

# STATE ROAD FUNDS TO LOCAL GOVERNMENT ADVISORY COMMITTEE (SAC)

Minutes – Monday, 4 May 2026

Meeting 01/2026

Held at WALGA

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## 1. ATTENDANCE

### SAC Members Present

- John Erceg (JE) – Chair – MRWA
- David MacLennan (DMC) – WALGA
- Des Snook (DS) – MRWA
- Douglas Morgan (DM) – MRWA
- Cr Karen Chappel (KC) – WALGA
- Maurice Cammack (MC) – MRWA
- Matt Fanning (MF)
- Mike Andrews (MA) – MRWA
- Nick Sloan (NS) – WALGA

### Others in Attendance

- Ian Duncan (ID) – WALGA
- Kevin Pethick (KP) – MRWA
- Rebecca Lewis (RL) – MRWA (Secretariat)
- Shane Purdy (SP) – IPWEA

### Apologies

- Mayor Mark Irwin (MI)
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## 1.1 Welcome and Apologies

The Chair opened the meeting at 1:10 pm and welcomed new member Mayor Mark Irwin and Matt Fanning to the SAC Committee. The Chair noted the apology from Mayor Mark Irwin.

## Conflicts of Interest

Karen Chappel and Matt Fanning declared conflicts of interest in relation to this item 5.5 Roads 2040 Additional Roads.

The Chair noted that a register of relevant interests template would be circulated out of session for each SAC Voting Member to complete.

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## 1.2 Update on Fuel Disruption

The Chair advised that in response to disruption to supplies of fuel and other products including bitumen, the State Government has initiated a series of working groups including the road transport and housing / land development industries.

Currently there has been little disruption to Main Roads projects.

Noted that supply of diesel to rural areas is currently the key concern with increased costs to impact on all road projects. Contractors and bitumen suppliers remain confident in ongoing availability.

In response to diesel supply and price concerns the Government has decided to:

1. Allow accredited road trains carrying fuel, fertiliser, lime, lime sand, milk, perishable food and bulk goods to increase payload by up to 10 tons; and
2. Commence a two-month trial permitting 53.5m long triple road trains that meet specified requirements to use Great Northern Highway between Muchea and Wubin. Further consideration is required to determine how this trial will be evaluated and whether this should be extended or become permanent.

Feedback from Local Governments indicated strong interest in understanding how the impacts on road pavements and industry compliance of these temporary arrangements to permit extra mass are being monitored by Main Roads WA. Main Roads advised that at this stage industry-wide effects are not being measured.

The bitumen importers have raised concerns with Main Roads that the current high prices may reduce demand for bitumen and result in surplus supply. Local Governments account for approximately 50% of bitumen usage.

Through the Ministerial Roundtable, the land development industry has requested Local Governments support road designs that may offset the increased prices for bitumen and basic raw materials. Both Main Roads and WALGA provided information on research that has been undertaken to support use of crumb rubber in bitumen and asphalt and crushed recycled concrete for low-traffic roads.

Discussed potential implications of the Road Transport Contractual Chain Order issued by the Fair Work Commission on road project delivery.

## 2. MINUTES OF PREVIOUS MEETING

The draft minutes of the meeting held on Tuesday, 2 December 2025 were accepted as a true and accurate record of proceeding.

### 2.1 Summary of Outstanding Actions

Reference	Item / Officer	Status	Action Required
December 2025 – 2.2	Outstanding Actions – September 2025 – 3.1 – Update to SRFLGA Procedures – RPG Funding (RL)	Complete – 14 December 2025	Procedures were updated and published on the Main Roads website on 10 December 2025. Changes were communicated to all regions on the same date.
December 2025 – 1.1	Agreement Commitments – Aboriginal Employment – Trial Communications (DS)	Closed Out	Provide a summary report on Aboriginal employment trial outcomes and lessons learned to date, focusing on the City of Swan and Shire of Northam, for discussion.  04 May 2026 – Closed out As there were no definitive outcomes or data from the trial this item has been closed out in favor of a different reporting method. See item May 2026 – 5.4.
December 2025 – 5.5	Agreement Commitments – Aboriginal Employment (DS)	Ongoing	DS to develop and provide an out-of-session report outlining the Aboriginal employment update.
December 2025 – 4.1	Expenditure Profile / Sub-Programs 2025–26 (KP)	Complete	KP to liaise with the Metropolitan Region regarding projects that have not yet submitted invoices and consult with Reza to determine the next steps.
December 2025 – 4.1	Expenditure Profile / Sub-Programs 2025–26 (DM)	Complete	DM to provide an update regarding the increase in bridge inspections / bridge expenditure and progress on increasing in-house bridge inspection capacity.
December 2025 – 6.3	Heavy Vehicle Services (DS)	Ongoing	DS to review the CA07 change and advise SAC.
December 2025 – 6.4	Roundtable / Other (MC)	Complete	MRWA and WALGA have formed a working group and held the first meeting. MRWA and WALGA to continue reviewing road condition data collation options and report back to SAC.
December 2025 – 6.4	Roundtable / Other (MC)	Complete	Review and report back on the timetable for the Black Spot Program.

## 3. CORRESPONDENCE

### Gascoyne Letter – APV Model

Main items within the letter;

- The Committee received a letter from the Gascoyne Regional Road Group supporting the recommendations of the Office of the Auditor General report *Maintaining Regional Local Roads* and advocating for a review of the Asset Preservation Model (APM). The letter highlighted concerns regarding the age, complexity and transparency of the current model, the impacts of freight and heavy vehicles on regional roads, and the challenges faced by regional Local Governments in managing road assets. The Group recommended a modernised and simplified APM, improved access to asset management systems and data, and greater recognition of regional construction and material constraints.

It is noted that the model is owned by the Grants Commission and is used for the distribution of Federal as well as State funding. Any update to the model would have to be requested of the WA Grants Commission.

**Action Item:** Send a response to the RRG advising that the APV model is managed by the WA Local Government Grants Commission who would need to initiate any review and propose amendments to the model.

Send advice to the WA Local Government Grants Commission regarding the matters raised.

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### Gascoyne Letter – SAC Membership Structure

Main items within the letter;

- The Committee received a letter supporting the Gascoyne WALGA Zone proposal for changes to the SAC membership structure, including additional regional and remote regional representation. The letter also supported allowing non-elected members to serve as SAC representatives in accordance with the SRFLG Procedures. Clarification was sought regarding the SAC appointment process, particularly the role of the WALGA President, the absence of SAC vacancies from the Selection Committee process, and why nominations for SAC membership are not publicly called for.

It was noted that a selection process had been undertaken by WALGA to select the current members of SAC. Also that the procedures note that the WALGA CEO is to be a member of SAC but is silent on how the other WALGA members are to be selected.

**Action Item:** WALGA will respond to the RRG outlining the current process undertaken.

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## SWRRG Commodity Route Fund – Shire of Manjimup

A request was received to increase Commodity Route program funding from \$4 million to \$10 million per year.

Given that the 2026-27 budgets have been finalized and that the 2027-28 program development is underway the Committee agreed that this would be reviewed as part of discussions for the next Agreement.

**Action Item:** To establish and maintain a list of specific discussion items for the next Agreement.

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## SWRRG Bridge Funding – Shire of Manjimup

The Chairperson of the SWRRG formally requested that the State Roads Funds to Local Government Advisory Committee (SAC) consider a motion passed at the SWRRG Elected Members meeting held on 24 November 2025 regarding a review of current bridge funding arrangements.

The motion requested WALGA advocate to SAC for the review, with representation from the SWRRG Technical Committee included in the process, and for findings to be reported back to SWRRG at its July 2026 meeting. Background information supporting the motion was also provided to SAC for consideration.

**Action Item:** Arrange a meeting between MRWA & WALGA to discuss the bridge funding arrangements.

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## Shire of East Pilbara – MCA Model

The Committee received correspondence from the Shire of East Pilbara advising that the Pilbara Regional Roads Group was unable to reach agreement on the methodology for the Multi-Criteria Assessment (MCA) model for road funding allocations. The letter outlined ongoing disagreement since changes to the funding allocation model in 2023, particularly between larger population LGAs and those with extensive road networks. Concerns were also raised regarding short notice provided to deputised representatives and insufficient time and information to support informed decision-making. Minutes of the Pilbara RRG meeting and supporting documentation on the MCA review process were provided for the Committee's information.

Discussion around the autonomy of the RRG and previous support provided on this issue was noted. Given that two of the members were new and they felt that they were not across the issue to confidently select an option, it was decided to request the RRG to review.

**Action Item:** The matter would be referred back to the RRG for resolution with the support from Main Roads Pilbara Regional Office staff.

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## 4. FINANCIAL REPORTS

### 4.1 Expenditure Profile by Sub-Programs 2025–26

SAC noted the expenditure report for the period ending March 2026.

#### 2025–26 Financial Year Summary

##### *Overall – Local Roads Program*

- 2025–26 Budget: \$371 million
- Expenditure YTD (March): Approximately \$245 million (66% of budget spent)
- Forecast to 30 June 2026: Approximately \$348 million
- Variance: \$23.7 million under budget

##### *Road Project Grants*

- 2025–26 Budget: \$183 million
- Expenditure YTD (March): \$107.382 million (59% of budget spent)

Compared to last year:

- 2024–25 Budget: \$163 million
- 2024–25 Expenditure (March): \$82.049 million (50% of budget spent)

Road Project Grant claims relative to budget are 9% higher than the same period last year; however, the forecast does not appear to accurately reflect likely end-of-year expenditure.

##### *State Black Spot on Local Roads*

- 2025–26 Budget: \$30.3 million
- Expenditure YTD (March): \$7.4 million

Compared to last year:

- 2024–25 Budget: \$24 million
- 2024–25 Expenditure (March): \$6.8 million

Expenditure YTD is lower than the same time last year.

SAC noted that Reza is working with the MRWA Black Spot Team as part of his responsibilities as the WALGA Local Roads Program Manager.

#### *Bridge Works*

- 2025–26 Budget: \$13.3 million
- Expenditure YTD (March): \$4.9 million (37% of budget spent)

Compared to last year:

- 2024–25 Budget: \$17.4 million
- 2024–25 Expenditure (March): \$6.1 million (35% of budget spent)

The percentage spent is slightly higher than last year.

#### *Bridge Inspections L2 and L3*

- 2025–26 Budget: \$4.9 million
- Expenditure YTD (March): \$1.9 million (39% of budget spent)

Compared to last year:

- 2024–25 Budget: \$3.4 million
- 2024–25 Expenditure (March): \$1.402 million (41% of budget spent)

The percentage spent is slightly lower than last year.

DM advised the Committee that bridge inspections are up to date and that the funding allocation assigned to the bridge inspections program can be reduced. Updated cash flows have been provided to RL.

#### *State Initiatives*

- 2025–26 Budget: \$46.5 million
- Expenditure YTD (March): \$49.7 million (\$3.2 million overspent)

Compared to last year:

- 2024–25 Budget: \$47 million
- 2024–25 Expenditure (March): \$31.4 million (67% of budget spent)

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## 4.2 Australian Government Program (Black Spot) 2025–26

SAC noted the report.

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## 5. GENERAL REPORTS

### 5.1 WALGA Local Roads Program Manager

The Committee noted the Metropolitan and South West Regions Local Road Program Delivery Status Report.

The majority of 2025–26 Metropolitan rehabilitation projects have been completed, with most of the additional shovel-ready projects approved during the year yet to be completed and will be impacted by recent bitumen cost increases.

Unit rates for 2027–28 submissions have increased to reflect projected construction cost increases. Ongoing bitumen price increases may significantly impact future program costs.

Road Improvement Program delivery continues to be affected by Western Power works, traffic signal approvals, and delays in line marking invoices.

State Black Spot Program delivery and acquittal remain a concern, with a high proportion of 2026/27 projects (on a dollar basis) assessed as medium to high delivery risk.

The South West Regional Road Group advised that project delivery and funding acquittal performance has improved significantly, with expected reductions in funds to be carried-forward.

Native vegetation clearing permit appeals continue to delay some State Black Spot projects.

WALGA is coordinating a Native Vegetation Clearing Workshop on 21 May at the City of Kwinana involving Local Governments, DWER, DBCA and LGIS.

Various meetings and workshops involving Main Roads WA, Western Power, WALGA and Local Governments were attended between December 2025 and April 2026.

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### 5.2 MINDER

The Committee noted key projects including:

- Road Assets and Expenditure Report modernisation
- Revised Road Visual Condition Assessment Manual

Financial variances were primarily attributed to delayed recruitment and savings achieved through internal delivery of the Road Asset and Expenditure data collection and analysis automation project.

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## 5.3 Regional Road Group Report

The Committee noted the May 2026 Regional Road Groups Report and advised that all ten Regional Road Groups met between February and May 2026.

Key discussion items included:

- 2025–26 project delivery
- Proposed 2026–27 programs
- Road safety initiatives
- Bridge inspections
- DRFAWA procedures
- Resourcing
- Traffic management costs
- Rising bitumen and diesel prices

Inductions for Regional Road Group delegates were also undertaken following the October Local Government elections.

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## 5.4 Agreement Commitments

The Committee discussed progress on Aboriginal Employment commitments and noted ongoing challenges associated with reporting on overall Aboriginal Employment statistics.

Support has been provided by the City of Swan and the Shire of Northam; however, four additional Local Governments approached had not been in a position to provide assistance.

Concerns were raised regarding how to progress the commitments outlined in the agreement during the first two years. During discussions two recording possibilities emerged. One being that of Direct Employment by the Local Government and the other of engagement of Aboriginal Listed Businesses.

**Action Item:** DS to develop a system for collecting aboriginal employment and aboriginal business data with the second and final payment claims. It was agreed that the requirement to collect the data would also be highlighted on the first claim form.

The Committee also noted that recycled material data has been captured through the second-year inventory survey and this was progressing well.

An update on Road Safety initiatives is expected to be presented to SAC by December 2026.

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## 5.5 Roads 2040 Additional Roads

The Roads 2040 report was endorsed.

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# 6. GENERAL BUSINESS

## 6.1 Local Roads Program 2026–27 (Indicative)

### Budget 2026–27 Local Roads Program

- Budget: \$323,770,000

The Local Roads Program budget has increased from \$307.553 million in 2025–26 to \$323.770 million in 2026–27, reflecting a \$16.217 million increase, equivalent to a 5.27% uplift.

The Committee endorsed the program.

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## 6.2 Roundtable / Other

### Regional Road Group – Policy and Procedures Manual

*Kimberley, Great Southern and South West*

The Committee endorsed the proposed Kimberley, Great Southern and South West procedures as being consistent with the requirements outlined in the SAC Procedures.

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## 6.3 For Noting

- Heavy Vehicle Services
  - Classifications and Proclamations
  - Future State Roads Review
  - LGTRIPP Report
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# 7. NEXT MEETING

Wednesday, 9 September 2026 1:00 pm – 3:00 pm Room DAC CMR Large Conference – Matagarup Room

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## 8. MEETING CLOSE

The meeting closed at 3:00 pm.

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## ACTION ITEMS REGISTER

Reference	Item / Officer	Action Item
May 2026 – 3.0	Gascoyne Letter – APV Model The Gascoyne RRG requested that SAC review the APV Model.	04 May 2026 - New A response is to be sent noting the above and that SAC is not in a position to make changes to the APV model and the feedback will be given to the grants commission.
May 2026 – 3.0	SWRRG CRF – Shire of Manjimup Requested that CFR pool be increased from \$4 to \$10m,	04 May 2026 - New A new Agreement for the 2028–29 period onwards will be developed in due course, and this matter will be formally noted and considered as part of the agreement development process.
May 2026 – 3.0	SWRRG Bridge Funding – Shire of Manjimup	04 May 2026- New Arrange a meeting between MRWA & WALGA to discuss the bridge funding arrangements
May 2026 – 3.0	Shire of East Pilbara – MCA Model	04 May 2026 -New Refer the matter back to the Pilbara RRG for resolution.
May 2026 – 5.4	Agreement Commitments – Aboriginal Employment (DS / ID)	04 May 2026-New DS to develop a system for collecting aboriginal employment and aboriginal business data with the second and final payment claims. It was agreed that the requirement to collect the data would also be highlighted on the first claim form.
December 2025 – 5.5	Agreement Commitments – Aboriginal Employment (DS)	Provide an out-of-session report outlining the Aboriginal employment update.
December 2025 – 6.3	Heavy Vehicle Services (DS)	Review the CA07 change and advise SAC.