

# The Regional Road Block Grant Program

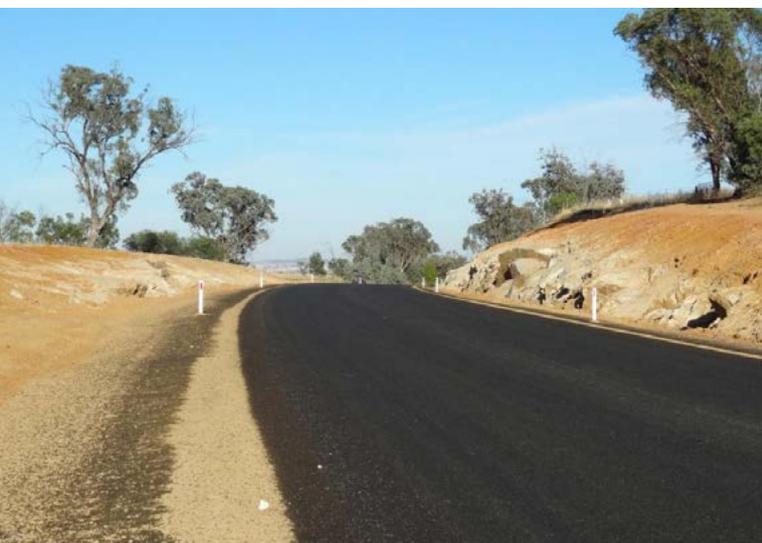


The Regional Road Block Grant Program is a Roads and Maritime Services grant program providing funding to Local Government for the management and maintenance of Regional Roads.

## What is the Regional Road Block Grant Program?

The Regional Road Block Grant Program (generally known as the Block Grant Program) has three components:

- › A roads component to be spent on roadwork on Regional Roads.
- › A supplementary component, also to be spent on roadwork on Regional Roads.
- › A traffic facilities component which can be spent on work on Regional Roads only, or on both Regional and Local Roads.



## What is the Block Grant Agreement?

A Block Grant Agreement is an annual agreement between Roads and Maritime and council which outlines a council's authority and capacity to manage the relevant Regional Roads.

The agreement is designed to minimise unnecessary administrative burdens on both councils and Roads and Maritime and to ensure that available funds contributed by the State Government are providing value for money to NSW communities.

The Block Grant Agreement lists the eligible Regional Roads in a council area and states the amount of funding to be allocated for the following financial year and the conditions governing the grant.

The agreement outlines that payment of Regional Road Block Grants is conditional on councils submitting required reports for the previous financial year.

Under the agreement, Block Grant payments can be withheld if the required reports are not submitted by the due date (1 September each year).

## How is Block Grant funding determined?

The Block Grant is determined by a long-standing formula agreed with Local Government.

## Rural councils

Councils outside of Roads and Maritime's Sydney Region are referred to as rural councils. The formula to determine the roads component for rural councils is very detailed:

- › The relevant length of each Regional Road is multiplied by a traffic factor.
- › The traffic factor is the average daily traffic raised to an exponential power of 0.35.
- › The metre length of any timber bridges is multiplied by a factor of 0.37.

A rural council's approximate funding allocation can be determined using the following formula:

Amount = 1000 x (sum of (length of each road x traffic ^ 0.35 x K) + (0.37 x length of timber bridges))

*Note: – 'K' in the formula varies each year depending on the size of the funding pool.*

- › '1000' is used to show the result of the calculation in thousands of dollars.
- › The 0.37 figure is periodically adjusted to reflect the current cost of timber bridge maintenance.

## Sydney councils

A council within Roads and Maritime's Sydney Region is referred to as a Sydney council. To determine a Sydney council's funding amount:

- › The formula is weighted 40% to the Sydney council's share of lane kilometres, 30% to travel and 30% to heavy vehicle travel.

A Sydney council's approximate funding allocation can be determined using the following formula:

Amount = (A x lane km) + (B x travel) + (C x heavy vehicle travel)

*Note: – A, B and C vary each year, depending on the size of the funding pool.*

- › Travel is measured in million vehicle kilometres per annum (mvkt).

## Other Components

The supplementary component is a fixed amount per council that reflects the level of funding each council received previously under the now defunct 3X3 Program.

The traffic facilities component takes account of council's traffic facility inventory, maintenance frequency and replacement frequency, road type and council type.

## How do I apply for Block Grant funding?

Councils do not have to apply for Block Grant funding. Each council is entitled to receive Block Grant funding, subject to signing the Regional Road Block Grant Agreement.

## What reports are councils required to submit to Roads and Maritime?

**Schedule 3** is the certificate of expenditure by council which guarantees that:

- › The reported expenditure has been incurred.
- › It covers only works outlined in the agreement.
- › It relates solely to works covered by the agreement during the previous financial year.
- › The work has been carried out to appropriate standards and meets sound engineering practice and legislation.

**Schedule 4A** contains all expenditure relating to roadwork and traffic facilities incurred in the financial year on Regional Roads:

- › From all sources including Roads and Maritime, Federal Government, council's own funds and any other sources (including developer contributions and grants from other agencies).
- › Includes a breakdown of the expenditure into key work activities.

**Schedule 4B** is a complete record of all Regional Roads in the council area.

**Schedules 3, 4A and 4B must be provided to Roads and Maritime no later than 1 September each year.**