

Council Financial Reporting for Regional Roads 2012/13

July 2014



Council Reporting

1. What was council expenditure on Regional Roads in 2012/2013?

The 152 local councils in NSW have reported spending an estimated \$301 million on Regional Roads in 2012/13. This is an 18.4 per cent increase from the \$254 million reported in 2011/12.

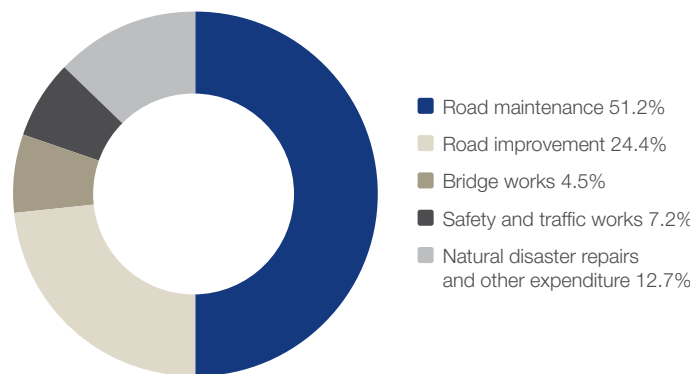
The expenditure by general work type categories in 2012/13 was:

General type of work	\$'000 2011/12	% 2011/12	\$'000 2012/13	% 2012/13
Road maintenance*	131,476	51.7	153,949	51.2
Road improvement **	50,828	20	73,489	24.4
Bridge works	20,106	7.9	13,629	4.5
Safety and traffic works	22,574	8.9	21,784	7.2
Natural disaster repairs and other expenditure	29,270	11.5	38,115	12.7
Total	254,254	100	300,966	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 2012/13



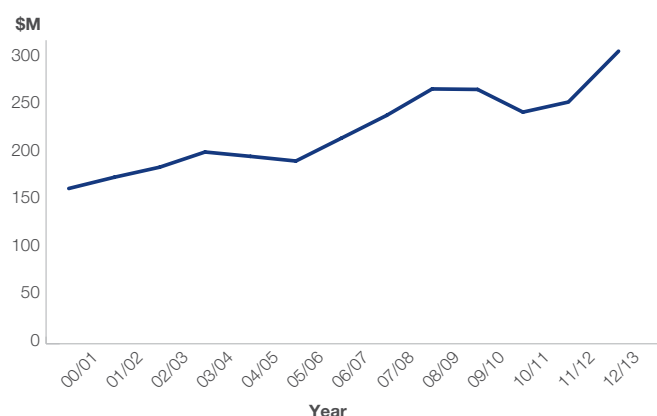
Over the past four years, councils have increasingly spent more funds on road maintenance and natural disaster repairs.



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 \$164 million in 2000/01 to \$301 million in 2012/13. 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 four 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)	2012/13 (\$M)
Road maintenance*	123.2	120.9	131.5	154.0
Road improvement**	60.0	49.0	50.8	73.5
Bridge works	49.5	34.9	20.1	13.6
Safety and traffic works	22.4	17.3	22.6	21.8
Natural disaster repairs and other expenditure	12.7	19.2	29.3	38.1
Total	267.8	241.3	254.3	301.0

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

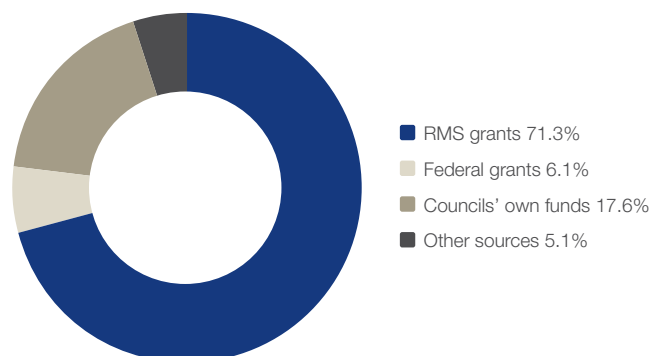
** Road improvement – widening, reconstruction, realignment and initial sealing.

4. What was the source of funding for council's expenditure on Regional Roads in 2012/13?

Council reports indicate that the funding assistance provided by Roads and Maritime Services (RMS) for expenditure on Regional Roads accounted for 71 per cent of the total funds received by councils. Out of 152 councils in NSW, 106 (70 per cent) added to RMS, Federal and other funding assistance with council funds. 30% of councils did not expend any of their own funds on their Regional Roads.

Source of funds	\$'000 2012/13	% 2012/13
Roads and Maritime grants	214,559	71.3
Federal grants	18,209	6.1
Councils' own funds	52,969	17.6
Other sources	15,229	5.1
Total	300,966	100

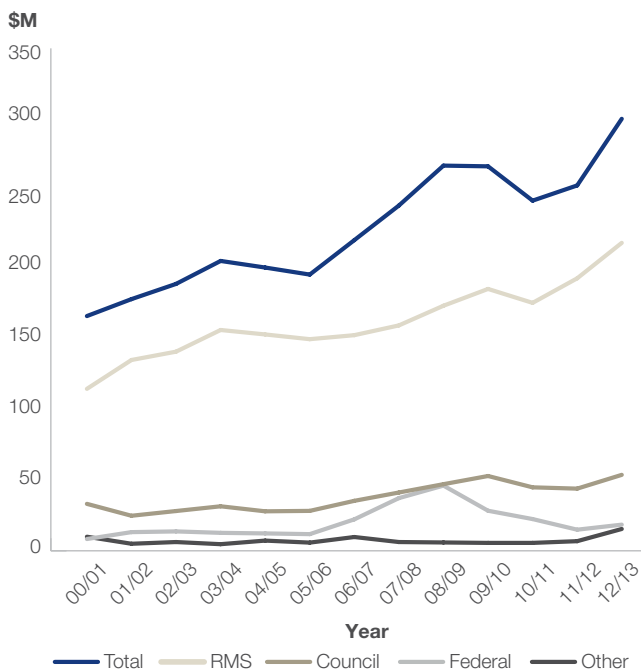
Source of funding on Regional Roads 2012/13



5. 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



6. What works did councils accomplish in 2012/13?

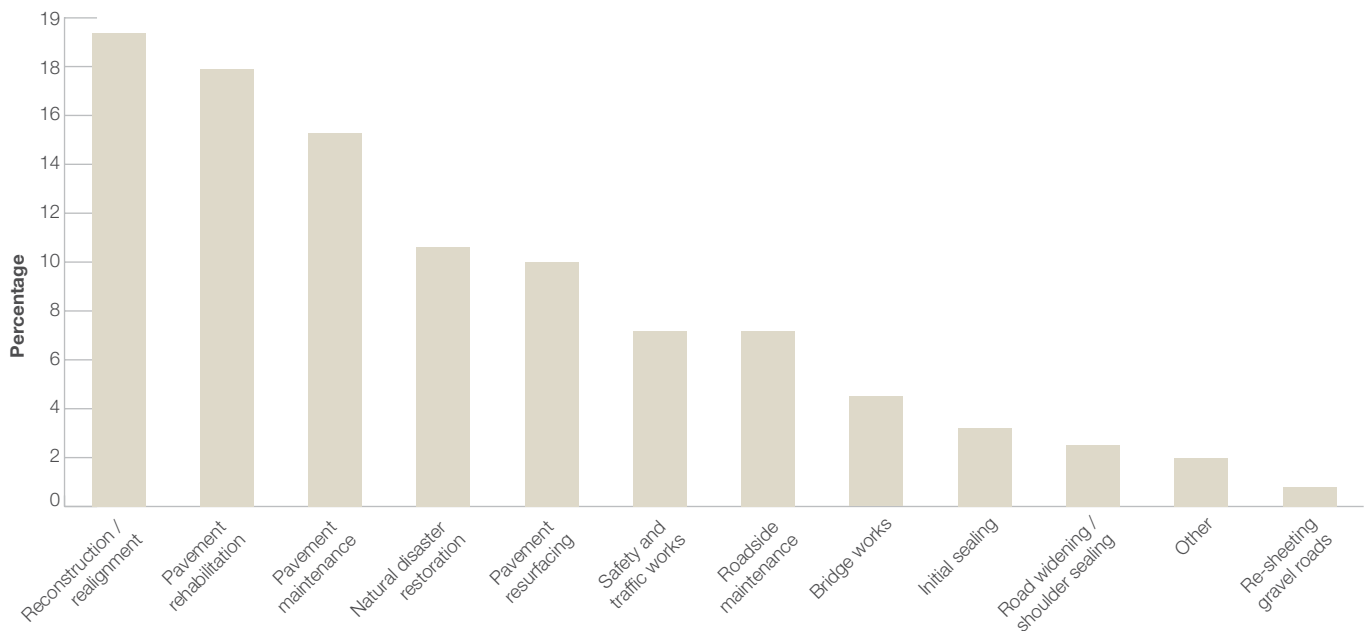
The following indicators are based on analysis of councils' reporting for 2012/13.

Work type	\$'000	%
Reconstruction / realignment	56,362	18.7%
Pavement rehabilitation	53,793	17.9%
Pavement maintenance	45,977	15.3%
Natural disaster restoration	32,023	10.6%
Pavement resurfacing	30,107	10.0%
Safety and traffic works	21,784	7.2%
Roadside maintenance	21,577	7.2%
Bridge works	13,629	4.5%
Initial sealing	9,556	3.2%
Road widening / shoulder sealing	7,571	2.5%
Other	6,092	2.0%
Re-sheeting gravel roads	2,495	0.8%
Total	300,966	100.0%

The main work types by council expenditure were reconstruction/realignment and road pavement rehabilitation.



Work type by council expenditure 2012/13



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*	18,259 km
Expenditure	\$45,976,902
Expenditure per km	\$2,518 per km

* As published in 2012-13 the 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*	18,259 km
Expenditure	\$21,576,956
Expenditure per km	\$1,182 per km

* As published in 2012-13 the 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	667 km
Expenditure	\$53,793,161
Expenditure per km	\$80,649 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	1744 km
Expenditure	\$30,107,222
Expenditure per km	\$17,263 per km

Road pavement resurfacing (unsealed roads)

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

Length resurfaced	82 km
Expenditure	\$2,495,202
Expenditure per km	\$30,429 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	97 km
Expenditure	\$56,362,312
Expenditure per km	\$581,055 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	92 km
Expenditure	\$9,556,337
Expenditure per km	\$103,873 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	61 km
Expenditure	\$7,570,643
Expenditure per km	\$124,109 per km

Bridge works

Councils reported expenditure of \$13,629,312 on bridges works across the following three reporting categories:

Bridge maintenance	\$1,609,102	Expenditure on bridge maintenance, inspections and painting – excluding any new bridge construction.
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Bridge restoration	\$7,166,951	Expenditure on new bridges completed or under construction – excluding costs of significant new approach roads.
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Approaches to new bridges	\$4,853,259	Construction cost of significant new or replacement approach roads to new bridges.
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Safety and traffic works

Council reported expenditure of \$21,783,932 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:

- › \$32,023,112 on repairing damage arising from natural disasters that was not included in other expenditure categories; and
- › \$6,091,806 on other works not allocated to the above categories.



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