

ACRS Submission to Inquiry into Local Government Funding and Fiscal Sustainability



About the Australasian College of Road Safety

The Australasian College of Road Safety was established in 1988 and is the region's peak organisation for road safety professionals and members of the public who are focused on saving lives and serious injuries on our roads.

The College Patron is Her Excellency the Honourable Sam Mostyn AC, Governor-General of the Commonwealth of Australia.

To:

Committee Secretary

House of Representatives Standing Committee on Regional Development, Infrastructure and Transport

e: rdit.reps@aph.gov.au

p: (02) 6277 2232

For further information please contact:

Teresa Williams: President, Australasian College of Road Safety

Dr Ingrid Johnston: Chief Executive Officer, Australasian College of Road Safety

Australasian College of Road Safety

PO Box 198 Mawson ACT 2607

e: ceo@acrs.org.au

p: (02) 6290 2509

w: www.acrs.org.au

3 February 2026

Table of Contents

Introduction	3
Local Government's roles and responsibilities for road safety.....	3
ACRS response to the Terms of Reference	4
1) Interactions between Governments	4
3) Impacts and effectiveness	5
Conclusion and Recommendations	7
References.....	8

Introduction

The Australasian College of Road Safety is the region's peak membership association for road safety with a vision of eliminating death and serious injury on the road. Our members include experts from all areas of road safety including policy makers, health and transport professionals, academics, community organisations, researchers, federal, state and local government agencies, private companies and members of the public. The purpose of the College is to support our members in their efforts to eliminate serious road trauma through knowledge sharing, professional development, networking and advocacy. Our objectives include the promotion of road safety as a critical organisational objective within government, business and the community; the promotion and advocacy of policies and practices that support harm elimination; the improvement of relative safety outcomes for vulnerable demographic and user groups within the community; the promotion of post-crash policies and practices; and the promotion of a collegiate climate amongst all those with responsibilities for and working in road safety.

The College believes that we should prevent all fatal and serious injuries on our roads; the road traffic system must be made safe for all road users; system designers should aim to prevent human error and mitigate its consequences; life and health are not exchangeable for other benefits in society; and that all College policy positions must be evidence based.

Local Government's roles and responsibilities for road safety

Local Government sustainability is inextricably linked to Australia's national road safety performance. Local governments manage approximately 75% of the nation's road network(1) and these roads account for more than half of all casualty crashes, at a crash rate nearly double that of state-managed roads.(2)

The current funding and administrative frameworks are insufficient to support the approaches required to meet the Australia's Government's commitments under the National Road Safety Strategy 2021-2030 (NRSS).(3) The NRSS targets a 50% reduction in deaths and a 30% reduction in serious injuries by 2030, with the ultimate goal of a road transport system where no one is killed or seriously injured by 2050. Rather than making progress towards these goals, Australia has just experienced a 5th year in a row of increased trauma numbers and rates.(4)

This submission addresses the Committee's Terms of Reference regarding financial frameworks (1. Interactions between Governments) and the changing scope of service delivery (3. Impacts and Effectiveness), highlighting the administrative barriers, capacity inequities, and implementation failures that currently undermine Local Government sustainability.

ACRS response to the Terms of Reference

1) Interactions between Governments

- i. *Assess the nature and scale of Australian, state and territory government funding provided to local government, both directly and through Commonwealth-state agreements*
- ii. *Examine the legislative and policy frameworks underpinning Commonwealth financial support to local government*

Financial Sustainability and Funding Mechanisms – Administrative Burden and Funding Uncertainty

While the ACRS welcome the Commonwealth investment in road safety, the administration of key funding mechanisms, specifically the Black Spot Program, can impose a severe administrative burden on local government that directly undermines fiscal efficiency. A critical barrier to sustainability is the unpredictability of funding announcements. The current 2025/26 financial year provides the most stark example, where announcements of successfully nominated Black Spot projects for New South Wales and South Australia were made during the period between Christmas and New Year – six months into the financial year.

The nature of construction program and workforce planning in local government can be very sensitive to unplanned changes or uncertainty associated with projects. In many cases, councils that nominated projects to be funded by the 2025/26 Black Spot program would have made their nominations in the second-half of 2024, and then spent the early part of 2025 preparing Annual Business Plans and associated budgets and delivery plans to be endorsed by their elected bodies.

A number of years ago, announcement for successful Black Spot projects were typically made around April-May each year, providing at least one month for councils to finalise their programs heading into the new financial year that commences on 1st July. That meant they could plan their construction crews and/or commence procurement of external contractors alongside all other routine capital works and maintenance projects should any of their nominations have been successful. If projects weren't successful for funding, that would still provide suitable notice for these programs to be modified.

However, over the past 5-10 years funding announcements have been made later into the financial year and become more and more unreliable. Without timely notification of the outcomes of funding applications, a project will typically be kept in a holding pattern, introducing significant pressure to delivery programs due to the uncertainty as to whether the project will or will not proceed. Often project delivery is very time-critical, such as programming works to occur during school holidays if the project is located adjacent to a school, or to avoid times of peak tourist demand in holiday destinations, or to program pavement works at specific times of year to avoid times of cooler and/or wetter weather.

To undertake procurement with the high levels of diligence and probity expected for local government and the spending of public funding, lead times are typically a minimum of three months to prepare tender documentation, invite submissions from the market, and finally select and engage a delivery contractor. Similarly, council works crews can't sit around at the depot waiting for a funding announcement to be made at an unknown time – they are a critical public resource and need to be put to work. This requires a significant level of planning of the council workforce, along with plant and fleet in order to undertake works.

This delay ultimately forces local governments into a cycle of fiscal inefficiency:

- Planning Failure – Councils cannot commit to contractors or materials until funding is confirmed, leaving only half the financial year to deliver complex infrastructure projects.
- Delivery Risk – Rushed delivery windows often result in project carry-overs or rushed procurement, reducing value for money.
- Safety Risk – critical life-saving treatments are delayed, leaving known high-risk locations untreated for longer than necessary.

The administrative unpredictability repeated every year acts as a structural barrier, particularly for resource-constrained regional councils that lack the cash reserves to forward-fund projects. The lack of a dedicated Federal Cabinet Minister portfolio for road safety (which was Recommendation 1 of the 2022 report of the Joint Select Committee Inquiry into Road Safety(5)) has also meant that a variety of different federal Ministers or assistant Ministers have been responsible for announcing outcomes of this program, indicating a lack of government accountability associated with the Black Spot program and road safety in general.

Recommendation 1: The Australian government legislate or regulate binding timelines for all road safety grant announcements (e.g. outcomes must be announced by May for the upcoming financial year) to allow local governments time to plan and deliver work efficiently.

3) Impacts and effectiveness

- ii. *Consider whether existing funding mechanisms are addressing the evolving responsibilities of local governments*
- iii. *Identify barriers to infrastructure service delivery, including trends in attracting and retaining a skilled workforce, impediments to security for local government workers and impacts of labour hire practices*
- iv. *Explore opportunities to improve productivity and coordination of local government*

Changing Scope, Infrastructure, and Service Delivery – Shifting from Reactive to Proactive Investment

The ‘evolving responsibilities’ of local government involves a necessary transition from reactive safety management (waiting for crashes to occur to identify sites to upgrade) to proactive Safe System management (identifying higher-risk sites to upgrade before crashes occur). Current funding models remain heavily focused towards reactive criteria (crash history). While the Australian government should be commended for recent changes to the Black Spot program to place more emphasis on proactive projects along with delivering the Local Government Network Risk Assessment Frameworks Report,(6) there is insufficient fiscal support to operationalise the necessary transition away from reactive approaches.

The lack of facilitation of this evolution towards proactive action represents a missed economic opportunity for the Commonwealth. The cost of road crashes in Australia is estimated at almost \$30 billion per year.(7) While some direct asset costs fall on local government (e.g. damage to safety barriers, road furniture, signs and council fleet vehicles), the broader economic burden falls on the national economy. A rapid transition towards comprehensive, risk-based road safety management by local government presents an opportunity. Investing in infrastructure upgrades in more targeted and proactive manner can therefore lead to reduced

health and social services budgets, as well as reducing the burden on local governments to manage the physical and legal aftermath of trauma they cannot afford to prevent.

Recommendation 2: Future funding agreements prioritise proactive network-level risk assessments for local government over purely reactive criteria, recognising that fiscal sustainability requires reducing the cost of road trauma to the country. This approach is dependent on appropriate support and capacity building to ensure that less-resourced councils have equitable access to any such funding programs (see Recommendation 3).

Changing Scope, Infrastructure, and Service Delivery – Addressing the ‘Haves’ and ‘Have Nots’ (Capacity and Equity)

There is a profound disparity in the capability of local governments to access and utilise government funding. Benchmarking undertaken by the ACRS Local Government Network (LGN) at the 2025 Australasian Road Safety Conference highlights significant gaps among jurisdictions. For example, local governments in New South Wales, Victoria and Western Australia generally have better support and higher capacity to secure funding, while those in South Australia, Tasmania and the Northern Territory significantly lag behind. This is not to criticise individual jurisdictions, but instead to highlight the reality that the local government playing field is far from level.

The current competitive grant model exacerbates this inequity within jurisdictions. Well-resourced councils with dedicated traffic engineers and administrative support can navigate complex applications, and absorb funding uncertainty associated with delayed Ministerial announcements, while smaller councils – often managing high-speed, high-risk rural road networks – cannot. This results in Commonwealth funds flowing to those with the best resourced grant writing teams, not necessarily where the risk is highest, and inconsistencies within and among jurisdictions.

Recommendation 3: The Australian government allocate a dedicated portion of road safety funding specifically for capacity and capability building and prioritise the delivery of road safety training to local governments as identified in the National Road Safety Strategy Action Plan 2023-25. This should be ‘tied’ funding to support workforce training and network-level risk planning resources, ensuring all councils can effectively participate in national safety initiatives.

Changing Scope, Infrastructure, and Service Delivery – Implementation Failure and Broken Promises

The sustainability of local government road safety efforts is undermined by the Commonwealth’s failure to deliver on key supportive commitments made in the NRSS and National Road Safety Action Plan 2023-25. Specifically, ACRS notes:

- Capacity building failure: The commitment to ‘co-ordinate the delivery of road safety training to local governments in consultation with state and territory governments’ (from ‘Supporting Local Government’) was due for completion by ‘Late 2024’. ACRS has no indication this has occurred. Without this training, effective productivity and coordination in local government (ToR 3.iv) remains unaddressed.
- Reporting failure: The 2024 National Road Safety Annual Progress Report has not been published (as of early 2026), further obscuring the true state of network safety performance and implementation of activities in the Action Plan.

- Consultation failure: The recent Regulatory Impact Assessment (RIA) process for the review of the default speed limits outside built-up areas demonstrated a lack of the necessary groundwork with the community and local governments, to explain what was under review and why, on this highly sensitive issue. Instead, the review was conducted with undue haste as the end of the current Action Plan loomed, despite the overwhelming, comprehensive and longstanding evidence that the majority of Australia's rural road network cannot support the current default rural speed limit without killing and seriously injuring people at rates vastly higher than for those travelling in major cities.(8)

These failures leave local governments without the strategic guidance, data, skills development and regulatory support promised by the Commonwealth, effectively shifting the responsibility for road safety outcomes onto councils without providing the agreed and evidence-based support tools.

Conclusion and Recommendations

To ensure the fiscal sustainability of local governments and the safety of the 75% of the Australian road network they manage, the ACRS recommends:

- i. End the Ministerial funding announcement delays and uncertainty: Establish binding timelines for federal road safety grant announcements to ensure councils can effectively adopt vital road safety projects into their annual business plan and forward-works program cycles.
- ii. Fund capability: Allocate specific, tied funding for local government capacity building to address the disparity between well-resourced and under-resourced jurisdictions and individual councils.
- iii. Prioritise proactive safety: Reorient funding criteria to support proactive network-level risk assessment and priority investment programs, moving away from reactive 'Black Spot' dependence.
- iv. Deliver promised support: Urgently expedite the overdue road safety training coordination and reporting commitments from the National Road Safety Action Plan 2023-25.

The ACRS appreciates the opportunity to make a submission to this inquiry and improve local council responses to road safety. Please do not hesitate to contact us should you require any further information.



Melanie Sutor
LGN Chair
ACRS



Brett Williams
LGN Deputy Chair
ACRS



Dr Ingrid Johnston
CEO
ACRS

References

1. Infrastructure and Transport Ministers. National Road Safety Action Plan 2023-25. https://www.roadsafety.gov.au/sites/default/files/documents/National%20Road%20Safety%20Action%20Plan%202023-25_0.pdf: Australian Governments; 2023.
2. Turner B, Pyta V, Woolley J, Zhang S. Road Safety on Local Government Roads: Final Report AP-R359/10. <https://austroads.gov.au/publications/road-safety/ap-r359-10>: Austroads; 2010.
3. Office of Road Safety. National Road Safety Strategy 2021-2030: Australian Government; 2021 [cited 2021 26 August]. Available from: https://www.officeofroadsafety.gov.au/nrss?_ga=2.137956720.1145775647.1629768929-1163551636.1609988186.
4. Office of Road Safety. National Road Safety Data Hub: Australian Government; [cited 2026 27 January]. Available from: <https://datahub.roadsafety.gov.au>.
5. Joint Select Committee on Road Safety. Driving Reform: final report for the Inquiry into Road Safety. https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Former_Committees/Road_Safety_2021/RoadSafety2021Joint/Report: Parliament of the Commonwealth of Australia; 2022.
6. ACRS and Abley. Local Government Network Risk Assessment Frameworks: Final Project Report for Australian Government. <https://www.officeofroadsafety.gov.au/sites/default/files/documents/local-government-network-risk-assessment-frameworks-report.pdf>: Australian Government; 2024.
7. Steinhauer R, Lancsar E, Bourke S, Munira L, Breunig R, Gruen R, et al. Social cost of road crashes. Report for the Bureau of Infrastructure and Transport Research Economics. <https://www.bitre.gov.au/sites/default/files/documents/social-cost-of-road-crashes.pdf>: ANU; 2022.
8. Tan T, Wundersitz L, Stokes C, Beer K, Kloeden C, Zlatkovic P. Practical Approaches for Managing Regional Road Safety Priorities. Austroads Research Report AP-R691-23. <https://austroads.com.au/publications/road-safety/ap-r691-23>: Austroads; 2023.