



## DIRECTOR SHIRE SERVICES REPORT

11th April 2006

<b>DSS3</b>	<b>AUSLINK STRATEGIC REGIONAL PROGRAM</b>
	<b>FILE: 101 NJT {Folio No. *}</b>

### SUMMARY:

The Federal Government is seeking project nominations under the Auslink Strategic Regional Program.



### DESCRIPTION:

Council received correspondence in March 2006, from both the Hon. Jim Lloyd MP, Minister for Local Government, Territories and Roads, and, The Hon. Mark Vaile MP, Member for Lyne, Deputy Prime Minister, Minister for Trade, outlining the Federal Governments Auslink Strategic Regional Program.

A total of \$250m is being made available through the program, with \$127m on offer for the first round of projects for which applications close on the 1<sup>st</sup> May 2006. Nominations have been called for proposals to "build regional land transport infrastructure that supports industry, tourism and economic development".

The **object of the program** is to consolidate and maximise the available funding for an **innovative land transport project of regional significance**. The Auslink Strategic Regional Program has a strong emphasis on a shared funding approach. The expectation is for all stakeholders involved in the submission to provide a significant contribution to the project. **All funding pledges are required in writing and should be provided with the proposal.**

Guidelines for project nominations are quite stringent, as to the type of projects that would be considered. These projects will be allocated to Local Government through a competitive, merits based project nomination and assessment process. Eligibility includes the following requirements: -

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- Funding contributions from the Council and other parties including state government;
- A rise from demonstrated collaborative regional planning processes and have local regional support;
- Enhance the ability of regional industries and communities to compete in the national and global market place.

This is not just a funding program for roads projects but could include rail and transport inter-modal projects.

Two roads that have been mooted as possible suitable projects for an application for funding under Auslink Strategic Regional Program are:

1. Maria River Road - The estimated cost of sealing the remaining 12km of unsealed road in Kempsey Shire is approximately \$2.95 million.

The estimated cost for Port Macquarie-Hastings Council to seal 13km of unsealed road from the boundary of Kempsey Shire to Port Macquarie is approximately \$3 million.

The difficulty of upgrading this section of road would be the increased traffic volume which would place enormous strain on the existing ferry crossing over the Hastings River. It is considered that the bridging of the Hastings River would need to be in place, before any substantial upgrade of Maria River Road could be contemplated.

2. The road to Taylors Arm consisting of 3 roads - Hickeys Creek Road, Billybyang Creek Road, and Sundowners Road within Kempsey Shire.

The estimated cost of sealing the remaining 5.8km of unsealed road in Kempsey Shire is \$1.1 million.

The existing sealed length of Hickeys Creek Road requires significant rehabilitation. The estimated cost to rehabilitate this section of road is \$315,000.

The estimated cost for Nambucca Shire Council to seal 10.5km of unsealed road from the boundary of Kempsey Shire to Taylors Arm is \$2.75 million.

The difficulty for Kempsey Shire Council, and, both Nambucca Shire Council and Port Macquarie-Hastings Council, is their combined ability to co-fund such significant projects.

Council's current proposed 3 year budget does not allow for this magnitude of funding for such projects. It is recommended that Council not nominate any projects under Auslink Strategic Regional Program, due to existing funding constraints, and the inability to

seek adequate approvals and support, from other Councils in writing, prior to the submission of an application.

**REPORT IMPLICATIONS:**

- *Environmental*

*There are no environmental implications from the following resolution.*

- *Social*

*There are no social implications from the following resolution.*

- *Economic (Financial)*

*There are no economic implications from the following resolution.*

- *Policy or Statutory*

*There are no policy or statutory implications from the following resolution.*

**Acting Director's Review**

*The program definitely has merit, however does require significant financial commitment from Council. To achieve such a commitment, Council would need to reconsider the capital works programs it has listed in the budget, currently under consideration.*

**RECOMMENDATION:**

**Council not nominate any projects under Auslink Strategic Regional Program, due to budgetary constraints.**

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**A P Vermeulen  
Acting DIRECTOR SHIRE SERVICES**