

Transport Advocacy Strategy 2022 *'Locals Know What Locals Need'*

Rural and Regional Overview

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Financial sustainability

Key Messages (Public Facing)

- Locals know what locals need. Rural and regional Victorian councils and communities need greater support and consultation from the Victorian and Australian Governments to deliver safe and well-maintained roads.
- Rural and regional communities deserve safer roads. For too long, funding from other tiers of government has been insufficient.
- Councils understand the critical importance of funding for ongoing maintenance, not just funding for new streets and paths.
- The Victorian and Australian Governments need to listen to rural and regional communities about the road and path priorities of importance to ensure strong, safe and viable rural communities.

Advocacy Requests (Direct to Government)

State Government, including 2022 Victorian Budget

- The Municipal Association of Victoria (MAV) is calling on the Victorian Government to deliver \$20 million annually for a local road blackspot treatment and prevention program. \$10 million would target local intersections, places, road segments or users to reduce risk and improve safety outcomes, with the remaining \$10 million to deliver proactive treatment of sites identified as potential future priorities through safe system assessments, with an emphasis on rural and regional locations.
- The MAV is calling on the Victorian Government to expand the current Rural Roads Support package to include support to the next 10 high-need councils. A further \$1 million each would greatly assist more councils to respond to asset management and renewal gap challenges before it's too late.
- The MAV is calling on the Victorian Government to deliver \$11 million over two years for a black hole funding program. This would result in targeted support for asset intensive and low-income councils to close the asset renewal gap and maintain vital local access.
- The Australian Government should commit to ongoing funding of the Local Roads and Community Infrastructure Program and an increase in Financial Assistance Grants.
- Federal and State decision-making and engagement processes need refinement to better integrate into local planning and priorities and meet the needs of communities.

Federal Election 2022

- The next federal government to commit to Australia's economic recovery through funding:

1. an initial injection of Financial Assistance Grants to local government of \$1.3b to support communities and jobs and also resolve the current practice of bringing forward two quarterly Financial Assistance Grant payments each year;
 2. a commitment to return Financial Assistance Grants to at least one percent of Commonwealth taxation revenue via a phased approach.
- The next federal government to commit to building better transport and community infrastructure through funding:
 1. \$500m per annum for a four-year continuation of the Local Roads and Community Infrastructure Program;
 2. A strategic local roads investment program of \$300m per annum over four years to address road transport first and last mile issues and congestion on local roads;
 3. An increase in Roads to Recovery to \$800m per annum (an additional \$300m per annum) and the Black Spot Program to \$200m per annum over four years.

Rationale and Background

- The relationship between council rate bases and road responsibilities is so unbalanced that many councils, particularly those in rural and regional areas, are unable to deliver on all priorities. The asset renewal gap continues to grow.
- Maintenance of critical community road infrastructure is an enormous challenge for the local government sector. Australian Local Government Association (ALGA) research highlights that the local tier of government “has the largest relative infrastructure task in terms of asset management and the smallest relative revenue base collecting just over 3 per cent of Australia’s total taxation revenue.”
- Unlike other levels of government, councils are unable to leverage any mechanisms to raise funds specifically for road construction and maintenance. The Victorian Government has initiated road user charges for electric vehicles, and charges fees for vehicle registration and other road and transport-related activities, while the Australian Government collects fuel excise and other transport related charges.
- Rate capping and other constraints limit councils’ ability to properly fund delivery of roads, infrastructure and asset renewal. Councils have been operating under rate caps since 1 July 2016, compromising their ability to deliver safer roads. This means some councils are unable to use the most modern technology and approaches to assess the quality and safety of their road network.
- In Victoria, management of local roads represents about 10 per cent of total council expenditure each year. \$870m was spent by councils on roads in 2018-19. \$150m of this was funded by the Australian Government (almost 20 per cent of total expenditure), highlighting the importance of external funding to ensure councils can continue to deliver a safe and reliable network. Much higher levels of investment are needed, but the funding is simply not available.
- Funding issues are further highlighted in the 2019 – 20 Victorian Auditor-General’s Office (VAGO) audits on the financial performance of local government, which found the COVID-19 pandemic impacted the sector’s financial performance, and anticipated greater financial impacts in 2020–21 and beyond.

Safer communities

Key Messages (Public Facing)

- Everyone should have access to safe travel needs.
- We are prioritising urgent safety upgrades but need targeted and ongoing financial support from the Victorian and Australian Governments to improve local roads and ensure that everyone can get home safely – this includes locals, farmers, truck drivers and tourists.

- Unsafe and outdated roads are putting rural and regional communities at risk. Councils need better support from the Victorian and Australian Government's to fix this. In 2020, 126 people died on regional Victorian roads, compared with 85 fatalities in metropolitan areas. This is an absolute tragedy. Rural and regional communities are calling for more support from the Victorian and Australian Government's to deliver proper funding to councils for safety upgrades on local roads.

Advocacy Requests (Direct to Government)

- The Federal Blackspot Program should be expanded to provide ongoing funding to deal with high-risk sites, while better supporting dangerous intersections and roads with smaller traffic volumes.
- The Victorian Government must implement a well-funded and ongoing Council Road Safety Fund enabling all local governments to access funding to implement urgent hazard mitigation works, without strict guidelines and a focus on specific issues seen in existing grant programs.
- Victorian Government road safety grant programs, such as the TAC's Community Road Safety Grants, Roads to Recovery and the Local Government Grants Program should be expanded to provide significantly more funding to councils to ensure everyone can move across the local road network safely.
- Support for local education and awareness programs should also be prioritised where altered speed limits are not appropriate.
- The Victorian Government should properly fund school crossing supervisors and invest in local safety improvements. This would include indexed annual funding to match local government school crossing supervisor contributions.

Rationale and Background

- Local road safety issues could be dealt with in a timely manner with ongoing and sustainable funding.
- Victorian councils want to play their part in reducing the trauma on local communities. Existing short-term stimulus and grant funding programs are insufficient for councils to manage the network and ensure the safety of all road users. Road funding grant programs often have specific criteria that must be met, often ruling out worthy projects due to technicalities in the guidelines.
- Councils are struggling to improve road safety and implement hazard mitigation works because of the funding gap. This is particularly evident across rural and regional areas.

Freight

Key Messages (Public Facing)

- Farmers, manufacturers and businesses in rural and regional Victoria deliver significant benefits to the Victorian economy. Councils are calling on the Victorian and Australian Government's to provide urgent funding to upgrade key rural and regional freight routes to ensure a safer and more efficient roads and transport networks.
- Roads and bridges in rural and regional areas have economic significance for the entire state. It's time the Victorian and Australian Governments properly supported economic growth in rural and regional Australia.

Advocacy Requests

- Ongoing, guaranteed funding to deliver improved network access, greater efficiencies and modern infrastructure would be welcomed by residents and businesses across Melbourne. Victorian councils and local communities support a stronger and more efficient freight network but want to ensure trucks stay off local streets.
- The MAV is calling on the Victorian Government to expand the current Rural Roads Support package to include support to the next 10 high-need councils. A further \$1

million would greatly assist these councils to respond to asset management and renewal gap challenges.

- The Australian Government must establish a national fund to assess, maintain and upgrade freight roads in rural and regional areas in line with the 2018 Commonwealth inquiry into the importance of a viable, safe, sustainable, and efficient road transport industry. The Heavy Vehicle Safety and Productivity Program and Bridges Renewal Fund are also critical.

Rationale and Background

- Roads and bridges in rural and regional areas have economic significance beyond local ratepayer access interests. Councils needs greater funding support to ensure commodities, manufactured goods and fresh produce can reach markets in a timely, efficient and safe manner.
- Existing freight assets in rural and regional areas, including bridges and managed by councils, are stymying economic growth. More funding is needed to assess and renew these assets. This will ensure efficient access to the broader freight network, and minimise first and last kilometre impacts on Victoria's economic growth.
- Greater funding to councils to support more key transport and freight infrastructure upgrades, efficient approvals processes and more support for the industry are critical.
- Greater funding would better support economic recovery in a post-COVID environment.