

Local Infrastructure Driving Productivity

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This Bulletin has been compiled by the Australian Local Government Association (ALGA) during the 2016 National Local Roads and Transport Congress. The key theme of the Congress was **Local Infrastructure - Developing Regions**. The 17th National Congress provided an opportunity for ALGA, representatives of state and territory local government associations and councils from across Australia to hear from the nation's leading transport policy experts, and to provide input into policy on national transport issues.

This year's Congress focused on the challenges and opportunities of local infrastructure, in particular local roads, and the need for road reform to drive productivity at a local, regional and national level. The Congress theme and this Congress Bulletin are inspired by the clear advice from Infrastructure Australia, that '... Australia's key freight routes need attention'. All levels of government are working on road reforms to increase the productive capacity of Australia's transport infrastructure and deliver economic and social benefits for all Australians. ALGA, state and territory local government associations and councils across the country are committed to playing their role in driving productivity and appropriate road reform, where resources permit.

Delegates at the Congress recognised that councils across Australia have much to contribute to the national productivity agenda and sought to work in partnership with each other, states, the Commonwealth Government and industry to identify priorities, projects and investment opportunities that will deliver economic benefits to the local, regional and the Australian community. The Congress highlighted several case studies of regional collaboration between councils and key stakeholders to

produce Regional Transport Plans. These case studies show that many councils are actively engaged in regional transport planning, and that these processes could be replicated across Australia, with appropriate support. Snap-shots of these case studies are included in this Bulletin. The Bulletin also includes details of the ALGA Local Government Higher Productivity Investment Plan to assist councils to play their role in planning for, and facilitating, increased freight productivity.

Preparing for freight to double

According to the National Transport Commission (NTC), road freight grew six-fold over the period 1971 to 2007. By 2030, the freight task is projected to treble by 2050. This growth is an indicator of the economic activity that will ultimately underpin every Australian's standard of living. While some freight should utilise rail, much of it will depend upon our national road network. However, the NTC observes that this productivity growth will slow significantly without reform.

The Australian road network covers more than 817,000 kilometres. While many major roads are provided by state and territory governments, local governments across the country are responsible for more than 657,000 kilometres, which is 80% of the nation's roads. These roads are primarily funded through council rates and are vital local community assets that provide citizens with access to premises, jobs, schools, health care, businesses and commercial opportunities. However, many if not all of these roads, also provide broader economic services to heavy vehicle operators and transport operators and provide critical linkages to freight routes, facilitating efficient industry supply chains.

Infrastructure Australia's advice

Australia's key freight routes need attention. First and last mile issues, bottlenecks and pinch points, increase the time it takes for freight to travel from sender to receiver. These issues will be further exacerbated by population growth.

A National Freight and Supply Chain Strategy, which takes an 'end to end' supply chain approach, is needed to define nationally significant freight corridors and precincts, identify the gaps, and outline a reform and investment pipeline to address these challenges.

Targeted programs of investment will also be required to remove the network constraints and gaps identified by the Strategy.

Infrastructure Australia Plan Report - Priorities and Reforms for our nation's future, February 2016.

Many local roads and key assets, such as bridges and culverts, were designed and constructed decades ago for the standards of the day and community needs at the time. In many instances they are no longer fit for purpose. As such, the capacity of these roads to meet the current and forecast additional transport demand, in particular freight transport demand, is severely limited. This is sometimes referred to as the 'first and last mile' issue.

Under the Heavy Vehicle National Law (HVNL), local government, as a road manager, is responsible for allowing access for restricted access vehicles on their roads, and the conditions under which they will operate.

ALGA strongly supports Infrastructure Australia's advice that Australia's key freight routes need attention.

Local government also supports the need for road reform and funding arrangements that ensure that road managers, in partnership with transport operators and other levels of government, provide road services that are fit for purpose. A business-as-usual approach will not address this issue and unfortunately, unless sustained and strategic action is taken, the situation is likely to get worse.

The funding issue

This Bulletin focuses on the key role of local government in supporting appropriate heavy vehicle transport reform to drive local, regional and national productivity. However, it is recognised that the primary responsibility of every council is to provide local services and infrastructure to its local community.

Local roads are provided by local councils. Collectively, they are one of local government's largest services to communities across the country and biggest area of expenditure. Yet, they are often taken for granted.

On average, almost 30 cents in every dollar raised in rates is spent on local roads. The rest is spent on other services and infrastructure such as local libraries, public sporting grounds and facilities, arts and cultural facilities, parks and gardens - the things that make communities unique and great places to live.

Yet despite this level of investment, local government estimates that around 11 per cent of all local roads are in poor to very poor physical condition and are in need of urgent maintenance or renewal, at a cost of an estimated \$19 billion. This is because large capital investments in infrastructure, sometimes with state or Commonwealth assistance, were made during the 60s and 70s with no ongoing maintenance funding to match.

Since 2000, local government has also received vital Commonwealth Government assistance to maintain local roads through the Roads to Recovery program. These grants are particularly important in rural and regional areas and areas experiencing high growth where rate revenue is insufficient to provide equitable levels of service.

The ALGA acknowledges the Commonwealth's support to local government and the partnership that exists to provide local services and infrastructure to every community throughout Australia.

Addressing the first/last mile issue

The first/last mile problem typically refers to a local road network which is not of the same standard as the major arterial network. Lower-quality roads are not built to carry high mass vehicles. As a result, vehicle access to the road network may be more limited as road providers try to protect the road from damage. This requires high productivity vehicles to 'break down' to smaller configurations at the start, or end of the journey.

"The first/last mile challenge needs to be addressed to improve access to the road network for heavy vehicles. Road providers need to make targeted investments to remove restrictions to access for high productivity vehicles at key locations", according to the National Transport Commission, Heavy Vehicle Charging and Investment Project, July 2013.

Local Government's plan

The Local Government Higher Productivity Investment Plan (referred to as the Freight Strategy) is an ALGA initiative in response to the need for higher productivity reforms and the need to address the first/last mile issue.

The Freight Strategy identifies four key steps to improving Australia's freight transport system including first/last mile issues. The four steps include addressing:

1. system gaps
2. planning gaps
3. knowledge gaps, and
4. funding gaps.

SYSTEM GAPS

THE ISSUE

Currently, the system for managing Australia's total road network is not appropriately linked and access consent is difficult to coordinate. A key enabler of timely access to local roads is a fully interoperable system between the National Heavy Vehicle Regulator (NHVR), jurisdictions and industry.

OUR SOLUTION

The NHVR and ALGA are currently working with councils to develop a better understanding of transport demand across all jurisdictions and councils.

ACTION REQUIRED

Continue to support the NHVR on the development of tools to assist councils to understand state and national freight routes and how they interface with council roads.

PLANNING GAPS

THE ISSUE

Currently the system of planning, including freight route identification that meets industry needs, is ad hoc.

OUR SOLUTION

Local government is committed to undertake regional transport planning, including route identification and prioritisation in consultation with jurisdictions and industry to improve the alignment of needs and priorities, subject to resources.

ACTION REQUIRED

Incentivise councils to undertake regional transport plans including demand forecasting on key freight routes.

KNOWLEDGE GAPS

THE ISSUE

Currently the system for consenting to access on local roads requires councils to make decisions on the capacity of roads and other key assets to undertake the task, such as bridges. These decisions take into consideration engineering conditions, asset management plans and financial management plans. Where councils have limited, inadequate or no current data on the engineering conditions of such assets, formal assessments may be required. However, councils often do not have the resources to undertake these assessments in a timely manner.

OUR SOLUTION

Local government is committed to accelerating appropriate asset assessment, in particular on identified priority freight routes, subject to resources.

ACTION REQUIRED

Fund councils to undertake appropriate engineering assessments on key council assets on key freight routes.

FUNDING GAPS

THE ISSUE

The current system of funding of local roads is designed primarily to meet local property access needs in line with local community expectations which reflect councils' long term financial management plans. Given that many local roads and key transport assets were not designed and constructed to suit the modern transport fleet, priority routes need to be significantly enhanced to meet increasing freight demand.

Life-cycle funding is required to improve the standard of these local roads and key assets to meet current and future transport demand. While up-front capital funding is required, recurrent funding must also be increased to assist councils to maintain these roads effectively.

OUR SOLUTION

Local government is committed to work with industry and other levels of government to coordinate additional investment on key freight routes.

ACTION REQUIRED

Fund strategic investments on key first and last mile elements on key freight routes.

Further background information

State of these Assets

The 2015 *State of the Assets Report*, commissioned by ALGA from Jeff Roorda and Associates, estimates that local roads make up around 40 per cent of total local government assets. However, despite the current annual level of investment in local roads, the report shows that around 11 per cent, or more than \$19 billion, of these roads and assets are in poor or very poor condition and require significant renewal or rehabilitation. It is estimated that an additional \$1.2 billion per annum is required to make up for past under-expenditure and to catch-up on the backlog and underfunding.

Given that local roads are primarily funded through rates, state-government imposed rate capping has significantly impeded local government's capacity to maintain local roads.

Total road assets worth \$175 billion

Across the nation, in aggregate, local roads account for around 80 per cent of the total road length in Australia. Recent work by ALGA indicates that the total replacement value of local roads nationally, is more than \$175 billion.

Collectively councils spend more than \$7 billion annually on local road maintenance and renewal.

The Commonwealth Government provides some vital assistance to help councils manage these assets through the Roads to Recovery (R2R) Program, which in a normal year is around \$350 million.

Despite the best efforts of councils, and the R2R investment, many local roads do not meet the expectations of road users, particularly transport operators.

Road funds

The Productivity Commission Public Infrastructure Inquiry Report released in May 2014 made a number of useful observations in respect of funding and improving the productivity of our nation's roads at a regional level. It suggested that '...the first step in a long-term transition to a more efficient and effective approach to the provision and funding of roads [in particular freight routes] should be the establishment of road funds by state and territory governments. State governments, and local government associations, should actively encourage and support local governments to form regional road funds for networks of local roads'.

ALGA generally supports the Productivity Commission's objectives to improve transport planning and funding. In particular, ALGA strongly supports regional transport planning to identify priorities and funding opportunities. ALGA does not, however, support the Commission's preliminary views about the design of road funds which would pool existing funding. ALGA strongly believes that regional priorities that cross council boundaries require new and additional funding. The Productivity Commission itself acknowledges that further work is required on this proposal and ALGA would be pleased to work with the Commission and the Government on developing such an approach.

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These case studies demonstrate the willingness, capacity and competence of participating councils to undertake regional planning on behalf of their region. ALGA believes that these regional plans could be developed in all regions and can provide the basic building blocks for project identification, prioritisation and investment, to drive productivity improvements across council boundaries and in some cases jurisdictional boundaries.

... CASE STUDY 1

... **Central NSW Councils**

What is Centroc? Where is it located?

The Central NSW Councils (Centroc) represents more than 243,000 people covering an area of more than 72,500 square kilometres, comprising the local government areas (LGAs) of Bathurst, Blayney, Cabonne, Cowra, Forbes, Hilltops, Lachlan, Lithgow, Oberon, Orange, Parkes, Upper Lachlan, Weddin and Central Tablelands Water.

Why was it formed?

Centroc's mission is to be recognised as the lead organisation advocating on agreed regional positions and priorities for Central NSW, while providing a forum for facilitating regional cooperation and sharing of knowledge, expertise and resources.

When was the roads group formed? How does it prosecute its agenda?

Over the past 18 months, Centroc as a new Pilot Joint Organisation of Councils has worked in collaboration with key stakeholders, including Regional Development Australia Central West and the State agencies, on the prioritisation of the region's infrastructure need.

As part of this work, this region has developed a Multi Criteria Analysis for prioritising infrastructure. The method for this prioritisation takes 28 evaluation

criteria using a QBL approach¹, informed by funding criteria from both the State and Federal governments, and covers the following areas: water, transport, freight and logistics, education and health, sport and cultural, communications and energy.

Transport, freight and logistics priorities

Initial work in this space has identified 75 projects across the 13 LGAs in Centroc. Though this work, it was identified that more focus on freight corridors with our region would be a valuable advocacy tool. From here, two groups were formed: a Road Technical Committee comprising Directors of Technical Services from across Centroc, and the Strategic Regional Roads Group (the Group) embracing key stakeholders with regards to roads and regional development in Central NSW.

Key outputs

A key output has been the Regional Freight Task Map, put together in conjunction with the National Heavy Vehicle Regulator (NHVR). The map is hosted by the NHVR, so it has the most up-to-date information relating to the prescribed heavy vehicle routes within Central NSW.

Key learnings

Centroc has been able to identify and plot the key freight generators on the map. Soon it will plot the road infrastructure projects that are listed in the matrix. The ability to include this information in a visual format is invaluable not just to the Centroc region, but also to funding bodies and reviewing agencies, allowing them to properly comprehend the flow-on effects that one project can have to Central NSW and beyond. The Group is still in a formative stage, which is logical given the variety of parties involved. However, the Group shows Centroc's willingness to work with State and Federal agencies to assist in bringing more road funding to the region.

Centroc's guiding principle is: "Recognise that the best outcomes occur when they are based on collaborative and researched advice."

1 QBL is a framework for an integrated planning, decision-making and reporting process that is recommended by the International Council for Local Environment Initiatives (ICLEI) as the most appropriate planning and reporting format for local governments. QBL has its origins in the 1992 United National Local Agenda 21 program, aimed at applying sustainable development at a local level to achieve social and economic goals. QBL also takes into account "Corporate Governance".

∴ CASE STUDY 2
∴ **City of Albany, WA**

Where is the City of Albany located?

With a population of more than 36,000 the City of Albany is located in the south west of Western Australia covering 4,312.3 square kilometres and includes the busy Port of Albany, surrounding agricultural district and a number of national parks.

Why was the project developed?

Great Southern Region of Western Australia is a key agricultural area that contributes significantly to the State's exports of wheat and woodchips. Albany is the region's major industrial, commercial and retail centre and is connected to the surrounding region by key freight routes.

The State Government of Western Australia has recognised the safety and productivity issues related to freight movements through the city area and have developed a proposal for the development of a 'ring road' around the city to improve access to the Port of Albany, enhance safety and amenity on the urban road network and provide priority access to heavy vehicles on the route.

How has the project been advanced?

The construction of the Albany Ring Road is a transformational project which will address the main concerns and provide key infrastructure for economic growth in the region.

The first stage of the project was completed in 2007 and links the South Coast Highway to the Albany Highway, significantly enhancing road access to the Mirambeena Timber Precinct. Completion of the project involves the construction of Stages 2 and 3, which provides connectivity to the Port of Albany.

The project has been sensibly rationalised and, at an estimate of \$172 million to complete the project, seems achievable with a staged approach over the next few years, provided there are both State and Federal funding commitments.

The City of Albany would like to partner with the State Government to lobby the Federal Government to commit 50 per cent of the funds for this important project as soon as possible.

Transport, freight and logistics priorities

Albany has experienced modest population growth and increased tourism resulting in greater volumes of local traffic and pressure on its urban road network. Albany's growing traffic demand is placing increasing pressure on the efficiency of the region's grain and timber freight task, which passes

directly through the city to the Albany Port. This manifests in delays in freight delivery to the port, reductions in the number of trips per day, and imposes costs upon the region's transport and grain industries.

Road safety has deteriorated due to the greater volumes of local and tourism traffic that combine with the freight task. The Albany Highway/Chester Pass Road/South Coast Highway roundabout intersection is currently the ninth worst intersection in regional Western Australia in terms of the number of crashes. Traffic volumes on the roundabout intersection are in excess of 38,000 with 10 per cent of the movements being heavy vehicles. At peak harvest periods, this heavy vehicle mix is significantly worsened. In recent times the roundabout has been listed by the Royal Automobile Club of WA (RAC) as one of the riskiest intersections in the state network.



Stage 1: Constructed in 2007

... CASE STUDY 3

... Eyre Peninsula Local Government Area, SA

What is Eyre Peninsula LGA? Where is it located?

The Eyre Peninsula local government area (EPLGA) represents more than 59,000 people covering an area of more than 230,000 square kilometres, extending from Whyalla in the east to South Australia's border with Western Australia, including 1,800 kilometres of coastline [roughly 33 per cent of SA's coastline]. It comprises 11 councils: Whyalla, Port Lincoln, Ceduna, Cleve, Elliston, Franklin Harbour, Kimba, Lower Eyre Peninsula, Streaky Bay, Tumby Bay, and Wudinna District.

Why was the EPLGA formed?

This region has extensive infrastructure which includes four of the State's nine major export ports, three major regional airports and connections to the national road and rail networks. The councils maintain more than 13,000 kilometres of local roads, of which 94 per cent are unsealed roads. The heavy freight task is significant and increasing, with substantial potential for change as a result of proposed mining development across the region.

EPLGA faces considerable financial and logistical challenges with the development and maintenance of its infrastructure due to its size, remoteness, diversity and the scattered nature of its population. The Eyre and Western areas' economies are based on aquaculture and primary production and processing, with its producers contributing about 33 per cent of the State's grain harvest and 90 per cent of its seafood output. In addition, the EPLGA has among the highest number of visitors of the State's non-metro tourist regions. The significant visitor influx places extra demand on coastal infrastructure and services.

When was EPLGA's Regional Transport Strategy formed? How does it prosecute its agenda?

The EPLGA's latest Regional Transport Strategy (the 2015 Strategy) provides enhanced guidance on the management and development of roads across the region, building on the 2003 Strategy. Importantly, the Strategy sits within a hierarchy of plans covering State, regional and council levels, including the South Australian Strategic Plan, the South Australian Planning Strategy, the Integrated Transport and Land Use Plan and the Strategic Infrastructure Plan for South Australia. The South Australian Strategic Plan has been prepared as a basis for guiding all government actions and priorities.

Transport, freight and logistics priorities

The 2015 Strategy has introduced a number of improvements and initiatives:

- A more tightly defined hierarchy of local roads across all 11 councils to increase consistency of approach.
- *Regionally significant routes* are now defined as 'Level 1' routes and *Locally significant routes* have been defined as 'Level 2' routes. They are also sub-categorised into 'freight', 'tourism' and 'social' local roads.
- The introduction of Regional Road Action Plans categorised into immediate, medium and long term priorities for improvement of all regional freight, tourism and community access routes identified in the 2015 Strategy.
- These Regional Road Action Plans are generated by each council undertaking a broad "fit-for-purpose" assessment of the condition of each Level 1 and

Level 2 local road based on the categories applied by the state's Local Roads Advisory Panel (i.e. speed environment, dimensions, geometry and strength/durability).

- Each route [or part thereof] has been broadly assessed for compliance with the above criteria as either: "compliant", containing one or more "minor deficiency/s", or containing one or more "major deficiency/s".
- This is further supported by EPLGA's introduction of a Regional Roads Database supported by its councils.
- This information has then been combined with each council's forward funding program to finalise initial Regional Road Action Plans for the entire Eyre Peninsula, as contained within Section 7.3 of the 2015 Strategy.

Key outputs

The 2015 Strategy provides a sound framework for participating councils to fully incorporate into their strategic, transport and land use planning process. This in turn enables EPLGA as a region to best pursue funding from appropriate sources for projects ranked at the top of the list of identified priority road projects, supported by agreed and transparent regional assessment guidelines and underpinned by broad regional support.

∴ CASE STUDY 4
 ∴ **Hume Region, Vic**

**What is the Hume Region?
 Where is it located?**

The Hume Region includes the 12 municipalities of Alpine, Benalla, Greater Shepparton, Indigo, Mansfield, Mitchell, Moira, Murrindindi, Strathbogie, Towong, Wangaratta and Wodonga. The Hume Region covers north east Victoria and the Goulburn Valley, extending over 40,000 square kilometres from the northern boundary of greater Melbourne in the south to the Victorian border in the north.

Why was it formed?

Councils in the Hume Region have collaborated to develop a proposal for a Regional Freight Improvement Program. The program aims to address the following issues:

- a lack of business case models for rural areas with multiple heavy vehicle access demands, a large road asset base to manage and few mechanisms to levy ratepayers or road users for additional infrastructure upgrades;
- use of local roads as arterial alternatives;
- linking asset investment to supply chain productivity; and
- facilitation of nationally significant-freight places and corridors in the region.

When was it formed? How does it prosecute its agenda?

The Hume Region has a number of opportunities to grow and develop. It needs to align industry outputs and general population growth with freight transport needs to provide efficient supply chains and support industry growth. To ensure the strategic directions are relevant to the region and aligned with State and Commonwealth policies, it was agreed by councils in the region

to focus freight directions towards outcomes that would provide benefits in the Hume region, in particular freight managers and customers, and support improvements on key high-use arterial corridors such as the Hume Freeway.

Transport, freight and logistics priorities

The Hume Region Freight Improvement Program has identified a number of priority projects to improve freight movement and productivity in the region. These include:

- Shepparton (Horticulture and Dairy) - nationally-significant food production accounting for approximately 70 per cent of product for export or GRP \$2.6 billion, with poor infrastructure on key access roads a barrier to export supply chain efficiency. Two candidate projects have been identified: Old Dookie Rd - Shepparton Alternative Route to Lockwood Rd (est. \$950,000) and Lemnos Rd North - Central Avenue (est. \$605,000).
- Moira (Grains) - issues such as conflict at harvest time between tourism and truck movements, growth of on-farm storage which has exacerbated access conditions year round. In addition larger, wider and more efficient farm machinery and increased heavy vehicle access demands are placing greater stress on the roads. A 'Share the Wear' Model has been developed with growers agreeing to the strategic harvest routes for heavy vehicles and to prioritise improvements to the network based on a productivity assessment.
- Indigo (Livestock, Wine & Grain) - livestock transport to the meat processor and saleyards exacerbate use of local east-

west routes. Heavy vehicles are impacting the main street of the heritage township of Rutherglen, detracting from the tourism economy and wine processing, which has resulted in heavy seasonal impacts. The Gooramadda - Up River Road is a local road that acts as an east-west freight route, and upgrading this route for freight would create a bypass option for heavy vehicles transiting through Rutherglen. The road is approximately 20 kilometres in length and would cost approximately \$2-3 million.

- Strathbogie (Intensive Agriculture Cluster) - the area located between the Goulburn Valley Highway and Hume Highway has become a key agricultural production area. Strathbogie Shire has identified Nagambie-Locksley Road, between Goulburn Valley Highway and Avenel-Longwood Road, to develop as a strategic freight route. The project involves the upgrade of the route to Performance-Based Standards (i.e. \$8,010,000) along 17.8 kilometres.

Key outputs

1. The Hume Region Planning for Freight Pilot Strategy Report
2. RDA Freight Directions in the Hume - Summary Report
3. Strategic Transport Framework.

... **Legume to Woodenbong Road Alliance, NSW & Qld**

What is Legume to Woodenbong Road Alliance? Where is it located?

The Legume to Woodenbong Road Alliance [LWRA] comprises the following six local councils in the north-east area of New South Wales bordering Queensland: Kyogle, Lismore City, Richmond Valley Shire, Southern Downs Regional Council [Qld], Scenic Rim Regional Council [Qld], and Tenterfield Shire. LWRA also includes local State and Federal members of parliament, the NSW Roads and Maritime Services agency, transport operators and community members.

Why was it formed?

LWRA's was formed to promote the "Northern Growth Corridor" connecting Casino, NSW via the Summerland Way near Woodenbong and the Cunningham/New England Highway at Warwick in south east Queensland. The road upgrade is required to link with the key transport nodes in south east Queensland and NSW. The LWRA's role is to work with stakeholders to lobby all levels of government to secure funding for the road renewal upgrade and bridge work required on Mt Lindesay Road between Legume and Woodenbong.

When was it formed? How does it prosecute its agenda?

LWRA was formed in 2009. The LWRA via the Mount Lindesay Road Upgrade project has sought to stimulate the economic growth of the region forming the northern part of Tenterfield Shire. Historically, the key economic constraint has been the poor quality of road access from Brisbane to the NSW border and the Northern Rivers along the Summerland Way. Recent upgrades to both of these sections of road have improved access, but one

Mount Lindesay Road bottleneck remains - the 42 km Legume to Woodenbong section.

Transport, freight and logistics priorities

The Mount Lindesay Road, a former State Highway decommissioned in 1982, was a 146 km long north-south section of the New England Highway from Tenterfield to Mount Lindesay, Qld border. The road's current function is movement of local goods and services between the local area and the larger outlying regional centres, specifically the transport of primary produce to processing centres and markets. This includes beef, sheep, pigs, dairy, stock feed, timber, fruit, vegetables and tea tree oil. Tourism in recent years has been expanding with various national parks accessible via road. The road's poor condition means that it is not the preferred route for freight operations, despite the route being significantly shorter than the alternative.

To progress the North Growth Corridor transport agenda, LWRA have completed the following priority tasks:

- Hired GHD to do an Economic Development Case in 2013 mainly focused on the 42 km Legume to Woodenbong section. GHD decided the agenda strongly aligned with regional development objectives, likely to create regional economic activity and new jobs beyond the immediate region (a stimulus of \$100 million over 30 years, create 30 direct and 90 indirect jobs, plus make vehicle operating cost savings of \$21 million).
- A Road Safety Evaluation Audit done in 2014. The three key issues affecting the safety of heavy vehicle transit along the 42 km

section are: road and bridge width, rollover crash risk and pavement damage. The audit identified 10 road segments that must be addressed which become the priority projects for funding.

Key outputs

Since the LWRA's formation, \$4.5 million of funds has been secured from the NSW Government and expended over 2014-2016 to upgrade the road. A Joint Federal Coalition election commitment with the NSW Government in June 2016 promised funds of \$24 million to complete the Legume to Woodenbong upgrade.

Key learnings

The funding outcomes achieved demonstrates the strength in partnerships, particularly through the LWRA, where the councils worked closely on cross-border issues, as well as cooperation of governments at all levels.

... **North-West Freight Network, NSW**

What is the North-West Freight Network? Where is it located?

The North-West Network (the Network) is a road investment and sustainability program designed for a 57,000 square kilometre agriculture powerhouse region of north-west NSW. The program has been developed by regional councils working together to support more efficient and sustainable road and rail infrastructure to drive more productive regional communities. The five parties that make up the Network are the Gwydir, Moree Plains, Gunnedah, Warrumbungle and Narrabri Shire councils. The Network services one of Australia's most productive agricultural regions - producing over \$2 billion in mostly grains, cotton and cattle annually.

Why was it formed?

The five regional councils all face the same basic road challenges:

- they are each home to very productive agricultural economies and strong communities.
- they are burdened by a costly and hard-to-sustain road asset base which will need to attract more funding to continue to support local industry productivity, road-user safety and community connectedness.
- the Australian Rural Road Group wanted to show that councils can work together to achieve a standard asset management method that is simple to implement and would give consistency in allocating funding.

The network of over 12,000 kilometres of roads has little opportunity to secure major new capital funds from governments in the prevailing fiscal climate. At the same time, the public sector roads system does not offer significant

avenues for productivity-based funding allocations. Smart freight improvements can bring much greater efficiency to a nationally-significant task.

When was it formed? How does it prosecute its agenda?

The Network was formed in 2015 and its authors have applied a clear 6-point strategy to achieve broad goals:

- identify the core road freight network of the region, which includes working in partnership with heavy road freight and mainline rail freight, with the most efficient road freight flows coordinated to major railheads.
- develop a productive business case on the core network to allow for higher productivity vehicle access.
- encourage communities outside the region to join the effort to spread the benefits further.
- consider new investment models in the road network to tap operating efficiencies and capital upgrades.
- explain objectives and merits in a single plain English plan [i.e. *The North-West Freight Network* document].
- support more efficient and sustainable road and rail infrastructure in the interests of more productive regional communities.

Transport, freight and logistics priorities

The Network's proposal for productivity-based funding allocations revolves around two major features:

1. Road Productivity - A productive \$160 million aspirational capital upgrade program for the region's

core road freight network covering 23 discrete shire, regional, and state highway upgrades [BCR range 0.67 - 1.67; a mean BCR of 1.16]. This will produce lower overall freight costs to cotton and grain growers, plus increase productivity of the Inland Rail project and give land use investment certainty to local industry which relies on efficient transport planning.

2. Roads Sustainability - A willingness to examine best practice global approaches to sustain the region's overall 12,000-kilometre local road network, including considering commercial and partnered financing and operational approaches, provided they demonstrate better value for money.

Key outputs

The Network's business case included an economic analysis of the viability of \$160 million in higher productivity upgrades to the region's most important road freight routes, prioritised down from a longer list totaling \$275 million.

Key learnings

The Network proposed in the capital upgrades contained in the business case is the beginning of the least cost core freight network. It will bring incentives for the wider network to be planned and upgraded more efficiently and selectively over time.

... **Riverina Eastern Regional Organisation of Councils, NSW**

What is REROC? Where is it located?

The Riverina Eastern Regional Organisation of Councils (REROC) covers an area in excess of 45,000 square kilometres and a population of 140,000. REROC is a voluntary association of 11 local government bodies, located in the eastern Riverina region of New South Wales. The members of REROC are the councils of Bland, Coolamon, Cootamundra-Gundagai, Greater Hume, Junee, Lockhart, Snowy Valleys, Temora, Wagga Wagga and Goldenfields Water and Riverina Water County councils.

Why was it formed?

REROC was established in 1994 as a forum where member councils could initiate and implement projects that harness the economies of scale and economies of scope that could be generated by pooling resources, staff and expertise. REROC is an incorporated association in NSW.

When was it formed? How does it prosecute its agenda?

The Regional Freight Transport Plan was published in June 2014 and was initiated by REROC to investigate the freight infrastructure network from a regional perspective.

Most of the 41 million tonnes of freight that is transported between NSW and Victoria each year passes through the REROC region, primarily by road but also rail. The forecast growth in freight will add significant pressure on road and rail networks in the region. It will also bring opportunities for growth of logistics-based enterprises across the region.

Constraints on freight corridors hinder growth and inhibit economic activity, costing industry time and money and, in some instances, act as a barrier to the establishment

of new and existing industries. The Regional Freight Transport Plan forms the basis for working collaboratively with the State Government, and providing advocacy for the region and submissions for funding. It has been of great benefit in assisting councils to attract State Government funding for roads infrastructure.

Transport, freight and logistics priorities

The REROC region contains some of NSW's most heavily utilised road and rail transport corridors, including the Hume Highway, the Newell Highway, the Olympic Highway, the Burley Griffin Way and the Main Southern Rail Line. Freight and logistics are an integral part of the economic well-being of the eastern Riverina. The region contains the main Sydney-Melbourne road corridor, the Hume Highway, the Main Southern Rail Line, as well as the main Melbourne-Brisbane road corridors, the Newell Highway and the Olympic Highway. The region also contains the Sturt Highway which is part of the main Sydney/Adelaide transport corridor.

In undertaking the project REROC was committed to the utilisation of special data technologies to map the outcomes of the project and has identified the 'freight routes of regional significance'; these routes have been identified in the following categories:

1. national and state roads;
2. regional roads; and
3. local roads.

Key outputs

The Regional Freight Transport Plan contains detailed analysis of infrastructure constraints on 39 specific routes, as well as an assessment of the major industry serviced and typical vehicle type

on each route. Assessments are based on an agreed weighted matrix developed by REROC members. The project is supported by a cloud-based mapping tool, reroc.giscloud.com, that allows users to see how overlapping layers of information contained in the plan interact with each other. The mapping tool and its freight transport information is also used to support REROC's Industrial Land Mapping Project, which is an economic development initiative.

Key learnings

The REROC Regional Freight Transport Plan is an excellent example of regional collaboration in the interests of the region. The plan identifies economic development opportunities, investment opportunities, as well as the evidence base to support investment decisions, advocacy and submissions for additional funding.

... CASE STUDY 8

... South East Queensland Council of Mayors, Qld

Council of Mayors SEQ - who are we?

The Council of Mayors South East Queensland (SEQ) is Australia's largest regional local government advocacy organisation, representing the interests of the one in seven Australians who reside in the SEQ region.

The membership of the Council of Mayors (SEQ) consists of the 11 Mayors representing the councils of SEQ: Brisbane, Gold Coast, Ipswich, Lockyer Valley, Logan, Moreton Bay, Redland, Scenic Rim, Somerset, Sunshine Coast and Toowoomba councils.

What is the Council of Mayors' (SEQ) purpose?

The Council of Mayors (SEQ) consistently delivers better regional funding, policy and collaborative outcomes for the mayors, councils and communities of SEQ.

This is achieved by advocating for a better-resourced region, influencing other levels of government to support regional growth and collaborating to deliver effective and innovative programs and policies for SEQ.

The organisation is focused on three key portfolio areas: economic development, infrastructure and planning and, waterways and environment. Through these key areas of interest and a strong history of collaboration, the Council of Mayors (SEQ) continues to be a powerful agent for regional advocacy, innovation and project delivery.

What are the challenges and opportunities for SEQ?

The SEQ region is an economic powerhouse, generating more than 20 per cent of the nation's economic and employment growth and driving the prosperity of Queensland.

The region is currently home to one in seven Australians, with a projected population growth of 4.4 million by 2031. While this healthy population growth fuels SEQ's economy and job creation, it also presents a number of challenges.

A lack of investment in the SEQ region's infrastructure, and the flow-on effect this has on economic growth and quality of life, remains an ongoing challenge for the region.

What are the Council of Mayors' (SEQ) key transport, freight and logistics outcomes and priorities?

In recent years, the Council of Mayors (SEQ) has welcomed commitments by the Federal and State governments for a number of key infrastructure projects, including upgrades to the Bruce, Pacific, Gateway and Ipswich motorways, Toowoomba Second Range Crossing, Gold Coast Light Rail, Beaudesert Bypass and the Melbourne to Brisbane Inland Rail Project.

The Council of Mayors (SEQ) also continues to advocate for priority infrastructure projects across the region, including North Coast Rail Line (Beerburum to Nambour), Darra to Springfield Rail Extension, Northern Busway, Gold Coast Light Rail Stage 3 and continued improvements to the SEQ's major arterials.

Significant effort has also been invested in the investigation of innovative mechanisms to better prioritise and fund major infrastructure projects at a regional, state and national level. The Council of Mayors (SEQ) has been coordinating with Federal and State governments in the application of the 'City Deals' funding model in SEQ, with a view to securing a long-term funding arrangement in the near future.

More information on the Council of Mayors (SEQ) and its infrastructure priorities can be found at seqmayors.qld.gov.au



... **Western Australian Wheatbelt Region, WA**

What is the Western Australian Wheatbelt Region? Where is it located?

The Western Australian Wheatbelt covers 155,000 km² extending from the edge of the Perth metropolitan area, north to the mid-west region and east to the Goldfields-Esperance region. Within the region are two regional roads groups - Wheatbelt South Regional Road Group, comprising 18 shires, and Wheatbelt North Regional Road Group, comprising 24 shires. (Shires of Beverley, Brookton, Bruce Rock, Chittering, Corrigin, Cunderdin, Cuballing, Dalwallinu, Dandaragan, Dowerin, Dumbleyung, Gingin, Goomalling, Kellerberrin, Kondinin, Koorda, Kulin, Lake Grace, Merredin, Moora, Mount Marshall, Mukinbudin, Narembeen, Narrogin, Northam, Nungarin, Pingelly, Quairading, Tammin, Toodyay, Trayning, Victoria Plains, Wagin, Wandering, West Arthur, Westonia, Wickepin, Williams, Wongan Ballidu, Wyaldatchem, Yilgarn, York). There are approximately 75,000 residents in the region and the councils are responsible for 40,897 kilometres of roads. In some local government areas, there are no State-controlled roads.

Why was the freight plan developed?

The Wheatbelt Blueprint (Wheatbelt Development Commission <http://www.wheatbelt.wa.gov.au/publications/wheatbelt-blueprint/>) identifies that continued investment in a strategic network of road and rail infrastructure is critical to providing the productivity and efficiency gains that underpin key agricultural and resource industries in the region. Specifically, the Blueprint calls for a mitigation plan for increased numbers of heavy vehicles on roads, including a review of the road management hierarchy.



During discussions in early 2016 between Main Roads WA, WALGA, and the Chairs of the North and South Wheatbelt Regional Road Groups, it was agreed that it was in the interests of all stakeholders that local governments through the Regional Road Groups initiate work to identify and map the secondary or collector routes that service the Wheatbelt Region. The purpose of these routes, which connect to State and national highways, is to accommodate the large numbers of heavy vehicle movements required to carry freight across shire boundaries and service the whole region.

When was Western Australian Wheatbelt Freight Plan developed? How does it prosecute its agenda?

Although still in early stages, a draft Western Australian Wheatbelt Freight Plan has been developed using a consultative process between neighboring local governments working initially in small groups and then bringing together proposals developed in each sub-region. Industry and other stakeholders who were engaged by the local governments in the early phases have been consulted again with the draft network to ensure roads meet the set criteria and a proposed Secondary Freight Routes plan can be agreed.

The next stages are:

1. secure funding to undertake an assessment of the proposed routes to identify and scope road improvements required to ensure the safe and efficient access for restricted access or higher productivity vehicles;
2. cost and prioritise the essential development work; and
3. prepare a business case for investment in the prioritised routes.



Transport, freight and logistics priorities

The Western Australian Regional Freight Network Transport Plan published in 2013 recognises and identifies the development needs of only State and national highways. This results in significant gaps in the supply chain serving industries in the Wheatbelt Region. The freight task in the Wheatbelt Region has grown and changed significantly in the past five years as a result of:

- increased grain production (in the five years to 2015/16 average grain receivals by CBH was 13.5 million tonnes per annum; a 50 per cent increase on average receivals of 9.0 million tonnes per annum in the previous five-year period);
- closure of over 500 kilometres of rail previously exclusively servicing the grain industry (750,000 tonnes in average year);
- increased use of agricultural lime, fertilisers and other inputs;
- opening of a new (Bunge) grain export facility at Bunbury Port; and
- continued trend to use larger trucks (typically 27.5 metre road trains with gross vehicle mass of 87.5 tonnes).

Key outputs

The Western Australian Wheatbelt Freight Plan will look to identify and agree on which local roads should be the main collector roads to bring freight traffic to the Main Roads Network and determine the Restricted Access Vehicle (RAV) rating of these roads. The identified and agreed collector roads can then form the road freight network priorities, and funding can then be sought to undertake the improvements required to attain the relevant RAV ratings.

This plan can be shared to enable industry to base investment decisions on the Wheatbelt Freight Network. The plan will also direct freight traffic to specific local roads enabling the relevant shire to focus investment and maintenance effort on these routes and therefore dramatically reduce the maintenance necessary on other routes.