77m. The total budget including carryovers is \$19.8M.

## 8. **REGIONAL ROAD GROUP ATTENDANCE**

Ian Duncan spoke to the Regional Road Groups report attached to the agenda. The Committee noted the report.

## 9. **ROAD CLASSIFICATION REVIEW**

### 9.1 Classifications & Proclamations

Doug Morgan spoke to the report relating to the transfer of responsibility of roads.

The Committee noted the attached table of classifications and proclamation actions.

### 9.2 Future State Roads Project

The progress report relating to the review of possible future State Roads for the Metropolitan area was noted by the Committee.

## 10 **STATE ROAD FUNDS TO LOCAL GOVERNMENT AGREEMENT**

### 10.1 Commitments list

Maurice Cammack provided a brief update on activities that arose from the current Agreement.

Road safety commitment regarding road safety management system has been completed.

There are now 2 commitments remaining namely RRG LG Roads of Regional Significance and Review Road Funding Distribution Methodology.

10.2 Review Road Funding Distribution Methodology

Ian Duncan provided feedback on the draft multi -criteria report from ACIL Allen.

The draft report from was discussed. A general conversation followed regarding the process

The Committee agreed that the report be finalised and distributed before the next SAC meeting.

10.3 New SRFLGA Agreement

Nick Sloan tabled a brief presentation regarding WALGA's State Budget Submission 2023-24. (Refer Appendix D)

The WALGA submission included reasons to move the share of motor vehicle licencing revenue to 27% and the incremental funding associated with this increase was discussed.

These items will be raised when WALGA meets with the Minister on 18<sup>th</sup> January 2023.

A query was raised about whether it has been considered to increase proportions paid by State Government and reducing commitments by Local Government to improve capacity to deliver. This was discussed and reflected on the importance of LGAs having a financial commitment in the projects which they deliver. It was also noted that previously RRGs had voted not to reduce the current percentage requirements.

Timelines for the signing of the agreement were discussed noting that signing of the agreement on 8 March 2023 was possibly too tight and a deadline of May 2023 might be more realistic to achieve.

It was noted that there would be no other material changes to the agreement.

11 **GENERAL BUSINESS**

11.1 Heavy Vehicle Services Report

The road train signage trial and providing feedback was discussed. The Committee noted the December 2022 progress report on Heavy Vehicle issues.

11.2 Key Performance Indicators for Regional Road Groups

Ian Duncan spoke to the RRG- Key Performance Indicators Annual Report 2021/2022 attached to the agenda.

The committee noted and endorsed the RRG KPI's for 2021/22.

11.3 Multi-Criteria Assessment Model for Road Project Grant Prioritisation

This item was discussed under Item 4.

11.4 Roundtable (Other Business as raised)

There was no other business.

**12 NEXT MEETING**

April 2023 at Main Roads.

**13 MEETING CLOSE**

There being no further business the meeting closed at 12:10 pm.

**APPENDIX A**

**Action List (To be updated as per above list)**

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<p>Review Road Funding Distribution Methodology 03/2021-2 ID / MC</p>	<p>09/12/2022 Committee discussed the complexities highlighted by the consultants ACIL Allen in determining measures that are well aligned with the principles agreed in the workshop. A model that combines the options provides the best alignment with the policy principles but does not provide a strong fit. The Committee resolved to ask ACIL Allen to finalise their report and recommendations based on the combined variables option and for the recommendation to be considered at the next meeting. Also refer Item 10.2.</p> <p>02/09/2022 Workshop occurred 08/08/2022 to discuss and analyse the data. ACIL Allen are now undertaking further work using the outcomes of the workshop to provide options of potential distribution of Road Project Grant funds.</p> <p>29/04/2022 Refer Agenda Item 10.2 ACIL Allen appointed as consultants and are currently analysing the data to be reviewed at yet to be confirmed workshop with SAC</p> <p>10/12/2021 Ian Duncan to come back before Xmas with a recommendation for one of the two suppliers for commissioning in early January 2022 and then meet with SAC mid-February 2022 to organise a workshop.</p> <p>13/08/2021 Ongoing – The separate workshop for SAC to be held after 31 August 2021 to discuss the Assessment Framework deliverables under Items 6.1 and 6.2 from the paper included with the 01/2021 meeting's agenda has been reset to during September 2021.</p> <p>16/04/2021 Dependent on the progress of the consultant, a separate workshop for SAC will be held after 31 August 2021 to discuss the Assessment Framework deliverables under Items 6.1 and 6.2 from the paper included with the previous meeting's agenda.</p> <p>16/04/2021 Refer item 10.2 for a draft scope of work to a review the current Road Project Grant funding split between Metropolitan and Rural RRGs</p> <p>01/12/20 Maurice Cammack and Ian Duncan to update progress to report back to SAC at the next SAC meeting on 16 April 2021</p> <p>13/08/2020 Maurice Cammack and Ian Duncan to develop a potential scope of work for a review of the current Road Project Grant funding split between Metropolitan and Rural RRGs</p>
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Background to the focus on Road Safety in the next Agreement

At the April 2022 meeting of SAC further information was requested around the focus on Road Safety for the new agreement.

The context for the focus on road safety was because of the State Road Safety Strategy, released in December 2020, and the new National Road Safety Strategy, released in December 2021. In relation to the National Strategy the Minister for Transport is a joint signatory to the strategy.

Both strategies have long term aspirational targets of zero deaths and serious injury crashes by 2050. To guide the achievement towards the aspiration, and demonstrate that zero is possible, interim targets have been set in both strategies for 2030 – just 8 years away.

The 2030 targets are:

	<b>Deaths</b>	<b>Serious Injuries</b>
State Strategy	50% to 70% reduction	50% to 70% reduction
National Strategy	50% reduction	30% reduction

The focus on road safety recognises the accountabilities outlined in the National Road Safety Strategy which states *"This is a Strategy owned by Infrastructure and Transport Ministers, representing all jurisdictions together with the Australian Local Government Association representing the local government sector."*

Therefore, in the context of the new State Road Funds to Local Government Agreement with annual allocation exceeding \$200 million it was timely to highlight the importance of considering road safety when undertaking funding decisions.

The continued inclusion of road safety as an area of focus in the next agreement, ensures the commitment between State and Local Government reflects the priorities and principles of both the National and State Road Safety Strategy.

**Mass Action Treatment Programme**

Early 2021, as part Tranche 2 and 3 of the Road Safety Program, projects on local roads were identified and shortlisted. Whilst \$35 million of works were delivered, ten suitable projects were not progressed.

Using the list of suitable, but not progressed projects, local governments were contacted to identify:

~ which local governments were still interested in progressing their project/s;

~ which had capacity to commence the project in 2022/23; and

~ revisions to scope or cost estimates that needed to be considered.

The lists provided are based on this information.

**Proposed 2022/23 Program**

Local Government	Region	Road Name	Treatment	SLK Start	SLK End	Length	Start Year	End Year	Budget	Comments
Harvey	South West	KORJUEKUP AV	Seal Shoulder and install Audio Tactile Edge Line	0	3.98	3.98	Feb-23	Jun-23	190,000	
Busselton (C)	South West	JALBARRAGUP ROAD	Seal Shoulder and install Audio Tactile Edge Line	0	10.75	10.75	Jan-23	Jun-23	1,344,420	
Kojonup	Great Southern	DARKAN - KOJONUP RD	Seal Shoulder and install Audio Tactile Edge Line	0	30.41	30.41	Mar-23	Jun-23	1,800,000	
Northampton	Mid West Gascoyne	KALBARRI RD	Seal Shoulder and install Audio Tactile Edge Line	52	64.36	12.36	Jan-23	Jun-23	1,804,560	Second stage of Kalbarri Rd included in 2023/24. Split based on cost estimates. Originally one project within the ten. Combined BCR is 0.86.
Esperance	Goldfields Esperance	FISHERIES RD	Seal Shoulder and install Audio Tactile Edge Line	0	61	56.44	Jan-23	Dec-23	5,493,417	Project over two financial years with actual cost per year to be determined. Adds to treatment of road SLK 61.0. to 77.3 and 82.8 to 110.24.
						Kms	113.94	<b>Total</b>	<b>\$ 10,632,397</b>	

**Potential 2023/24 Program**

Local Government	Region	Road Name	Treatment	SLK Start	SLK End	Length	Start Year	End Year	Budget	Comments
Northam	Wheatbelt	COATES RD	Seal Shoulder and install Audio Tactile Edge Line	0	4.35	4.35	Oct-23	Dec-23	1,190,265	
Northampton	Mid West Gascoyne	KALBARRI RD	Seal Shoulder and install Audio Tactile Edge Line	18	52	34	Jul-23	Jun-24	4,080,000	First stage scheduled for 2022/23. Split based on cost estimates.
Nannup	South West	BALINGUP - NANNUP RD	Seal Shoulder and install Audio Tactile Edge Line	0	19.49	19.49	Jul-23	Jun-24	1,808,923	
Bridgetown - Greenbushes	South West	MARANUP FORD RD	Seal Shoulder and install Audio Tactile Edge Line	0	17.47	17.47	Jul-23	Jun-24	1,920,000	
Woodanilling	Great Southern	ROBINSON WEST RD	Seal Shoulder and install Audio Tactile Edge Line	0	32.4	32.4	Jul-23	Jun-24	563,420	
						Kms	107.71	<b>Total</b>	<b>\$ 9,562,608</b>	



# State Budget Submission 2023-24

## Restore Share of Motor Vehicle Licensing Revenue to 27%

- Road utilisation is increasing
- Road construction and maintenance costs are rapidly increasing
- Local Government funding capacity is limited

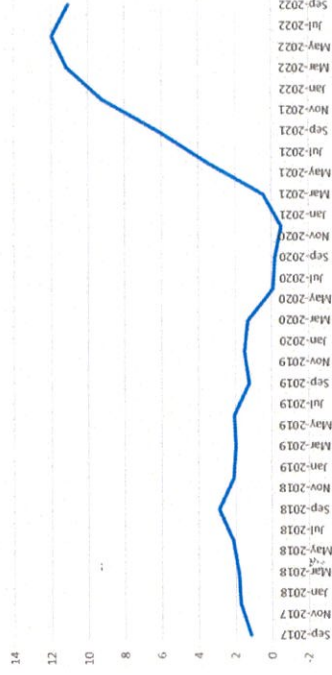
**TOTAL WA DOMESTIC ROAD FREIGHT**

billion tonnes  
kilometres



Source: Bureau of Infrastructure, Transport and Regional Economics, Infrastructure, Australian Infrastructure and Transport Statistics, Yearbook 2021

**Annual Increase in Road and Bridge Construction Costs**  
Western Australia





# State Budget Submission 2023-24

## Restore Share of Motor Vehicle Licensing Revenue to 27%

	2023/24	2024/25	2025/26	2026/27	2027/28	Total over 4 Years
Motor Vehicle Licence Fee Revenue (\$ m) <sup>1</sup>	1229.2	1290.5	1354.9	1422.6		5297.2
Local Government Percentage (Old Agreement)	20	20	20	20		
Local Government Road Funding (\$ m)	245.8	258.1	271.0	284.5		1059.4
Incremental Percentage Requested	1	2	3	5	7	
Incremental Funding (\$ m)	12.3	25.8	40.6	71.1		149.9



# State Budget Submission 2023-24

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## Restore Share of Motor Vehicle Licensing Revenue to 27%

A lead in time is proposed to recognise:

- Current industry capacity constraints
- That changes to the way Road Project Grant projects are developed will take time
- Guidelines for further mass action safety treatments to be included within scope of renewal projects are to be developed.



# State Budget Submission 2023-24

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## Restore Share of Motor Vehicle Licensing Revenue to 27%

Benefits include:

- Support the movement of freight and efficient supply chains
- Maintain a safe and efficient road network
- Improve Aboriginal employment outcomes within the road industry
- Develop capacity to use recycled materials in road construction and renewal
- Mass action safety improvements across targeted parts of the network, and inclusion of low-cost safety treatments as part of renewals work.