

Council Financial Reporting for Regional Roads 2011/12

July 2013



Council Reporting

1. What was council expenditure on Regional Roads in 2011/2012?

The 152 local councils in NSW have reported spending an estimated \$254.3 million on Regional Roads in 2011/12. This is a 5.3 per cent increase from the \$241.4 million reported in 2010/11.

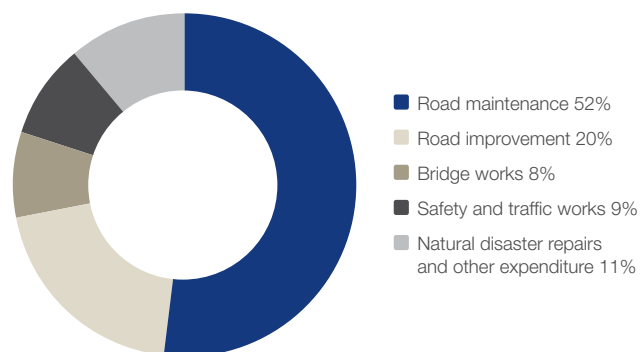
The expenditure by general work type categories in 2011/12 was:

General type of work	\$'000 2010/11	% 2010/11	\$'000 2011/12	% 2011/12
Road maintenance*	120,906	50.0	131,476	51.7
Road improvement **	49,033	20.0	50,828	20.0
Bridge works	34,882	15.0	20,106	7.9
Safety and traffic works	17,328	7.0	22,574	8.9
Natural disaster repairs and other expenditure	19,232	8.0	29,270	11.5
Total	241,381	100	254,254	100

* Road maintenance – whole-of-life maintenance expenditure including routine resealing and rehabilitation.

** Road improvement – widening, reconstruction, realignment and initial sealing.

General type of work across 2011/12



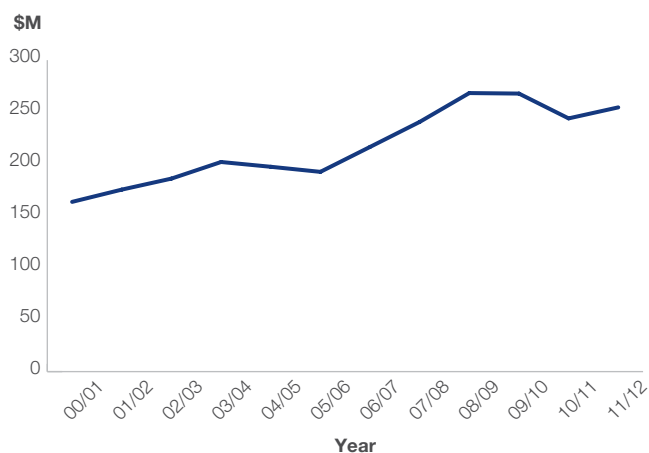
Over the past three years, councils have increasingly spent more funds on road maintenance and natural disaster repairs.



2. What is the trend in total expenditure on Regional Roads as reported by councils?

Expenditure on Regional Roads as reported by councils has grown significantly from \$163.5 million in 2000/01 to \$254.3 million in 2011/12. The trend in total expenditure on Regional Roads as reported by councils is as follows:

Total expenditure on Regional Roads



3. What is the trend in council expenditure by work type?

Over the past three years, councils have increasingly spent more funds on road maintenance and natural disaster repairs. The trend in council expenditure is shown in the below table:

General type of work	2009/10 (\$M)	2010/11 (\$M)	2011/12 (\$M)
Road maintenance*	123.2	120.9	131.5
Road improvement**	60.0	49.0	50.8
Bridge works	49.5	34.9	20.1
Safety and traffic works	22.4	17.3	22.6
Natural disaster repairs and other expenditure	12.7	19.2	29.3
Total	267.8	241.3	254.3

* Road maintenance – whole-of-life maintenance expenditure including routine resealing and rehabilitation.

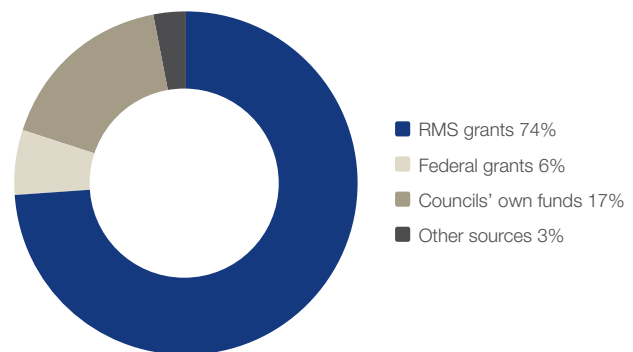
** Road improvement – widening, reconstruction, realignment and initial sealing.

4. What was the source of funding for council's expenditure on Regional Roads in 2011/12?

Council reports indicate that the funding assistance provided by Roads and Maritime Services for expenditure on Regional Roads accounted for 75 per cent of the total funds received by councils. Out of 152 councils in NSW, 102 councils (67 per cent) added to Roads and Maritime's funding assistance by investing funds from non-Roads and Maritime sources. The remaining 50 councils (33 per cent) used only Roads and Maritime funding to invest in their Regional Roads.

Source of funds	\$'000 2011/12	% 2011/12
Roads and Maritime grants	189,781	74.6
Federal grants	14,654	5.8
Councils' own funds	43,329	17.0
Other sources	6,725	2.6
Total	254,489	100

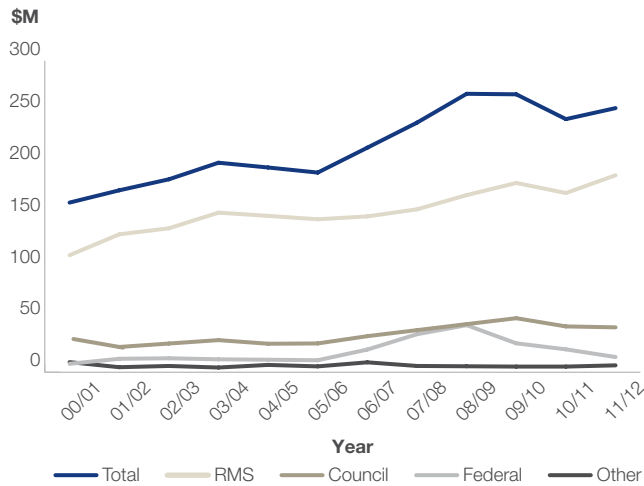
Source of funding on Regional Roads 2011/12



What is the trend in the source of funding for councils' expenditure on Regional Roads?

The graph below shows the trends in the source of funds used by councils on Regional Roads.

Expenditure on Regional Roads by source of funds



The main work types by council expenditure were road pavement maintenance and road pavement rehabilitation ...

5. What works did councils accomplish in 2011/12?

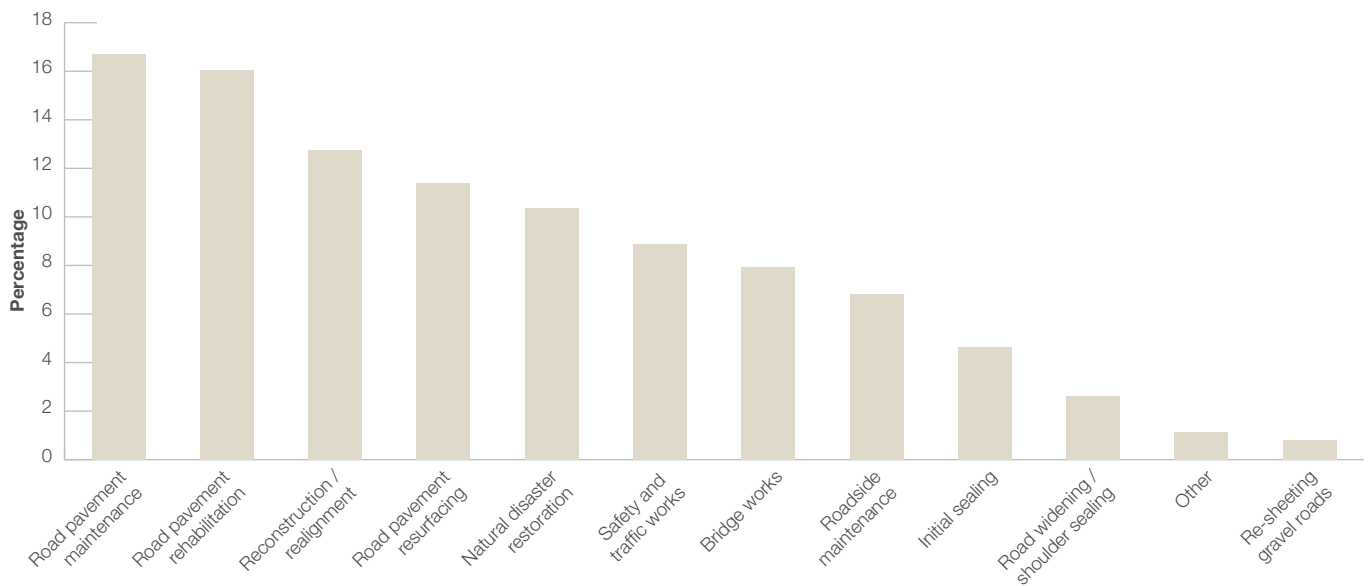
The following indicators are based on analysis of councils' reporting for 2011/12.

The main work types by council expenditure were road pavement maintenance and road pavement rehabilitation with each of these accounting for more than 16 per cent of total expenditure.

Work type	\$'000	%
Road pavement maintenance	42,441	16.69
Road pavement rehabilitation	40,750	16.03
Reconstruction/realignment	32,414	12.75
Road pavement resurfacing	28,911	11.37
Natural disaster restoration	26,389	10.38
Safety and traffic works	22,574	8.88
Bridge works	20,106	7.91
Roadside maintenance	17,349	6.82
Initial sealing	11,782	4.63
Road widening/shoulder sealing	6,632	2.61
Other	2,881	1.13
Re-sheeting gravel roads	2,025	0.80
Total	254,254	100



Work type by council expenditure 2011/12



Road pavement maintenance

Includes expenditure on minor activities, such as pot hole patching, crack sealing and heavy patching, to maintain the road pavement and shoulders of the road in a safe and trafficable condition. This includes maintenance of associated structures.

Length maintained*	18,231 km
Expenditure	\$42,441,179
Expenditure per km	\$2,328 per km

* As published in the 2011 RMS Annual Report.



Road maintenance

Includes expenditure on maintenance of the road corridor, excluding the road pavement and associated structures. It also includes control of pests and noxious weeds within the road reserve, control of vegetation and mowing, landscaping, fire hazard control, litter control plus shoulder grading and drainage cleaning.

Length maintained*	18,231 km
Expenditure	\$17,349,234
Expenditure per km	\$952 per km

* As published in the 2011 RMS Annual Report.

Road pavement rehabilitation

Includes expenditure on road pavement and shoulder restoration and replacement, including resurfacing (pavement rehabilitation may include shoulder widening).

Length maintained	213 km
Percentage of sealed network	(approximately) 1.43%
Expenditure	\$40,749,728
Expenditure per km	\$191,313 per km



Road pavement resurfacing (sealed roads)

Includes expenditure on periodic road pavement maintenance of sealed roads – works to preserve pavements by correcting defects in surface integrity (other than those treated by routine maintenance or rehabilitation); reseals (sprayed seals); asphalt resurfacing; pavement rejuvenation; and micro surfacing.

Length resurfaced	593 km
Percentage of sealed network	3.97%
Expenditure	\$28,910,842
Expenditure per km	\$48,754 per km

Road pavement resurfacing (unsealed roads)

Includes expenditure on periodic pavement resurfacing of unsealed roads, such as gravel re-sheeting.

Length resurfaced	80 km
Percentage of unsealed network	2.38%
Expenditure	\$2,024,601
Expenditure per km	\$25,308 per km

Reconstruction/realignment

Includes expenditure on road reconstruction on amended alignment or to increase traffic or load capacity (excluding construction of new approaches to new bridges). If carried out as part of a project of initial sealing, the work is reported under 'Initial sealing'.

Length reconstructed	56 km
Percentage of sealed network	< 1%
Expenditure	\$32,414,209
Expenditure per km	\$578,825 per km

Initial sealing of unsealed roads

Includes expenditure to prepare (including deviation, widening and/or construction) to seal previously unsealed roads.

Length initial seals	71 km
Percentage of unsealed network	2.11%
Expenditure	\$11,782,312
Expenditure per km	\$165,435 per km

Road widening/shoulder sealing

Includes expenditure on widening formation and sealing existing shoulders. If carried out as part of construction and realignment works, the work is reported under 'Construction and realignment'. If carried out as part of initial sealing, the work is reported under 'Initial sealing'.

Length	66 km
Percentage of network widened	< 1%
Expenditure	\$6,631,841
Expenditure per km	\$100,482 per km

Aggregated improvement works

Includes the aggregation of all improvement type roadworks such as resurfacing of sealed roads, rehabilitation, widening and initial sealing.

Total length improved	943 km
Percentage of total network improved	5.2%
Expenditure	\$88,074,723
Percentage of total expenditure	34.64%
Expenditure per km	\$93,398 per km



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Bridge works

Councils reported expenditure of \$20,105,854 on bridges works across the following three reporting categories:

Bridge maintenance	\$1,781,624	Expenditure on bridge maintenance, inspections and painting – excluding any new bridge construction.
Bridge restoration	\$12,583,948	Expenditure on new bridges completed or under construction – excluding costs of significant new approach roads.
Approaches to new bridges	\$5,740,282	Construction cost of significant new or replacement approach roads to new bridges.

Safety and traffic works

Council reported expenditure of \$22,574,289 on safety and traffic works, which includes councils' reported total expenditure on maintaining and improving safety and traffic works such as line marking, signage, traffic facilities, guardrail, and cycle ways. This:

- › Excludes works on intersections between state and regional roads and includes works on intersections between regional and local roads.
- › Includes construction of new facilities such as roundabouts, new guardrail, pedestrian refuges, traffic signals and bus bays.

Councils also reported expenditure of:

- › \$26,388,886 on repairing damage arising from natural disasters that was not included in other expenditure categories; and
- › \$2,880,879 on other works not allocated to the above categories.

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