

BRIEFING PAPER – REGIONAL ROADS – COBAR SHIRE COUNCIL

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ATTACHMENT: NO

AUTHOR: *Director of Engineering Services, Mr. Stephen Taylor*

Background

Cobar Shire Council is responsible for the maintenance, renewal and construction of 620.58 km of Regional Roads which were passed from the State Government to the Shire Council in 1995. 293.41 km of these roads are sealed and 327.17 km is unsealed. Significant lengths of the unsealed roads are only very lightly formed and have little or no gravel on the surface. The Regional Roads have traffic volumes of 10 to 480 vehicles per day but with very high percentages of heavy vehicles (up to 34.1% measured). Council in 2012/2013 will receive the following funding from the State Government to maintain the Regional Roads;

Roads Component	\$ 1,375,000
Supplementary Component	\$ 134,000
Traffic Facilities Component	\$ 52,000
TOTAL	\$ 1,561,000

Issues

Ideal Maintenance Regime

The ideal maintenance regime of unsealed Regional Roads in the Shire would be one heavy maintenance grade – including table drains, mitre drains and a minimum amount of additional gravel in conjunction with a gravel resheeting programme and one light grade per year. Some lighter trafficked roads such as RR 68 and RR 7522 would be adequate with slightly less maintenance, however roads such as RR 7518, RR 407 and RR 461 require slightly more. This regime would cost \$1,500 to \$2,000/km for heavy maintenance grading and \$1,000/km for a light grade. For the 327 km of unsealed road this maintenance regime would require funding of approximately \$900,000 per year.

The ideal maintenance regime of sealed Regional Roads in the Shire would cost approximately \$500 per km including pothole patching, edge patching, shoulder maintenance, and vegetation control. Funding required for this regime is approximately \$150,000.

In addition to the above the renewal of the existing asset needs to be undertaken with a regime of gravel resheeting on the unsealed roads and resealing on the sealed roads. Assuming that 60% of the unsealed roads have a gravel surface and this should be replaced every 10 years at a cost of \$10,000/km if undertaken in conjunction with maintenance grading. This would require 20 km of gravel resheeting to be completed each year at a cost of \$200,000. The life of the seal on the sealed roads is also 10 years which means that approximately 29 km of resealing should be undertaken each year. At \$22,000/km this would require \$640,000 of funding.

In summary \$1,890,000 of funding is the minimum needed to maintain the Regional Road asset or \$3,050/km. This is not including heavy patching and sealed road reconstruction and traffic facilities such as signs, marker posts and line marking.

Funding Comparisons

Cobar Shire receives Block Grant funding equivalent to \$2,518 per kilometre. Neighbouring Council's with similar road networks receive significantly greater funding. The table below shows funding levels with other similar rural Councils.

Council	Road Length (km)	2011/12 Block Grant (\$1,000)	2012/13 Block Grant (\$1,000)	Percentage Increase	2012/13 Funding per kilometre
Cobar	620	1,504	1,561	3.8%	\$2,518
Central Darling	790	2,323	2,459	5.8%	\$3,113
Bourke	572	1,754	1,850	5.5%	\$3,234
Walgett	563	2,076	2,187	5.3%	\$3,885
Brewarrina	274	1,030	1,088	5.6%	\$3,971
Balranald	256	1,047	1,105	5.5%	\$4,316
Carrathool	314	1,317	1,388	5.4%	\$4,420
Lachlan	637	2,726	2,879	5.6%	\$4,520

Although these Councils may have some timber bridges which would account for some of the larger funding allocation greater than Cobar the increase in funding percentage from 2011/12 to the current year cannot be explained by this factor.

Traffic Counts

A significant factor in the calculation of the Roads Component of the Block Grant is Traffic volumes. Over the past several years Council has submitted updated traffic counts. However this does not appear to have made any difference to the level of funding obtained. The latest traffic counts submitted by Cobar Shire are shown below.

Road No.	Road Name	RTA Return 2009	RTA Return 2012	Measured Heavy Vehicle (%)
68	Curranyalpa Road	20	21	14.1
228	Whitbarrow Way	20	38	32.3
407	Mulya Road	40	151	28.1
411	Tipping Way	32	120	17.4
416	The Wool Track	32	32	23.1
419	Glenwood Road	27	27	17.6
423	Lachlan Valley Way	174	479	10.8
461	Priory Tank Rd/Balowra Rd	35	35	18.1
7518	Barnato – Tilpa	30	30	20.9
7521	Kaicatoo Road	30	42	16.2
7522	The Wool Track	10	10	34.1

The full funding formula has not been published recently so we are not able to calculate the level of funding for 2012/13, however if these traffic counts were used in the formula published for 2010/11 the Roads Component of the Block Grant for Cobar Shire would have been \$1,585,000 compared to the actual amount of \$1,287,000.

Road Improvements

The above calculations do not include any allowance for road improvements. Cobar Shire has been fortunate in obtaining REPAIR programme funding over recent years which has enabled the Council to complete the sealing of all of RR 411 and parts of RR 7518. However this has come at the cost of maintenance on some of the other Regional Roads as maintenance money has had to be diverted into matching the REPAIR funding. The financial assistance allocation does not allow for appropriate amounts of capital works such bitumen resealing, gravel resheeting, sealed road reconstruction or sealed road construction and accordingly the asset continues to depreciate and deteriorate leading to Council being financially unsustainable.

Financial Sustainability

It is well documented that Cobar Shire is in a financial crisis at present and its future sustainability is marginal. This financial difficulty is compounded by the lack of funding for Regional Roads as full corporate overhead costs are not able to be charged to Regional Roads as there is insufficient funds even to undertake the required maintenance.