



THE AUDIT OFFICE
OF NEW SOUTH WALES

FACSIMILE

To: Russell Keith
Manager
Public Accounts Committee
Parliament of New South Wales

Fax: 9230 3052

From: Phil Thomas

Date:

Phone:

Fax:

Re:

Pages: 5

If transmission fault contact: Phil Thomas

Tel: 9275.7106

Re report No 157 - Condition of State Roads

WWW.AUDIT.NSW.GOV.AU · LEVEL 15, 1 MARGARET STREET SYDNEY NSW 2000 - GPO BOX 12 SYDNEY NSW 2001

TEL 02 9275 7100 - FAX 02 9275 7200

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THE AUDIT OFFICE
OF NEW SOUTH WALES

CONTACT NAME P Achterstraat
TELEPHONE 9275 7101
OUR REFERENCE D0735352
YOUR REFERENCE

Mr Paul McLeay MP
Chair
Public Accounts Committee
Legislative Assembly
Parliament House, Macquarie Street
SYDNEY NSW 2000

21 November 2007

Dear Mr McLeay

Examination of Auditor-General's Performance Audit Report 157
Condition of State Roads

We have reviewed the submission provided by the Roads and Traffic Authority concerning the recommendations in the above performance audit report.

Following tabling of the report, we were pleased that the Chief Executive Officer indicated he accepted all of the report's 14 recommendations. His response to the report also provided some additional details regarding how they planned to address each recommendation (see attachment 1).

The latest submission from the Chief Executive Officer confirms the acceptance of all recommendations and advises that the Authority's plan to implement these is well advanced.

The submission, however, does not contain sufficient detail for us to make any assessment of the progress of the Authority in implementing each recommendation. We have not substantiated the Authority's submission.

You may wish to consider asking the Chief Executive Officer to provide further information on the status of each recommendation, the outcomes that the changes are intended to achieve, progress against milestones, who has responsibility for implementation and how progress is monitored.

I plan to forward a copy of this correspondence to the Chief Executive Officer, Roads and Traffic Authority for his information.

I am very happy to provide any further assistance the Committee may need in completing its examination.

Yours sincerely

Peter Achterstraat
Auditor-General

Attach.



Ms J Tebbatt
Acting Assistant Auditor General
The Audit Office of NSW
GPO Box 12
SYDNEY NSW 2001

15 OCT 2006

Repat 157
Aug 06

Dear Ms Tebbatt

Performance Audit Condition of State Roads

I refer to your letter of 6 September 2006 reference PA6405, concerning the Performance Audit, Condition of State Roads.

The table attached to your letter has been completed and is enclosed as requested. Many of the Audit recommendations are complex and will take several years to complete.

They will be undertaken by a number of project teams, using project management principles and processes along the lines of your guide.

I am reviewing progress monthly and your Performance Audit leader, Mr Rod Longford is welcome to visit and discuss progress with the Acting General Manager Infrastructure Maintenance, Bob Sharpe from time to time.

Yours sincerely

Les Wielinga

Les Wielinga
Chief Executive 29.09.06

J. G. 112

→ RL

Recommendations in the Performance Audit		
<i>Condition of State Roads</i>		
Recommendations	Accepted / Rejected	Proposed Actions
We recommend that RTA:		
<ul style="list-style-type: none"> ▪ complete by 2008 its work on specifying appropriate condition standards for roads, and by 2009 for bridges (p28) 	Accepted	Roads – project in hand Bridges – project to commence in 2007
<ul style="list-style-type: none"> ▪ assess if a gap exists between the actual condition of roads and bridges and appropriate condition standards (p29) 	Accepted	Depends on outputs of above actions
<ul style="list-style-type: none"> ▪ determine what it needs to do to lift the network to appropriate condition standards, and long term funding needs (p29) 	Accepted	Depends on outputs of above actions
<ul style="list-style-type: none"> ▪ finalise its current research and develop by 2008 a more rigorous and reliable method to assess the expected remaining life of roads (p19) 	Accepted	Project in hand
<ul style="list-style-type: none"> ▪ develop by 2009 a more rigorous and reliable method to assess the future structural condition of bridges (p22) 	Accepted	Preliminary planning in hand, project to commence in 2007
<ul style="list-style-type: none"> ▪ ensure regions use a consistent approach to assess risks and determine maintenance priorities and treatments (p34) 	Accepted	Preliminary planning in hand, project to commence in 2007
<ul style="list-style-type: none"> ▪ investigate and implement improved systems to help staff identify the best maintenance solutions (p35) 	Accepted	Preliminary planning in hand, project to commence in 2007
<ul style="list-style-type: none"> ▪ prepare a submission to the Minister outlining the costs and benefits to the community of closing roads or lanes for an extended period to allow rebuilding, compared to the current approach by undertaking work in the middle of the night (p36) 	Accepted	Preliminary planning in hand, project to be completed in 2007
<ul style="list-style-type: none"> ▪ extend the planning horizon for asset management and maintenance to at least ten years (p37) 	Accepted	Project in hand
<ul style="list-style-type: none"> ▪ investigate and implement potential models to quantify the risks to current and future road safety and reliability of travel, as well as the cost of repair, for 	Accepted	Preliminary planning in hand for project to be completed in 2007

funding levels (p37)		
<ul style="list-style-type: none"> give higher priority to the rebuilding program to achieve long-term sustainability at minimum whole of life cost (p39) 	Accepted	Project in hand
<ul style="list-style-type: none"> complete its new road network management plan, setting out the funding required to maintain the road network at minimum whole of life cost, including risks, any gap between appropriate and actual condition and rebuilding needs, and report this to the Minister and Treasury (p40) 	Accepted	Project in hand
<ul style="list-style-type: none"> report in its Annual Report any gap between appropriate and actual condition, and how it plans to address it (p40) 	Accepted	Planning in hand for reporting in 2007 Annual Report
<ul style="list-style-type: none"> report in its Annual Report deferred rebuilding, the progress of its road rebuilding efforts, the proportion of the network past the end of its expected life, and the risks this represents (p40) 	Accepted	Planning in hand for reporting in 2007 Annual Report