

## About this report

Local councils in NSW manage a large proportion of roads across the state. Roads often represent a significant proportion of total council expenditure.

How councils manage roads is impacted by their revenue, local conditions, and the needs of residents, businesses and other road users.

This audit was undertaken within the wider context of natural disasters and weather events that have significantly impacted the road network in NSW in recent years.

It assessed whether three councils had effectively managed their road assets to meet the needs of their communities, makes detailed findings and recommendations to each audited council, and identifies key lessons for the wider local government sector.

## Key observations of good practice

This report identifies that effective road asset management is best supported when councils have:

1. a good understanding and articulation of the community's vision, priorities and purpose for local roads
2. asset management documents that are current and aligned with broader strategies and financial plans
3. long-term capital works planning that considers associated ongoing costs, and is supported by systematic prioritisation of works
4. clear and documented decision making processes
5. transparent performance reporting on progress and outcomes
6. reliable, accurate and assured data and systems
7. continuous improvement through both formal reviews and capturing lessons learned
8. resilience and responsiveness to natural disasters with a planned approach to disaster recovery.

## Key findings

All councils can improve how they link community consultation with planned service levels. Formalising these processes could help better demonstrate how current service levels meet community needs.

### Clarence Valley Council

- has established a strategic priority for road asset management but not formal governance arrangements or a long-term capital works program
- is delivering and reporting on its work to respond to natural disasters but does not report against targets for road asset quality and service
- has set benchmarks for road asset maintenance, replacement and renewal but needs clear service levels.

### Gwydir Shire Council

- did not have aligned, up-to-date asset plans during the audit period
- did not have a long-term capital works program but adopted a prioritisation program for capital works in August 2024
- did not effectively implement formal governance, or coordinate management oversight, to manage its road assets.

### Wollondilly Shire Council

- has a strategic framework for road asset management and has used long-term plans to guide its asset capital and maintenance works
- has reported asset management outcomes against a planned capital works program but could improve how it uses KPIs to demonstrate performance.