

Australian Land Transport Development (ALTD) Act 1988
National Highway and Roads of National Importance
Notes on Administration

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Part One - General Matters

1.1 Definitions

Definitions are the same as those set out in subsection 3(1) of the ALTD Act. Other terms used in these Notes are:

The Act or the *ALTD Act* means the *Australian Land Transport Development Act 1988*

Department means the Department administered by the Minister.

Minister means the Commonwealth Minister administering the ALTD Act.

RONI means Roads of National Importance.

SRA means a State (or Territory) Road Authority.

A reference to a State or the States includes the Australian Capital Territory and the Northern Territory.

The contact in the Department for National Highway and RONI matters is:

The Assistant Secretary
Roads Investment Branch
Department of Transport and Regional Services
GPO Box 594
CANBERRA ACT 2601

1.2 Declarations

Roads forming part of the National Highway are declared by the Minister under subsections 4(1) and 4(2) of the Act.

RONI are classified as National Arterial Roads for the purposes of the Act and are declared by the Minister under subsection 5(1).

1.3 Service Centres

The Commonwealth recognises the importance of service centres along the National Highway and will accommodate planning for them provided that they do not unduly reduce the safety or efficiency of the Highway. The Commonwealth will not meet the cost of providing access to service centre sites.

Announcements about the development of service centres on the National Highway are to be made jointly by the Minister and the relevant State Minister. The relevant SRA is to liaise with the Department on arrangements for joint announcements.

1.4 National Code of Practice for the Construction Industry

Definitions:

Code means the National Code of Practice for the Construction Industry **and the** Industry Guidelines published by the Department of Employment and Workplace Relations.

Copies of the National Code, the Implementation Guidelines and Industry Guidelines are available at the Department of Employment and Workplace Relations Australian Workplace portal at <http://www.workplace.gov.au/building>.

Code project means a project approved under the ALTD Act on or after 1 January 2004 and where:

- the value of the Australian Government's contribution for that project is at least \$5 million and represents at least 50 per cent of the total project value; or
- the value of the Australian Government's contribution is \$10 million or more irrespective of the proportion of Australian Government funding.

Australian Government policy has directed that its funding for all indirectly funded projects is conditional on adherence to the Code and the Implementation Guidelines.

Funding under the ALTD programme for the construction of projects approved on or after 1 January 2004 is conditional on the State agreeing to apply the Code. Compliance with this requirement is set out in **paragraphs 7.6 and 9.2** and **Appendix 2**, and **Appendix 7** of these Notes.

A SRA is to ensure that the Code is formally applied to Code projects and ensure that all contracts, subcontracts, tendering processes or expressions of interest entered into for the construction of the project include the requirement to comply with all elements of the Code.

A SRA is to maintain adequate records of compliance with the Code and also inform the Department of alleged breaches of the Code.

Monitoring compliance with the Code may involve project site visits and reviews by the Interim Building Task Force (IBIT).

1.5 Competitive Neutrality

Commonwealth funding to a State for works awarded to a State business enterprise or local government authority is conditional on the State meeting its commitment to the principles agreed between that State and the Commonwealth under the National Competition Policy Agreement.

These include a competitively neutral treatment of private sector and Government entities in contracting for works on the National Highway or on Roads of National Importance.

1.6 Eligible and Ineligible Costs (National Highway)

The Commonwealth accepts financial responsibility for the National Highway within the scope of its objectives for the highway (see **Part 2**) and within budget funding constraints.

The Commonwealth will fund, for works on the National Highway:

- costs directly attributable to an approved project including the costs of planning, letting contracts, project management and project supervision;
- administrative costs attributable to the management of the National Highway network within a State. These costs may be allocated to individual projects, and are limited to 4% of the direct costs of the individual project;
- acquisition of land for the road reserve;
- maintenance;
- public rest areas beside the Highway;
- reasonable provision of service roads which are necessary to replace substantial loss of direct access from abutting properties to the National Highway due to works on the National Highway;
- reasonable level of connectivity to State and local roads;
- noise abatement treatments; and
- costs in meeting the reasonable requirements of environmental and heritage authorities.

The following costs are ineligible for funding under the National Highway program:

- provision of access to privately constructed developments such as service centres, and industrial, shopping and housing developments;
- town beautification;
- parking lanes or other adjacent works through towns; and
- purchase of road-building plant or equipment.

Funding for works in towns through which the National Highway passes will be restricted to the same number of lanes as those carrying traffic on the National Highway approaches to the town or in line with the standards proposed for that section of the National Highway where an upgrade is proposed on the approaches to the town.

1.7 Financial Management of the ALTD Roads Program

Funding for the roads program is determined annually by the Commonwealth Government and credited to the ALTD Special Account for payments to the States for expenditure on approved National Highway and RONI projects.

Each year the Minister determines a Program of Works for each State setting out the Commonwealth's budget for expenditure by the State on approved projects and endorsed new projects for the first year of the program and an indicative budget for the subsequent three Forward Estimate years. The budgeted expenditure total for each year shown represents the Commonwealth's expense budget for the State for the year shown in accordance with the Commonwealth's accrual budgeting and reporting framework. The budget for each of the financial years is based on matching the Commonwealth's commitments for existing and new projects against funding provided from annual appropriations and estimated movements in the amount of unspent funds carried over by the States from the previous financial year.

The Program of Works is normally advised to the States shortly after the Commonwealth budget is introduced in the House of Representatives. The Program's expenditure budget may be subsequently adjusted at the State and project level after the previous year's result of the State's expenditure and carried forward of unspent funds have been determined to ensure that Commonwealth funds are not over-committed.

The Department will monitor State expenditure against budgeted expenditure, both at the State and project level. Where major variations emerge the Department will make recommendations to the Minister to revise the budget at the State or project level in order to best achieve the Commonwealth's objectives within the budget.

Payments to the States are based on their expenditures on approved projects in accordance with the principles explained in **Part 8** of these Notes. The Commonwealth may limit payments for particular projects to the limit of their budgeted expenditure as advised in the Program of Works. Total payments to the States in a given financial year cannot exceed funds appropriated for the ALTD roads program for that year.

1.8 Cost Estimates

The States are to provide updated cost estimates that are as accurate as possible at each stage of approval and advise the basis on which the estimates were made. If there is a substantial variation between the estimate provided at an early stage and later estimates the Commonwealth may review its commitment to the project.

All cost estimates provided in respect of the ALTD program must be net of the Goods and Services Tax (GST) cost component on supplies. Funding will not be provided for GST paid on supplies as the States will obtain the full input tax credits for these amounts.

1.9 Standards

Standards and guidelines for the construction of the National Highway are being updated, and the States will shortly be consulted on the proposed amendments. In the meantime the States should consult with the Department on the standards proposed for new works on the National Highway.

Maintenance standards are being developed. In the meantime, the maintenance program for the National Highway is agreed with each of the States in their Maintenance Performance Agreements (see **Part 6** and **Appendix 5**).

1.10 Data

Funding under the ALTD program is conditional on the State meeting expediently the Commonwealth's requirements for data and other information.

1.11 Audit of Systems and Records

Funding under the ALTD program is conditional on the State permitting, at all reasonable times, a person appointed by the Commonwealth to audit the State's systems and records used for managing the ALTD program.

Part Two - National Highway Objectives

The objectives of the National Highway program are to:

- facilitate overseas and interstate trade and commerce;
- allow safe and reliable access by a significant proportion of Australians to major population centres;
- minimise the cost of the National Highway to the Australian community;
- support regional development; and
- contribute to ecologically sustainable development.

The Commonwealth provides funding for both construction and maintenance works on the National Highway.

NOTE: These objectives are currently being reviewed in consultation with the States and other stakeholders. The Notes will be updated when the process is complete.

Part Three - Guidelines for Roads of National Importance

3.1 Declarations

Roads of National Importance are defined as National Arterial Roads for purposes of the ALTD Act.

Commonwealth funding is limited to identified projects. Other works and ongoing maintenance remain the responsibility of the State.

3.2 Guidelines

- Roads of National Importance will promote regional and national development by:
 - encouraging inter-regional and international trade in goods and services;
 - improving national competitiveness, by maximising transport efficiency and reliability; and
 - allowing for quick adjustments to the pattern and nature of trade in response to emerging national and international opportunities.
- The Commonwealth will provide funding to the States, on a cost sharing basis, for construction projects (not on-going maintenance) on roads that demonstrate their national character by satisfying the above and which:
 - form part of an integrated transport and land use strategy to
 - improve access to major centres of economic activity (for example, manufacturing, agricultural, mining or tourism) by removing bottlenecks or other impediments to efficient road performance, or
 - improve links to the National Highway or major transport facilities (for example, ports, roads and rail terminals, intermodal terminals and airports), or
 - allow people, goods and services to move more freely within major urban and provincial centres, in accordance with the planning objectives for those centres;
 - promote improvements in safety, efficiency and reliability, including the use of new transport technologies;
 - contribute to achieving environment targets, particularly relating to air quality and greenhouse gas emissions; and
 - produce net economic benefits.
- Funding will be focussed on those areas of network inadequacy where the largest net benefits, in terms of achieving national economic and social objectives, can be secured in the shortest timeframe, and be subject to the accountability requirements applying to other payments made under the Australian Land Transport Development Program, including open tendering for all projects.

Part Four - Forward Planning

4.1 General

These notes cover the information to be provided by the States in their annual Forward Strategy Report to enable the Department to develop the Program of Works for the National Highway and Roads of National Importance for approval by the Minister.

4.2 Program of Works

The Program of Works is the Commonwealth's budget for State expenditure on identified works on the National Highway and Roads of National Importance for the first financial year and an indicative budget for the three subsequent years. The draft Program is developed annually by the Department based on the information provided by the States in their Forward Strategy Report.

The Program will be designed to best meet the National Highway objectives and Roads of National Importance guidelines within Commonwealth funding parameters.

The Program will also provide an estimate of Commonwealth funding to be provided each financial year to meet budgeted State expenditures under the program. This will be calculated as follows:

Budgeted State expenditure

Less:

A reasonable amount of unspent Commonwealth funds to be brought forward from the previous financial year.

Plus:

A reasonable amount of unspent Commonwealth funds to be carried forward into next financial year.

Equals:

Estimated Commonwealth funding to be provided in the financial year.

After the Federal Budget has been introduced in the House of Representatives, the Minister will forward to each State the Program of Works relating to their jurisdiction.

4.3 Forward Strategy Report

Every State must submit a Forward Strategy Report by 31 December each year. Information required in the report is explained below.

4.4 Approved Major Works

The Forward Strategy Report is to show the following for each major work in progress:

- Federal project number;

- project description;
- approved funding amount;
- estimated cost of completion;
- actual or estimated commencement date
- estimated completion date; and
- proposed funding requirements for each of the five financial years.

4.5 Proposed New Major Works

The Forward Strategy Report gives the States an opportunity to submit major new works for inclusion in the works program. The information to be provided is to cover the following:

- how the project meets the objectives for the National Highway;
- a description of the existing deficiency in terms of the physical asset itself and in failing to meet the objectives for the National Highway;
- details of the
 - scope of project
 - estimated cost of project and basis of estimate
 - estimated benefit/cost ratio of the project
 - duration of project
 - expenditure profile on an annual basis
 - route options (if applicable)
 - likely community and environment issues (if applicable);
- the Federal project number (if one was issued at a previous approval stage);
- estimated commencement date;
- estimated completion date; and
- proposed funding requirements for each financial year.

The above information requirements are to enable the Minister to assess whether or not to approve the proposal for inclusion in the Program of Works. Inclusion in the program does not by itself constitute funding approval for the project. **Part 5** explains the process to be followed for seeking funding approval for major works.

4.6 Minor Works Program (National Highway)

The Forward Strategy report is to provide a list of projects in progress and new projects expected to commence in the next financial year, and include for each:

- a description of the project, and the need for it;
- the estimated cost; and

- estimated expenditure requirements for the financial year.

4.7 Maintenance Program (National Highway)

The Forward Strategy Report is to outline Maintenance programs based on best preserving the road asset and meeting performance standards at lowest whole of life cost. Information to be provided in the Forward Strategy Report is used to supplement the information provided in the maintenance performance agreements (see **Part 6**) and includes:

- proposed total maintenance expenditure on a corridor basis for each of the next three financial years.
- description and cost of the proposed reseal program for each of the next three financial years; and
- description and cost of proposed rehabilitation works for each of the next three financial years.

Part Five - Funding Approval for New Major Works

5.1 General

These notes explain the principles and processes for seeking the Minister's funding approval for major works.

A SRA will be expected to commit to ensuring the application of the Code to a Code project at the time construction approval is sought.

5.2 Project Scope

Projects submitted for approval should normally encompass all works required to complete a discrete section of road without the need for the submission of further proposals. Where practicable, large projects should be designed to allow progressive opening of sections of road to traffic. In the case of very high cost works, sizeable and discrete works within these sections, such as bridges and interchanges, may be approved separately to expedite construction.

The Minister may aggregate or disaggregate works for approval as appropriate.

5.3 Timing of Approvals

A project will only be formally approved when there are sufficient funds to enable the Commonwealth to make payments arising under the approval, taking into account its commitments for existing approved projects.

Before the Minister can approve funding for physical works the Commonwealth's environmental and heritage requirements must be met (see **Appendix 4**).

Approval for funding should not be pre-empted. The Commonwealth does not accept an obligation to reimburse expenditures incurred by a State on an unapproved project.

No community consultation should be undertaken that could raise public concern or expectation as to Commonwealth funding for a project without the Department's consent.

5.4 Approval Stages

Funding for major works may be approved in one, two or three stages, depending on the project's complexity. The staging of approvals allows the Commonwealth to review its commitment to the next stage of development as estimates of the project's funding profile and timing become more accurate.

Before the Department can recommend approval of a particular stage of a project, it needs to examine its economic and technical feasibility. For this reason the State concerned must provide a Project Proposal Report containing information as set out in **Appendix 3**.

The stages of approval cover funding for defined activities in the project's development life as explained below.

Stage 1 – Strategic Planning Studies

This stage covers funding for strategic planning studies for road corridors and certain major work proposals.

The purpose of corridor strategy studies are to identify existing and emerging deficiencies in the highway system and develop solutions that best meet the Commonwealth's objectives. The terms of reference and the scope of the studies will be determined by the Commonwealth in consultation with the relevant States and they will be carried out in partnership with the States.

This stage also covers funding for planning studies for individual projects determined by the Minister as being significant in terms of size and cost or which are likely to have significant community or environmental impacts.

The Commonwealth reserves the right to participate in the management of planning studies.

Stage 2 –Pre-construction Activities

Stage 2 approval is for pre-construction activities necessary to develop the project to the stage of calling tenders for construction and for planning costs not previously funded in Stage 1.

The Stage 2 period allows the State to refine the cost estimate of project completion and to carry out community consultation and environmental assessment. Before proceeding to Stage 3 approval, the Commonwealth will need to have confidence in the accuracy of the cost estimate for the project's construction.

Stage 3a – Construction Activities

The Stage 3a approval is for the construction of the project and for eligible costs incurred in Stage 1 and 2 not previously funded. All major works must have Stage 3a approval **before** tenders are called for construction.

5.5 Variations to Existing Approvals Under Section 27(1)(b)

A variation to the approved funding amount may be sought for Stage 1, 2 or 3 funding under Section 27(1)(b) of the Act.

An increase in approval will **not** be made unless the State justifies the variation to the Commonwealth's satisfaction. The Commonwealth may reject a request for an increase in funding approval if it considers that the original approval was based on an unsatisfactory proposal or that it arises from risks not accepted by the Commonwealth.

Advice on Contract Price

As soon as possible, but within 21 days after the primary construction contract has been let, a State must provide the Department with the prime contractor's tender price and an update of the total estimated cost of the project broken-up as follows:

- eligible planning and pre-construction costs (not previously funded under Stage 1 and 2 approvals);
- primary contractor tender price;
- allowance for rise and fall in accordance with contract provisions;
- other contracts
- contingency allowances; and
- SRA management/supervision costs for construction.

The Department will then arrange for a funding variation approval if necessary to reflect the revised cost of the project.

Subsequent 3b Variations

Requests for funding of small variations between the letting of the construction contract and the actual cost outcomes may be submitted as a single variation when the final cost of the project is known. These variations will need to be substantiated to the satisfaction of the Commonwealth.

The Department must be advised immediately if during construction the State becomes aware that the project's costs are likely to significantly exceed the amount approved. A significant variation is either 10% of the approved amount or \$1 million, whichever is the lesser.

5.6 Variations in the Scope of Projects Under Section 27 (1)(a)

Approval is required under Section 27 (1)(a) to vary the scope of a project. Changes must be individually costed and justified before any variation to the approval will be considered. Details of the proposed variation in scope sufficient to meet the Commonwealth's information requirements as set out in **Appendix 3** will need to be provided. (Relevant information already provided need not be re-supplied.)

5.7. Aggregation/Disaggregation of Works

The Minister, after consultation with a State, may direct that:

- a number of works, for which it had been intended to invite tenders separately, be aggregated for the purpose of inviting tenders; or
- one large project for which it had been intended to invite tenders be disaggregated into a number of separate works for which tenders are to be called separately.

5.8 Application of the National Code of Practice for the Construction Industry

A SRA is to ensure that the Code is formally applied to Code projects and ensure that all contracts, subcontracts, tendering processes or expressions of interest entered into for the construction of the project include the requirement to comply with all elements of the Code.

The obligations on an SRA are set out in **Appendix 7**.

A SRA is to maintain adequate records of compliance with the Code and also inform the Department of alleged breaches of the National Code.

Monitoring compliance with the Code may involve project site visits and reviews by the IBIT.

Part Six - Asset Preservation (National Highway)

Asset preservation covers maintenance, rehabilitation and minor works on the National Highway.

Expenditure by a State on rehabilitation will be used to assess the State's overall performance in preserving the National Highway asset.

6.1 Maintenance Program

Maintenance of the National Highway consists of works and repairs to keep the road in a safe and trafficable condition but without increasing its capacity and includes road patrols, routine roadside treatments, grass cutting, line marking, shoulder grading, drain clearing, traffic systems maintenance and lighting, pavement resealing, and bridge maintenance.

The primary objective of the maintenance program is to best preserve the road asset and meet performance standards at lowest whole of life cost.

Rehabilitation projects may be combined with enhancement works such as road widening. To enable the effectiveness of the maintenance program to be gauged, the costs of the rehabilitation component of a construction project needs to be separately identified in the Forward Strategy Report for proposed new major works (**Part 4**) and in the Project Proposal Report (**Appendix 3**).

The Minister's funding approval for maintenance is conditional on the relevant State having entered into a maintenance performance agreement with the Department. Payments to a State for maintenance funding will be limited to 25% of its annual funding until the reports required under the agreement in respect of the previous year are completed to the satisfaction of the Commonwealth.

The Commonwealth's principles for entering into maintenance performance agreements with the States are set out at **Appendix 5**.

6.2 Long Term Maintenance Contracts

The Commonwealth supports the States entering into long term contracts for the maintenance of sections of the National Highway where this is likely to reduce costs and improve outcomes.

The State should consult the Department on the standards to be set for the National Highway under the contract. The contract should provide for the contractor to provide information on the condition of the National Highway and the expenditure break-up sufficient to meet the Department's needs.

Part Seven - Procedures for Inviting and Dealing with Tenders

7.1 Introduction

The purpose of these procedures is to ensure fair, open competition for contracts and to obtain the best value for money.

In accordance with Subsection 32 (1)(a) of the Act, tenders must be called for all construction and maintenance works, other than for maintenance works estimated to cost less than \$2,000,000 and exempt works.

7.2 Exempt Works

Exemption from calling public tenders for works may be sought from the Minister in accordance with Subsection 32(2) of the Act where the works are

- urgently required by reason of an emergency, or
- of such a minor nature that the invitation of tenders for those works would involve undue additional cost, or
- of a kind for which it is not practicable to prepare adequate tender specifications, or
- of a kind for which competitive tenders are unlikely to be received.

7.3 Federal Representation

The SRA shall allow for a Commonwealth representative to participate in the evaluation of tenders when requested by the Department. The Commonwealth representative will be provided with all information provided to other members of the tender committee as well as any other information requested.

7.4 Termination of Contract

Where the SRA, as principal to a contract, terminates a contract, the SRA is to advise the Department and provide proposals for completing the work.

7.5 Information Provided to Commonwealth on Tenders

A State will provide information on the tenders and evaluation of these if requested by the Department.

7.6 Construction Contracts

All parties invited to express interest in the construction of a Code project should be informed of the application of the Code to the project.

A SRA is to ensure that all contracts for the construction of Code projects include a requirement that the contractor comply with the Code. Model clauses for this purpose are included in **Appendix 7**.

A SRA is to ensure that the Code is formally applied to Code projects and ensure that all contracts, subcontracts, tendering processes or expressions of interest entered into for the construction of the project include the requirement to comply with all elements of the Code.

A SRA is to maintain adequate records of compliance with the Code and also inform the Department of alleged breaches of the Code.

Monitoring compliance with the Code may involve project site visits and reviews by the IBIT.

Part Eight - Payments to the States

8.1 Definitions

Due date of payment means the 22nd of the current reporting month provided the monthly report is received by the Department by the 13th of the current month.

8.2 Time and Manner of Payments

Commonwealth payments to the States are calculated on the basis of information provided by the States in their Monthly Progress reports as per **Appendix 2**. The calculated monthly payment for each State is generally paid in two equal instalments, nominally the 22nd of the current month and the 7th of the following month. Payment in respect of the Monthly Progress report for June will be made in one remittance.

Each payment instalment includes an advance to meet the State's cash needs until the next due date of payment. To enable the first instalment to be made by the first due date, a State needs to furnish a Monthly Progress report in time to the Department by the 13th of the month (refer **paragraph 9.1**). Late receipt of reports may delay payment and the Commonwealth may elect to make the payment in one remittance due on the 7th of the following month, or a later date depending on the date the report is received.

8.3 Payment Calculation

Payments are calculated to reimburse the State's eligible expenditure to date and meet the State's reasonable estimate of eligible expenditure to the next due date of payment. Eligible expenditure is defined as cash outgoings incurred by the SRA in respect of approved projects. For example, unpaid invoices on hand for approved projects expected to be paid in the current or following month would be reported in the Monthly Progress report as estimated expenditure. Expenditure on an unapproved project or in excess of a project approval is ineligible for payment.

The monthly payment is calculated as follows:

Current year to date expenditure:

Plus

100% of the estimated expenditure for the current month; and
75% of the estimated expenditure for the next month.

Less

Payments previously made in the current financial year; and
Unspent Commonwealth funds carried forward by the State
from the previous financial year.

Equals

Monthly payment

8.4 SRA Accounting Systems

The Department expects that State reported expenditure figures will be sourced from the SRA's main accounting systems and will reflect actual expenditure and reasonable estimates of the next month's expenditure on approved projects.

8.5 Repayments

If a State is paid an amount to which it is not entitled, an equivalent amount may be deducted from a subsequent payment to the State or must be repaid to the Commonwealth on request.

8.6 Expenditures to be Net of the Goods and Services Tax (GST)

Expenditures reported in the monthly progress report must be net of the GST component on supplies. This is because a State will be eligible for an input tax credit for all amounts of GST paid on supplies. Expenditures in the report must be compiled from GST compliant business systems.

Part Nine - Reporting Requirements

9.1 Monthly Reports on Progress

The States are required to provide to the Department a report on the progress of each approved project to the end of the relevant month by the 13th of the following month. A pro-forma for the required information (with an explanation of the report terms) is at **Appendix 2**. Where space is insufficient in respect to information required under Column 4, "Remarks", a separate attachment is required to be provided.

9.2 Certification by Chief Executive Officer

The Chief Executive Officer or his delegate is required to submit to the Department by no later than 31 December after the end of the financial year the following:

- a financial statement in accordance with **Appendix 1**
- a report by the Auditor-General of the State, stating:
 - whether the financial statement is in the form approved by the Minister;
 - whether in the person's opinion, the financial statement is based on proper accounts and records;
 - whether the financial statement is in agreement with the accounts and records, and
 - whether, in the person's opinion, the expenditure of money has been in accordance with the ALTD Act.
- a statement certifying that:
 - expenditure in accordance with the itemised break-up shown is for works carried out in accordance with the *Australian Land Transport Development Act 1988* and the Notes on Administration;
 - in the past financial year all tenders invited and contracts awarded for Federally funded projects for which there is a tendering requirement have been dealt with in accordance with the Act and Part 7 of these Notes;
 - during the past financial year signs have been erected in accordance with the Act and these Notes;
 - in accordance with Section 32 (1) of the Act the SRA has maintained quality systems, including pavement management systems, for the purposes of projects funded under the ALTD Act during the financial year;
 - in accordance with Section 36 (2) of the Act expenditures claimed for administration costs incurred on the programs of construction and maintenance on the National Highway during the year did not exceed 4% of direct expenditures claimed during the year on these projects; and
 - in respect of contracts for the construction of Code projects, the SRA has ensured that the contracts have required the contractor to comply with the Code in accordance with **paragraph 1.4** of these Notes.

9.3 Reporting of Structural Failures (National Highway)

States should advise the Department of any potentially serious pavement or structural failure on the National Highway as soon as practicable.

This early advice should be followed by a written report covering the following:

- an exact description of the problems being encountered;
- what remedial steps have been taken or are planned to deal with the problem;
- what costs have been, or are likely to be incurred because of the problem;
- any general conclusions that have been or can be drawn from the problems, eg. increased maintenance or reduced pavement life; and
- the system put in place to prevent recurrence.

Part Ten - Public Education and Recognition

10.1 Introduction

By accepting Federal Government funding under the ALTD Program, a State agrees to fulfil Commonwealth requirements for public education and recognition.

Recognition of the Commonwealth's contribution is to be consistent across all means of dissemination, including:

- strategy documents, videos and electronic databases;
- advertisements relating to all elements of a Federally-funded project, including those involving the calling of tenders and other aspects of a project;
- route selection reports, tender documents, maps, display material and other information products that relate to the project being funded or under investigation;
- media statements and electronic media 'grabs';
- publications associated with each project or groups of projects in a region or along a particular transport corridor;
- signs erected adjacent to projects, along transport corridors or on the project being funded (ie, a train);
- commemorative plaques and ribbons and temporary signs in prominent view at openings or during commemorative ceremonies; and
- invitations and order of proceedings associated with openings, launches, staged completions or other public activities.

In all cases, the Federal Minister, through his department, will be consulted about the wording, nature, layout, size and frequency of such items and the prominence of the Federal involvement depicted/represented.

Where a project is totally Commonwealth funded, Federal recognition in all its forms will have precedence over that of a State or its agencies.

Separate arrangements will apply in cases where projects are funded jointly (see below).

10.2 Media Statements

Media statements are an important means of drawing attention to projects funded under the ALTD Program. To avoid confusion about which level of government is responsible for Commonwealth roads/projects, statements about them should be made by the Federal Minister, but may be proposed by the State.

When a State Minister or representative, or SRA issues a formal public statement regarding Federally-funded road projects, the statement will include reference to the Federal contribution and be approved by the Federal Minister in advance of release.

Each State will gain the approval of the Minister for media statements concerning the immediate commencement of an ALTD program or project, the calling/naming of tenderers or other aspects (naming of a bridge or other structure, completion or opening of a stage of the project, an explanation of its function etc.)

Likewise, the Minister will be advised beforehand of inclusion within a State media statement, strategy document or other publicly available material of references to the ALTD Program or Federally funded transport projects. The Minister's approval is required to ensure consistency with the Federal program.

Joint statements with State Ministers may be appropriate, but are to be approved by the Minister and/or his staff

Pre-emptive statements by a State Minister or an official of a State transport agency to the effect that a project will be funded, in circumstances where the Minister has not given his formal written approval, may jeopardise funding for that project, as will statements relating to the construction timeframe for a project that is not consistent with the Commonwealth's strategy.

Obviously, circumstances exist where State officers should be free to comment about Federally funded roads or other Commonwealth projects eg. where there is a road closure due to flooding, a chemical spill or some other emergency.

Notwithstanding the above, draft media statements are to be submitted to the Minister well before their expected release. The timing of release will be at the discretion of the Minister or his staff.

Where projects are funded jointly, the nature and prominence given to each level of government will be proportional to its share of funding. For example, a joint media statement for a project funded equally by the Federal and State government will contain the crests of both governments and give equal opportunity to both Ministers (or their spokespersons) to comment on aspects of the project.

10.3 Brochures

When a brochure (whether for general information or a publication marking an official opening) is prepared for any Federally funded works, it must acknowledge the Federal contribution by way of:

- prominent wording stating that the project is Commonwealth funded and conforms with national land transport strategies;
- explains those strategies; and
- Commonwealth crest features prominently.

Where a State crest is depicted within a brochure, the Commonwealth crest will be given equal prominence. In accordance with protocol, the Federal crest will appear ahead of that for the State. Where the brochure features a State crest and that of its transport or road agency, the Commonwealth Government crest and the logo of the Department will also be depicted.

In designing a brochure, an opportunity will be afforded the Minister to include a message and, if he desires it, a personal photograph. Brochure copy and layout must be submitted for Commonwealth approval well in advance of printing.

The above procedure applies equally to information brochures distributed to affected households before, or during, construction.

10.4 Electronic Media Dissemination

The recognition criteria applying to brochures will also apply to television advertisements, video, Internet or other forms of electronic broadcast.

10.5 Signs

States are required to place permanent National Highway signs and green and gold route markers at agreed intervals on the National Highway. The form and size of signs is indicated at **Appendix 6**.

Signs indicating the nature of a Federally-funded project (ie, a bypass), its completion date and the fact that it forms part of the National Highway or a RONI will be placed at either end of the construction site in plain view of passing motorists and maintained for one year beyond the opening of the project. See **Appendix 6** for examples.

These signs should have prominence, in size and frequency, above that of the State, its administration agency and/or the contractor. The Federal Government requires that its sign is not dwarfed by State signs of greater number, size or prominence.

Centenary of Federation projects will be identified by that particular logo in conjunction with the Commonwealth logo.

Under sub-section 32(1) of the Act, the Minister may prohibit unconditionally the display of signs (other than traffic signs) on works funded under the ALTD Program

10.6 Opening/Commemorative Ceremonies

States organise opening or completion ceremonies on behalf of the Commonwealth. Wherever possible, these are to coincide with the date on which the project is first used by the public. Official opening ceremonies conducted after their actual first use detract from their media value.

States will develop, in conjunction with the Department, a forward program of official ceremonies to mark commencement and opening or completion of all Federally funded projects.

The Minister, or his representative, will open major projects funded under the ALTD Program. The relevant Federal Member(s) and/or Senator(s) will be invited to these ceremonies and other invitees approved by the Minister. In addition, details of proposed arrangements, including invitations for ceremonies, should be forwarded to the Minister for consideration well before they are proposed for issue.

Likewise, the order of proceedings is to be approved by the Minister.

Where a project is not to be officially opened, reasons should be provided to the Department and a draft media statement is to be provided announcing its completion. This will be issued by the Minister.

At all opening ceremonies, the lectern signs and signs adjacent to the plaque will be those of the Commonwealth or the Department in the case of projects fully funded by the Commonwealth. This requirement does not preclude the use of State or State agency signs, where appropriate, but should not dominate.

Signage prominence should be equal for jointly funded projects. Where the Commonwealth funding is less, State signage may have prominence.

10.7 Commemorative Plaques

Commemorative plaques unveiled at official ceremonies will acknowledge Federal Government involvement in the works. These plaques will be in accordance with the relevant specifications approved by the Minister. (See **Appendix 6**).

The Minister, through the Department, will approve the wording of all plaques.

Again, use of logos and crests will relate directly to the level of funding being provided by each level of government. In the case of National Highway projects or other works funded entirely by the Federal Government, a State or State agency crest/logo is not appropriate.

The use of two or more logos is acceptable where two or more levels of government are involved in meeting the cost. Other agencies (ie, a local government or port authority) may have logo recognition if they have contributed financially.

10.8 Commemorative Ribbons

Commemorative green and gold ribbons may be used for major Federally-funded projects. Generally, the use of logos and crests on the ribbon should be in keeping with that on plaques. Prominence should be given to the level of government that provided the bulk of funding. Where the Commonwealth funded the entire project, its logo alone is to appear.

10.9 Publications on Strategic Investment

From time to time, the Minister may require a State to publish - or otherwise disseminate publicly - a report that demonstrates the strategic nature of the Federal Government's investment in that State's transport network. Such a publication, or electronic equivalent, will be separate from the State's own road program documentation (or separate within the documentation) and demonstrate clearly that each level of government is responsible for a distinct group of roads and projects. Insofar as they relate to Commonwealth transport projects, the wording and layout of such publications will be approved by the Minister.

Appendix 1 **Financial Statement**

Australian Land Transport Development Act 1988

Category	Amount brought forward from previous financial year	Amount received year ended 30/6/xx	Total amount available for expenditure year ended 30/6/xx	Amount expended year ended 30/6/xx	Amount carried forward
	\$	\$	\$	\$	\$
National Highway					
Roads of National Importance					

(certificate of Chief Executive)

(certificate of Auditor-General)

Appendix 2 Monthly Progress Report

as at [Month End, Year]

[1] Federal Project No and Name	[2] Commence- ment Date (d/m/y)	[3] Forecast Completion Date (m/y)	[4] Compliance with National Construction Code	[5] Remarks (can be attached separately to report)	[6] Approved project funding (\$m)	[7] Actual Expenditure over Life (\$m)	[8] Budgeted Expenditure in Current Year (\$m)	[9] Current Year Actual Expenditure (\$m)	[10] Estimated Expenditure First Month (\$m)	[11] Estimated Expenditure Second Month (\$m)	[12] Estimated Total Cost (\$m)
NATIONAL HIGHWAY											
MAJOR PROJECTS											
Corridor 1: Sydney - Melbourne											
CNNH001 Goulburn bypass [List other uncompleted projects]											
Corridor 2 etc											
<i>Sub-total MAJOR PROJECTS</i>											
MAINTENANCE & MINOR SAFETY AND URGENT WORKS											
1999-2000 Maintenance Minor Safety and Urgent Works											
<i>Sub-total MAINTENANCE & MINOR SAFETY AND URGENT WORKS</i>											
TOTAL NATIONAL HIGHWAY											
ROADS OF NATIONAL IMPORTANCE											
CNZG019 Summerland Way, overtaking lanes at Kyogle [List other uncompleted projects]											
TOTAL ROADS OF NATIONAL IMPORTANCE											

Explanation of Report Terms Used in Monthly Progress Report

Column	Explanation
Federal Project No. and Name	Advised in Project Approval schedule prepared by the Federal Department.
Commencement Date	Date construction commenced.
Forecast Completion Date	Date project opened to traffic.
Compliance with the National Code of Practice for the Construction Industry for the construction of Code projects	Notification that contracts let for the construction of Code projects require the contractor, and subcontractors, to comply with the Code and Guidelines. Notification of any alleged breaches of the Code in respect of a Code project.
Remarks (if necessary the advice required for this column can be attached to the Monthly Report as a separate document.)	Report of physical progress achieved with the project, (eg. phase of construction, % of works completed, reasons for delays). Tenders let or to be let in the next month. Value of each contract awarded in previous month and contractor's name. Reasons for any variations in cost. Contact and phone number of SRA officer able to provide details of physical work on project. Public information matters covering: a) what is the next event which might be of interest to the public b) the date the event is most likely to occur c) SRA proposal for handling public information about it; and d) the contact officer for handling any publicity about the event.
Approved ALTD Funding	Advised in schedule prepared by the Federal Department.
Actual Expenditure over Life	Total funds spent by the SRA on the project since approval by the Commonwealth.
Budgeted Expenditure in Current Year Program	Amount budgeted to be spent by the State on the project in the current year, as per Program of Works, and subsequent variations as endorsed by the Minister or his delegate.
Current Year Actual Expenditure	Total amount spent by the State Authority on the project since 1 July of the current financial year.
Estimated Expenditure First Month	Estimate of amount to be spent by the SRA in the current month (the month following the reporting period).

Estimated Expenditure
Second Month

Estimate of amount to be spent by the SRA in the next month (second month following the reporting period).

Estimated Total Cost

Current estimate of total project cost.

Appendix 3 **Project Proposal Report Requirements**

This appendix prescribes the information required from the States for major works proposed to be funded under the Australian Land Transport Development Act.

Information relating to environmental matters is set out in **Appendix 4**.

NOTE: The rehabilitation works component of a major works proposal must be separately identified and costed.

1. Information Requirements for Stage 2 Pre-construction Approval

Below are the Commonwealth's information requirements for a Stage 2 proposal. Where a Stage 1 planning study has been carried out, the State will have provided this information to the Commonwealth. Where there has been some time between the conclusion of the planning studies and submission of the Stage 2 funding proposal, some of the information will require updating eg the cost estimates.

Economic and Social Justification

- how the project assists in achieving the strategy for the National Highway;
- cost benefit analysis carried out in accordance with Austroads methodology, and all inputs and assumptions used in the cost benefit analysis including traffic estimates for 5, 10 and 20 years into the future disaggregated into appropriate vehicle types;
- explanation of relevant issues such as regional population growth, future urban planning and other non-economic benefits; and
- description of the impact of the proposal on local communities.

Physical Details

- maps showing location;
- text supported by photographs describing the physical asset and its condition;
- pavement condition;
- alignment and cross-section deficiencies;
- bridge strength (if applicable);
- overtaking limitations;
- annual average time of closure due to flooding;
- current traffic volume;
- crash record; and
- travel times and average speed.

Proposed Solution

- options considered and the evaluation of each, including cost; and
- description of the proposed project, with

- maps showing location of the project, zoning and use of abutting land
- maps showing the position and types of bridges and intersections
- plans showing typical longitudinal and cross section with number and width of lanes, shoulder width, lateral clearance, right of way width
- pavement construction details including design life.

Cost and Timeframe

- total estimated cost of project and the basis of the estimate, with a break-up into appropriate items for pre-construction and construction activities (expressed in current prices);
- expected annual expenditures (expressed in current prices); and
- estimated completion date of project.

The States are required to provide copies of reports produced as a result of Stage 2 activities to The Department as soon as they are available.

2. Information Requirements for Stage 3 Construction Approval

Information supporting a request for Stage 3 funding approval will be dependent on whether the project was approved at an earlier stage or if the project proposal is sought to be initially funded in this stage.

Information Requirements for Projects Initially Approved in Stage 1 or 2

- actual expenditures incurred under Stage 2 activities;
- updated estimate of the project cost and basis of estimate, with a break-up as follows
 - estimate of primary contractor’s price
 - estimate of other contractors’ prices
 - contingency allowances
 - SRA direct costs of project management
 - share of SRA administrative costs attributable to the ALTD program;
- estimated expenditure profile on an annual basis; and
- Updated estimate of the duration of the project.

Requirements for Project Proposals Sought to be Approved in Stage 3

Usually the Commonwealth will have had minimal or no involvement in the planning of projects sought to be initially approved in this Stage and therefore will not have the benefit of information that would have otherwise been provided in an earlier approval stage. Generally these projects will be quite straightforward and therefore their information profile will be simpler than for those projects requiring multi-stage approvals. The Department's advice should be sought on the information requirements for these projects. Information requirements may include some or all of the following:

- how the project meets the objectives for the National Highway;
- a description of the physical characteristics of the existing road infrastructure asset addressing the factors shown under the requirements listed under (2) for a Stage 1 approval;
- the economic and social justification for the project shown under the requirements listed under (1) for a Stage 2 approval; and
- the proposed solution addressing the factors shown under the requirements listed under point (2) for a Stage 2 approval.

3. Application of the National Code of Practice for the Construction Industry

A PPR for the construction of a Code project is to include a commitment by the SRA that the Code will be applied in respect of the project.

Appendix 4 **Environmental and Heritage Clearance**

Federally funded road projects are subject to the provisions of the *Environment Protection and Biodiversity Conservation Act 1999 (EPBC)* which commenced operation on 16 July 2000, and Section 30 of the *Heritage Commission Act 1975 [AHC]*.

The previous Commonwealth environmental legislation, the *Environment Protection (Impact of Proposals) Act 1974 [EP(IP)]* was repealed on commencement of EPBC. However, under the transitional legislation, the procedures that applied under EPIP will continue to apply to projects where an environmental assessment had been completed by, or was underway, on 16 July 2000.

1. Procedures which applied under EP(IP)

The following procedures will apply to all projects where an environmental assessment was completed by, or was underway on, 16 July 2000.

No construction or pre-construction work may begin until advice is received from the Commonwealth that its environmental requirements have been adequately addressed. Information addressing compliance with Commonwealth environmental requirements should be submitted by the State as soon as possible.

The submission should contain certification from the Chief Executive Officer or an authorised delegate as follows;

“Following consultation with (State Environment Agency)/In accordance with procedures agreed between the (State Road Construction Agency) and the (State Environment Agency)*, the environmental implications of the proposal have been assessed and are set out in the Project Proposal Report/attached documentation.* In my opinion, the proposal is/is not* a matter affecting the environment to a significant extent within the meaning of the *Environment Protection (Impact of Proposals Act) 1974.*” (* delete words not applicable.)

The submission should include enough information to allow Commonwealth Ministers to decide whether a proposed action is environmentally significant and, if environmentally significant, to enable the level of environmental assessment required to be determined.

The Minister will then consider whether the project is environmentally significant. If the Minister decides that the project is not environmentally significant, then, unless some unanticipated matter arises, the Commonwealth’s environmental requirements may be considered met.

Where the Minister decides that a proposal is likely to affect the environment to a significant extent, EP(IP) specifies the procedures to be complied with. These include:

- designation of a proponent for the action (normally the SRA);
- determination of the nature of the environmental assessment required (Commonwealth EA), if any;
- carrying out the environmental assessment (a single assessment would normally be conducted to satisfy both Commonwealth and State environmental requirements); and

- deciding the work to be undertaken to comply with the outcome of the assessment.

The Stage 2 and Stage 3 proposals as appropriate should address the last point above. Only when satisfied that the proposed works comply with the recommendations, would the Minister be expected to give the funding approval for Stage 2 or 3 as appropriate.

The EP(IP) Act applies to all Commonwealth funded road works but ordinarily, maintenance and safety and urgent works will not involve environmentally significant actions. No environmental documentation will normally be required for these works but should a case arise where works in this category are environmentally significant, it is the responsibility of the SRA to advise the Commonwealth of this before commencing on ground work.

2. Procedures under EPBC

The following procedures will apply to all projects where an environmental assessment has not been completed by, or is not underway on, 16 July 2000. Projects that were referred under EP(IP) but did not require an assessment will also not require assessment under EPBC.

Under EPBC (see Chapter 2, Part 3), Commonwealth environmental approval will only be required:

- where a proposed project has, will have, or is likely to have, a significant impact on one or more of the six specified matters of National Environmental Significance (World Heritage, wetlands of international significance listed under the Ramsar Convention, threatened species or habitats, migratory species, the marine environment or nuclear action), though this list can be added to by regulation; or
- the project is on Commonwealth land, or may impact on Commonwealth land, and is expected to have a significant impact on the environment.

Unlike EPIP, the granting of funding or approval by the Commonwealth does not require environmental assessment under Commonwealth environmental legislation.

Only two specified matters are likely to be relevant to the Commonwealth roads program: (a) threatened species or their habitats and (b) migratory species. All other environmental matters will be handled under State legislation. Information on the 'threatened species' and the list of migratory species and habitats is available from Environment Australia by hard copy or its website (www.environment.gov.au).

A State should refer any project which it thinks may have a significant impact on a matter of National Environmental Significance to the Commonwealth Minister for the Environment for a decision on whether an environmental assessment is required. Guidelines issued by Environment Australia for determining whether an action has, will have, or is likely to have, a significant impact on a matter of national environmental significance can be obtained from Environment Australia.

If the Commonwealth Minister considers that one is required, it will be undertaken by the State environmental agency under agreements being negotiated between Environment Australia and the States. Subsequently, Commonwealth Minister for the Environment will decide whether approval should be given for the action. It should be noted the Minister can set conditions which may be enforced through civil and/or criminal penalties.

The Commonwealth Minister for the Environment will need to consult the Minister for Transport and Regional Services on matters raised with him under EPBC which involve National Highway or Roads of National Importance projects. However, Department will need prior knowledge of the issues to brief the Minister within the ten days required by the Act.

SRAs will therefore need to copy to the Department any material about National Highway or Roads of National Importance projects sent to the Commonwealth Minister for the Environment.

Other Information Requirements under EPBC

The Commonwealth Minister will still need assurance that environmental issues on National Highway and Roads of National Importance projects have been fully considered and the Department will need to be aware of these in making recommendations to approve projects.

Consequently, it will be necessary to continue the practice in existence under EPIP of supplying this Department with copies of environmental assessments on Federally funded projects. A PPR seeking Stage 3 approval for any project should contain a certification by the Chief Executive Officer or an authorised delegate as follows:

“Following consultation with (State Environment Agency)/In accordance with procedures agreed between the (State Road Construction Agency) and the (State Environment Agency)*, the environmental implications of the proposal have been assessed and are set out in the Project Proposal Report/attached documentation.* In my opinion, the proposal is/is not* a matter which raises any environmental issues under State or Commonwealth legislation, or any environmental issues have been addressed to the satisfaction of the relevant environmental authorities, whether Commonwealth or State (* delete words not applicable.)

3. Heritage Matters

Road projects must also comply with the *Australian Heritage Commission Act 1975*, especially section 30. SRAs are obliged to draw any significant heritage issues to the attention of the Commonwealth so that a satisfactory resolution can be achieved before work starts.

The AHC Act is in the process of being amended, and this Appendix to the Notes will be updated accordingly.

Appendix 5 Commonwealth's Principles for Entering into Maintenance Performance Agreements with the States

1. Definition

Maintenance means works and repairs to keep the road in a safe and trafficable condition.

2. Introduction

Background

The Performance Agreements will enable the States to program their maintenance activities without the need to seek approval for individual projects. The States will be responsible for the efficient maintenance of the National Highway and the Commonwealth will be responsible for the provision of adequate funding.

National Highway Maintenance Objective

The objective of providing maintenance funding for the National Highway is to maintain the physical asset in a condition that will provide users with safe and acceptable travel and to obtain the best life from the asset within the funds available. State decisions on maintenance are to be made on a whole of life basis, and should take account of both road user and road authority costs.

The purpose of the maintenance program is **not** to increase the capacity of the asset. This is to be addressed through the capital works program.

Sections of the National Highway with similar levels of traffic, particularly with regard to heavy vehicle traffic, should be maintained to the same broad standards.

Framework of Accountability

The level of funding for maintenance is the responsibility of the Minister.

The Department will provide funds to the State for maintenance works in accordance with the maintenance component of the Minister's announced program of works and the terms of this Agreement.

In keeping with the Agreement the SRA is responsible for delivery of the National Highway maintenance program. This includes:

- providing advice as required to the Commonwealth on the condition of the National Highway;
- accounting for the use of funds provided by the Commonwealth for the maintenance of the National Highway; and
- maintaining adequate and appropriate systems, including access to the necessary skilled staff, to maintain the National Highway according to the Agreement.

Reporting

The Department will report on the condition of the National Highway in the annual ALTD Progress Report.

The SRA will provide an annual report for each National Highway link in the State soon as possible after the completion of the reporting year. The annual report is to be in the form shown at the end of this Appendix.

Maintenance funding for the following reporting year will be limited to 25% of its annual funding until the reports required under the Agreement in respect of the previous year are completed to the satisfaction of the Commonwealth.

3. Road Maintenance Performance Indicators

The Performance Agreements are to contain a report in the form of the Link Report (refer **paragraph 4** of this appendix) on the condition of the National Highway in the relevant State.

The Department will negotiate National Highway maintenance funding levels with the SRAs and establish physical performance targets on a link by link basis, consistent with the available funding levels. Performance targets will be expressed in terms of the Austroads indicators.

The SRA will ensure that the National Highway in the State is maintained in a manner which attains the agreed performance standards, within the available funds.

4. Link Report

Link Name:

Link Code:

Corridor:

Link Length:

Highway Name:

Level of Service Category:

Pavement Measure	Current Condition 2000-01	Estimated Condition 2001-02	Estimated Condition 2002-03	Estimated Condition 2003-04
Roughness				
% <70nm				
% >=70nm & <110nm				
% >= 110nm & <140nm				
% >= 140nm				
Pavement Health Index				
Surface Health Index				
Smooth Travel Exposure				
% Vehicle km on Roughness:				
<110nm				
>=110nm & <140nm				
>=140nm				
Rutting				
Cracking				
Seal Age				
Road Maintenance Effectiveness				
RME 110 (\$/km)				
RME 140 (\$/km)				
Routine Maintenance				
Cost per Square Metre				
Cost per Lane Kilometre				
Rehabilitation				
Cost per Square Metre				
Resealing				
Cost per Square Metre				
Bridge Maintenance				
Number of Bridges				
Average Age of Bridges				
Total Bridge Maintenance Cost				
Cost per Square Metre				
Total Maintenance Funds Spent				
Tendering				
% Open Competition				
% Agreed Price				

Vehicle/Freight Statistics	
AADT	
% of Commercial Vehicles	
Annual Freight Tonnage	
Net Tonne/Kms Freight	

Appendix 6 **Specifications for Route Markings, Signs and Plaques**

1. National Highway Route Marking

National Highway route marking should be in accordance with Australian Standard 1742, with the shield used being that designated for 'National Routes', with the words NATIONAL Highway added at the top, above the route number. Colours are to be reflectorised yellow and reflectorised green background.

Wherever possible, the National Route number will be consistent within the National Highway grid and run across State borders.

An alpha numeric route numbering may be used on the National Highway, but the number will reflect the National Route number and not be replaced by another route numbering designation.

Route markers are to be placed on the National Highway at regular intervals agreed with the State. They should be placed at junctions of arterial road connections with the National Highway.

Route markers will be used on all advance direction, intersection direction and reassurance directional signs.

The National Highway will be clearly marked in urban areas. National Highway route markers may be continued beyond the national Highway delineation points, where considered desirable, to provide navigation assistance for road users.

National Highway route marker information and graphics (including colour where appropriate) should be used on Road Authority maps and information supplied to road user organisations and other map makers.

2. National Highway Signs

Signs in accordance with this specification are to be displayed at regular intervals on the National Highway in full view of the travelling public.

National Highway signs will appear within two kilometres of a junction with a State funded highway.

On major construction projects, a National Highway sign is to be placed at each end of the physical work, facing oncoming traffic. Signs are not to be obscured by roadside objects, including any other information signs and must be maintained for one year beyond the opening of the project.

See Part 10 for conditions relating to the prominence of signs.

Under sub-section 32(1) of the Act, the Minister may prohibit unconditionally the display of signs (other than traffic signs) on works funded under the ALTD Program.

Sign sizes, text sizes, style, colour and material will be in accordance with Drawing A.

The main sign can be in one of two sizes:

Size 1 for National Highway projects in open road locations; and

Size 2 for locations where physical space is limited.

An auxiliary sign, if required for State recognition, can be affixed below the main sign. The auxiliary sign will be of the same width and approximately 1/3 depth of the main panel. Text will be in the format illustrated at Drawing B.

Signs to be placed on major projects (eg, town bypasses and major deviations) are set out in Drawing C.

3. Roads of National Importance (National Arterial) Signs

Sign sizes, text styles, colour, material and display requirements will accord with National Highway sign specifications or in accordance with specifications agreed between the State and the Commonwealth for a particular corridor (eg, Pacific Highway).

Generally, text will be in the format illustrated at Drawing C.

An auxiliary sign, if required for State recognition, can be affixed below the main sign. The auxiliary sign will be of the same width and approximately 1/3 depth of the main panel. Unless otherwise agreed, text will be in the format illustrated at Drawing D.

4. Commemorative Plaques

These specifications apply to plaques unveiled at ceremonies associated with federally funded road and other projects, whether or not the Minister or the Minister's representative attends the ceremony.

This specification also applies to plaques for projects funded jointly by the Federal and State governments.

Illustrative examples are at Drawing E.

The wording of the plaque will include:

- the name of the project;
- identification of the source of funds and category of road or other funding program;
- the name of the Minister or Minister's representative officiating at the ceremony and the name of the State Minister or State minister's representative in attendance; and
- the date of the ceremony.

5. Commonwealth and State Crest

For projects fully funded by the Commonwealth, the Commonwealth crest is to appear on the plaque at the top centre. No other coat of arms, logos or emblems are to appear.

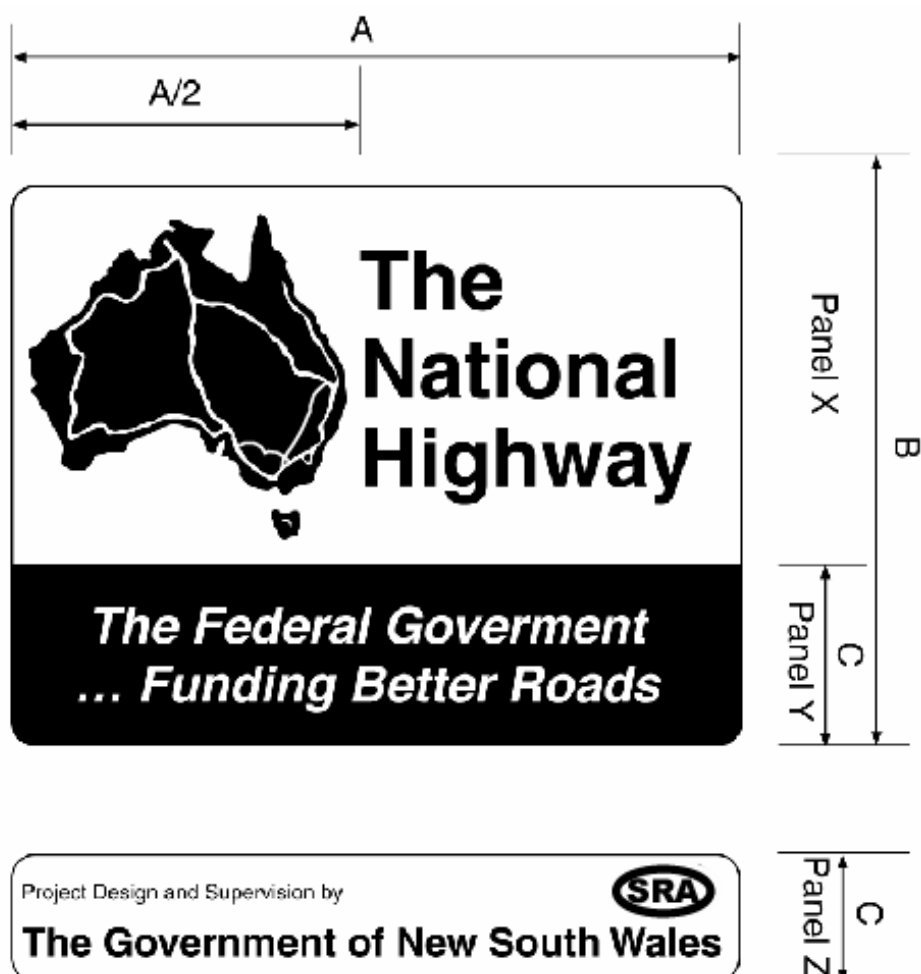
For jointly funded projects where the State authority wishes to State crest to appear, the Commonwealth crest should be positioned at the top left-hand corner of the plaque and the State crest at the top right-hand corner.

The Commonwealth crest appearing on the plaque should be in accordance with the "Stylised Arms No. 1 (Outline)" as depicted in *Style Manual for Authors, Editors and Printers of Australian Government Publications*. This is reproduced at Drawing F.

6. Approval of Layout

In all cases where the Minister or the Minister's representative is to officiate at a commemorative ceremony, the relevant State authority will submit details of the proposed wording of the commemorative plaque to the Department.

Drawing A



Sign Size	A	B	C	Main text size		Typestyles	Materials
				Panel X	Panel Y		
1	2500	1460	440	200	140	Letraset (HAAS)	Map ground, Panel Y ground, Panel X text =Retroreflective Green Class 1
2	1750	1025	310	140	100	Helvetica or equivalent	Map ground, Panel X ground, Panel Y text =Retroreflective Yellow Class 2

Dimensions in millimetres

**Signs for Federally Funded
National Highway and National Arterial Projects**

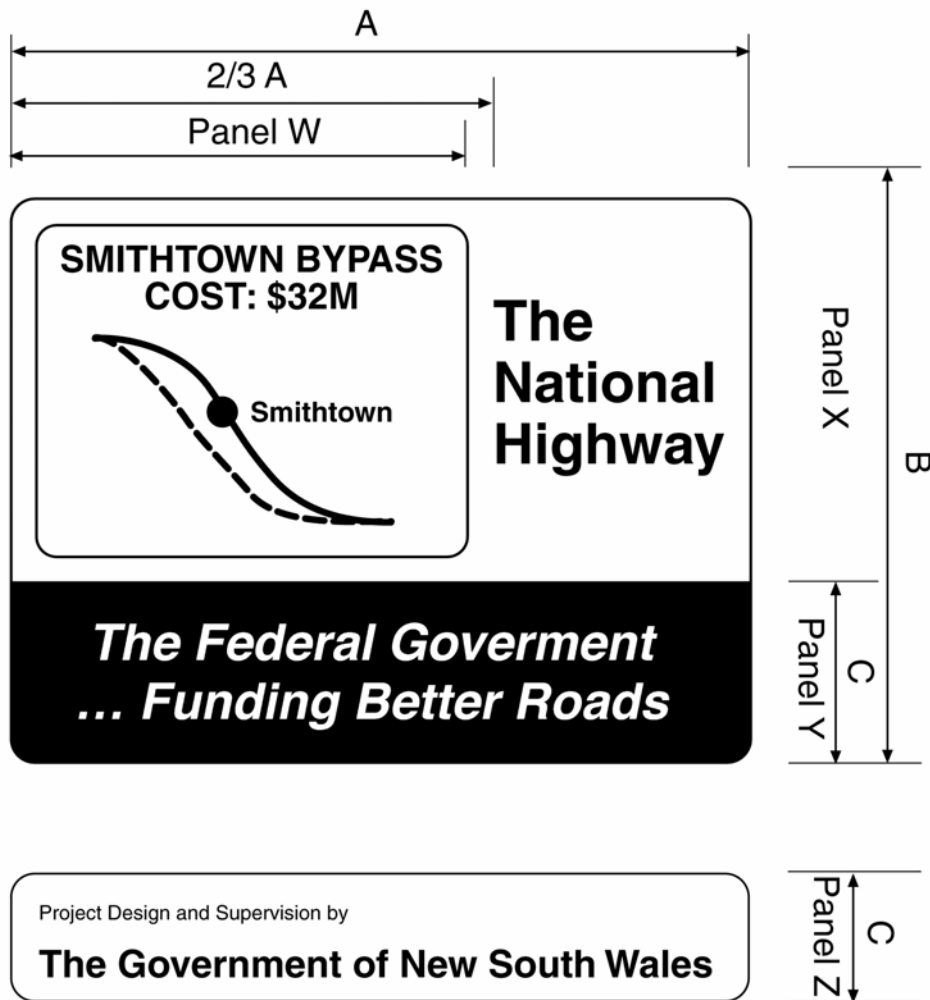
Drawing B

Project Design and Supervision by



The Government of New South Wales

Drawing C



Sign Size	A	B	C	Main text size		Typestyles	Materials
				Panel X	Panel Y		
1	2500	1460	440	200	140	Letraset (HAAS)	Panel Y ground, Panel X text =Retroreflective Green Class 1
2	1750	1025	310	140	100	Helvetica or equivalent	Panel X ground, Panel Y text =Retroreflective Yellow Class 2 Panel W Map ground Retroreflective White. Map Text Black

Dimensions in millimetres

Signs for Federally Funded National Highway and National Arterial Projects Where the Work Involves a Bypass or Similar.

Drawing D



Yellow Background
Dark green Lettering

Size of sign approx. 1200x800mm

Drawing E



..... BYPASS

**A FEDERALLY FUNDED
NATIONAL HIGHWAY PROJECT**

OPENED 29 FEBRUARY 1989 BY

jointly opened by

**THE HON. M.P.
FEDERAL MINISTER FOR.....**

and

**THE HON.
STATE MINISTER FOR**

Drawing F



Appendix 7 Application of the National Code of Practice for the Construction Industry

Obligations on a SRA

Definitions:

CMG means the Code Monitoring Group established by the Department of Employment and Workplace Relations

An SRA is to ensure, in relation to a Code project that:

- all advertisements calling for expressions of interest, tenders, submissions and invitations regarding applicable projects incorporate the obligation to apply the Code. The advertisement should include the words:

The National Code of Practice for the Construction Industry and Australian Government Industry Guidelines apply to this project.

- the Code extends through the contract chain to all subcontractors, consultants and material suppliers who may be engaged by the head contractor on the project;
- there are no tenderers on the exclusion list due to previous breaches of the code; (SRAs can contact the secretariat of the CMG to seek advice on whether tenderers are excluded);
- the workplace relations arrangements proposed for the project by contractors are consistent with the Code with particular emphasis on freedom of association, freedom of choice in agreement making and do not require compliance with unregistered industry agreements;
- there is a reporting mechanism in regard to the application of the Code on the project;
- application of the Code is a standing item on the agenda for site/project meetings;
- the head contractor has established appropriate processes to support freedom of association and right of entry provisions;
- where threatened or actual industrial action occurs on a project, contractors, subcontractors, consultants or employees report such action in accordance with an appropriate compliance mechanism;
- there is an OHS&R plan for the project;
- the contractor initiates remedial action aimed at rectifying non-compliant behaviour when it is drawn to the contractors' attention; and
- that all parties involved in the project, including the funding recipient, are aware of the requirement to report any alleged breaches or other code related matters to the IBIT, the CMG or the Industries Branch of DEWR;

An SRA must also:

- ensure that contractual documents concerning Australian Government funded projects include an acknowledgement of the role of IBIT in monitoring compliance with the Code, and accept the right of IBIT officers to gain access to sites to monitor compliance;
- provide a commitment to the funding agency that the Code will be complied with and tender and contractual documents include the requirement to comply with the Code and the Industry Guidelines; and
- respond to requests for information concerning Code-related matters made on behalf of the funding agency, the Code Monitoring Group and the IBIT.

MODEL CLAUSES FOR CODE PROJECTS

PART 1 MODEL TENDER CLAUSES

- 1 The Tenderer's attention is drawn to the National Code of Practice for the Construction Industry ("**the code**") and the Industry Guidelines for the industrial relations and occupational health and safety components of the National Code of Practice for the Construction Industry ("**the industry guidelines**"). Tenderers are expected to obtain their own copy of the Code and the Industry Guidelines.
- 2 Copies of the code and the Australian Government Implementation Guidelines for the Code and the Industry Guidelines are available through the Australian Workplace portal www.workplace.gov.au/building
- 3 Notwithstanding any other provisions of the Tender Documents, Tenderers should be aware that information concerning compliance with the code including details of whether or not a sanction has been imposed may be used by the Australian Government, its agencies and Ministers and disclosed to others for the purposes of facilitating compliance with the code and the exercise of their statutory and portfolio responsibilities. Tenderers shall ensure that its proposed subcontractors are also aware of, and will agree to comply with, these rights of use and disclosure.
- 4 The Code and the Industry Guidelines apply to the Project which is the subject of the Tender Documents. It is a condition of the Tender Documents that Tenderers comply with the Code and the Industry Guidelines in relation to the Project. Tenderers are to submit as part of their Tender a signed undertaking of compliance which, among other things:
 - (I) confirms that the Tenderer has complied with the Code and the Industry Guidelines in preparing its Tender;
 - (II) confirms that the Tenderer will comply with the Code and the Industry Guidelines in performing the Contract should it be the successful Tenderer;
 - (III) provides the Tenderer's consent to disclosure of certain information concerning the Tenderer or indicates that the Tenderer has not revoked a previously given consent; and,
 - (IV) confirms that the Tenderer's proposed subcontractors have consented to disclosure of information concerning them.

- 5 It will be a condition of the Contract that the Contractor shall comply with the Code and the Industry Guidelines. It will also be a condition of the Contract that the Contractor shall not appoint a subcontractor, consultant or supplier in relation to the Project where the appointment would breach a sanction imposed by the Australian Government. Further information concerning sanctions which have been imposed may be obtained by contacting the person named in clause 1 (Tender Enquires) of these Special Conditions of Tender.
- 6 Each Tenderer must indicate in its Tender:
- (I) how it has complied with the Code and the Industry Guidelines in the past;
 - (II) how it intends to comply with the Code and the Industry Guidelines in performing the Contract, should it be the successful Tenderer; and
 - (III) where the Tenderer proposes to subcontract an element of the Works, the information detailed in the above subclauses (i) and (ii) in relation to each subcontractor.
- 7 Where a Tenderer has been in breach of the Code or the Industry Guidelines such that a sanction has been imposed by the Australian Government, the Australian Government may in its sole and absolute discretion decide not to consider the Tender any further.

PART 2: MODEL CONTRACT CLAUSES

NATIONAL CODE OF PRACTICE FOR CONSTRUCTION INDUSTRY

- 1 The Contractor shall comply, in the performance of this agreement, with the requirements of the National Code of Practice for the Construction Industry (the "code") and the Industry Guidelines for the Industrial Relations and Occupational Health and Safety Components of the Code (the "industry guidelines"). Copies of the code and the Australian Government Implementation Guidelines for the Code and the Industry Guidelines are available on the Department of Employment and Workplace Relations home page at <http://www.workplace.gov.au/building> .
- 2 Compliance with the Code or the Industry Guidelines shall not relieve the Contractor from responsibility to perform the Agreement, or from liability for any defect in the Works arising from compliance with the Code or the Industry Guidelines.
- 3 Where a change in the agreement is proposed and that change would affect compliance with the Code or the Industry Guidelines, the Contractor shall submit a report to the Australian Government specifying the extent to which the Contractor compliance with the Code or the Industry Guidelines will be affected.
- 4 The *Contractor* shall maintain adequate records of the compliance with the code and industry guidelines by itself and its subcontractors. The Contractor shall permit the Australian Government or any person authorised by the Australian Government to have access to these records and to its premises, as is necessary to allow validation of its progress in complying with the code. The Contractor, in all its subcontracts, shall

require subcontractors to maintain and provide access for the Australian Government or any person authorised by the Australian Government to the subcontractor's records and premises to the same extent as required from the Contractor by this clause.

- 5 If the Contractor does not comply with the requirements of the Code or the Industry Guidelines in the performance of this agreement such that sanction is applied by the Code Monitoring Group, the Australian Government, without prejudice to any rights that would otherwise accrue, shall be entitled to record that non-compliance and take it into account in the evaluation of any future tenders that may be lodged by the Contractor or a related corporation in respect of work for any part of the Australian Government or its agencies.
- 6 The Contractor shall not appoint a subcontractor, consultant or supplier in relation to the Project where the appointment would breach a sanction imposed by the Code Monitoring Group.
- 7 The Contractor shall ensure that all subcontracts contain requirements functionally equivalent to the requirements of this clause.