



Transport
Roads & Maritime
Services



ANNUAL
REPORT
2012-13



LETTER TO THE MINISTERS

The Hon. Duncan Gay
Minister for Roads and Ports

The Hon. Gladys Berejiklian
Minister for Transport

Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Ministers

I am pleased to submit the Annual Report and Financial Statements of Roads and Maritime Services for presentation to the Parliament of New South Wales for the financial year ended 30 June 2013. It has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

Yours sincerely

Peter Duncan | Chief Executive

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Chief Executive's overview



Roads and Maritime Services has made significant progress since it was created nearly two years ago. We have aligned our strategy with a new business model to meet the objectives of Transport for NSW (TfNSW), the State Government and the needs of the people of NSW.

In August 2012 we launched our Customer Charter. The promises of listening and taking action, consulting and collaborating, making safety our priority, and keeping our customers informed demonstrate our commitment to putting our customers at the centre of everything we do.

Our situation is unique as we are an integral part of the daily lives of nearly everyone in NSW, whether they take a ferry to work, walk their children to school or travel by truck, bus or car. This led us to introduce a new Purpose for the organisation to *enable safe and efficient journeys throughout NSW*. Every project across the agency is aligned with this purpose to confirm that it will make a measurable contribution to our customers.

Key achievements in 2012-13 include:

- Significant input to the development of the proposal for WestConnex, Australia's largest transport infrastructure project
- Major progress on the upgrade of the Pacific Highway and duplication of the Hume Highway
- Completion of key initiatives to ease congestion and increase the efficiency of the road network
- Significant progress in the maintenance, upgrade and replacement of bridges and wharves.

The last year has seen Roads and Maritime pay particular attention to the external challenges we will face over the coming years. We know the demands on the NSW transport network are increasing and customer expectations are high.

Reform is also happening across the public sector and many of the cluster agencies are undergoing transformation. We have seen and will continue to see substantial change that will modernise our service to create an outward

looking, customer focused public sector with resources shifted to the frontline.

In response, we have initiated a major reform program to position us to respond to the challenges ahead. We are a delivery agency first and foremost, ensuring that we implement the best solutions for the people of NSW. We changed our structure to a Build, Manage Journeys and Maintain operating model in 2012-13 so that we have clear accountabilities and can focus on providing safe and efficient journeys.

Our reform will also reward innovation and accountability, flatten executive structures and streamline decision making. Across the agency, we are exploring opportunities with the private sector where partners can deliver improved, more innovative services at lower cost.

I would like to acknowledge the contributions that Roads and Maritime staff members have made to deliver our program of work during this time of change. Every day, no matter the weather, they are out on the roads and waterways enabling safe and efficient journeys for the people of NSW.

Peter Duncan AM
Chief Executive

About this report

This Annual Report provides details of a range of Roads and Maritime Services achievements from the past financial year.

It also records the internal management of Roads and Maritime, with details of financial arrangements, workforce management, community consultation programs and other matters of public interest.

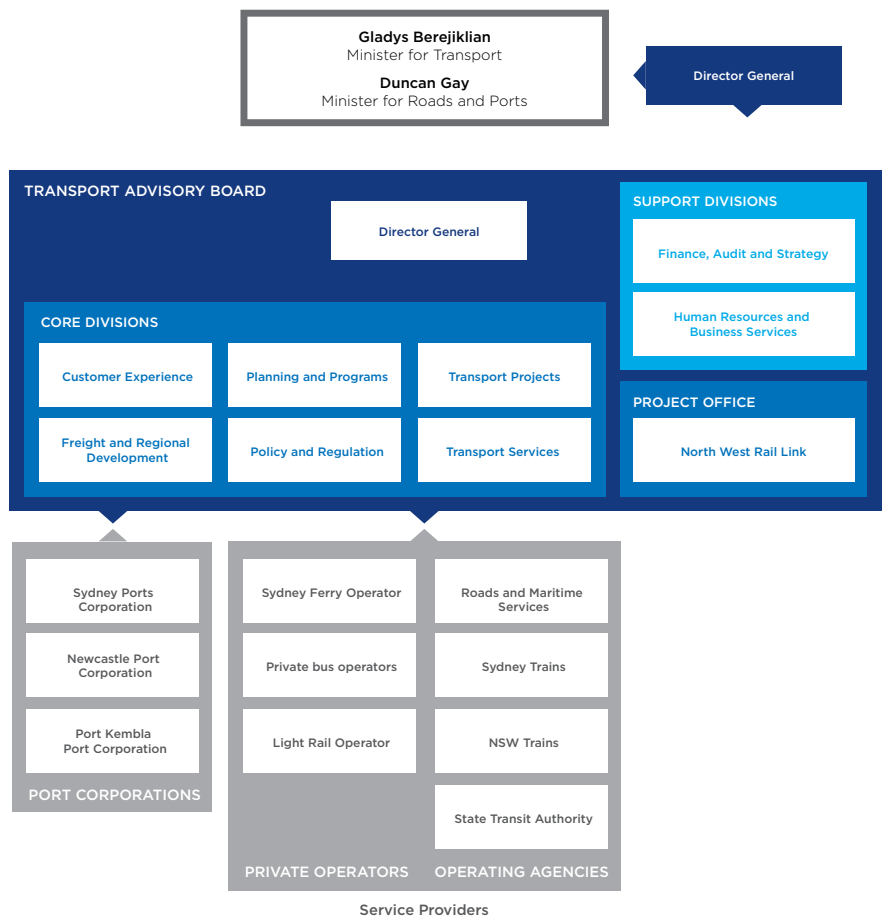
Roads and Maritime at a glance

The formation of Roads and Maritime

Roads and Maritime Services is a NSW statutory authority established on 1 November 2011 under the *Transport Legislation Amendment Act 2011*.

Roads and Maritime is a multi-modal transport agency within the broader Transport Cluster, known as Transport for NSW (TfNSW). TfNSW has responsibility for transport policy, planning and coordination functions, and the oversight of infrastructure delivery and asset management.

Roads and Maritime implements initiatives to improve movement of people by various transport modes, including public transport (bus and ferry), cycling and walking, as well as motor vehicles. The agency also delivers initiatives to improve the movement of goods on the freight network, by improving accessibility and infrastructure, with a focus on reliability, productivity and safety initiatives.



Purpose

To enable safe and efficient journeys by:

- Managing the road network and optimising travel times
- Providing capacity and maintenance solutions for road and maritime infrastructure
- Educating and licensing drivers and vessel operators, and registering and inspecting vehicles and vessels
- Improving road and maritime safety.

Values

- **Customer focus** – We place the customer at the centre of everything we do
- **Collaboration** – We value each other and create better outcomes by working together
- **Solutions** – We deliver sustainable and innovative solutions to NSW transport needs
- **Integrity** – We take responsibility and communicate openly
- **Safety** – We promise safety for our people and our customers.

Roads and Maritime Customer Charter

Roads and Maritime aims to be *'the leader in the management and delivery of safe, efficient and high-quality services and infrastructure to the community and businesses of NSW'*.

Customer promises and commitments

We will listen and take action

- We will use your feedback to continually improve services
- We will actively manage your matter from start to finish
- We will be contactable in ways that work for you.

We will consult and collaborate

- We will consult with you regularly on projects and matters that impact you
- We will include communities in our decision making process
- We will use your insights to inform our decisions and outcomes.
-

We will make safety our priority

- We will work to maximise safety on our roads and waterways
- We will provide a safe environment for the community and our staff
- We will work to ensure that vehicles and vessels are registered, licensed and operated safely.

We will keep you informed

- We will provide you with information to make safe and efficient travel choices
 - We will minimise disruption to your travel through appropriate diversions and relevant information
 - We will communicate future plans for NSW roads and waterways.
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Our network

Roads and Maritime manages a network that includes:

- 18,036 kilometres of State Roads, including 4317 kilometres of national road network, for which the Australian Government provides a funding contribution, and 147 kilometres of privately funded tolls roads
- 2970 kilometres of regional and local roads in the unincorporated area of NSW
- 5287 bridges and major culverts, 26 tunnels, 3,945 traffic signal sites and approximately 12,000 other traffic facilities, systems and corridor assets
- 2137 kilometres of coastline and 32,424 km² of navigable waterways comprising 5000 km² of enclosed waters, and 27,691 km² of coastal waters to 12 nautical miles (this excludes navigable waters at Lord Howe Island)
- 47 commuter wharves, down from 49 in 2011-12 due to the Bayview and Balmain West wharves being removed from the ferry route
- 3463 maritime aids to navigation, including 193 courtesy moorings.

Our services

Roads and Maritime delivers its services through a range of facilities:

- Online services where customers can renew vehicle and vessel registrations and licences
- 126 motor registries, seven government access centres, 35 agencies, including 30 online council agencies and 24 itinerant sites which provide face-to-face customer service across NSW
- Purpose-built facilities including the Crashlab at Huntingwood and three customer contact centres
- Other facilities include work depots, motorcycle rider training centres, fleet workshops, mobile service units, laboratories and inspection stations.

Licensing and registration

In 2012-13, Roads and Maritime provided:

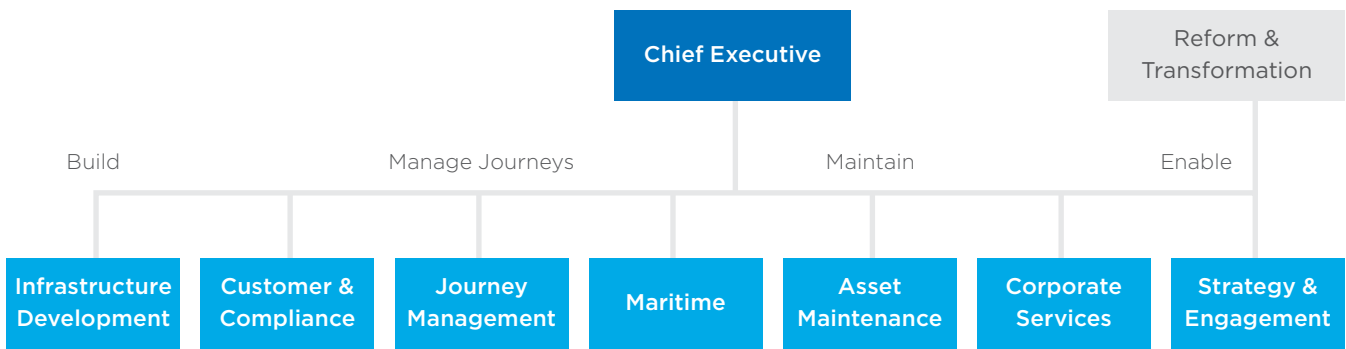
- Registration and licensing services for around 5.06 million motor vehicle licence holders and 485,798 boat licence holders
- Registration for 5.84 million motor vehicles and 228,616 recreational vessels
- Services for hire and drive, mooring licences and commercial vessel survey and registration
- Management of around 25.2 million motor vehicle transactions, and 661,784 marine safety licence transactions; including all boat license and registration-related transactions (merchandise transactions such as boating maps and registration number stickers).

Our people

Roads and Maritime currently employs around 7472 full-time equivalent (FTE) staff across NSW. This includes waged and salaried staff, including 169 FTE staff currently assigned to TfNSW.

About 47 per cent of our people are employed in regional locations, 23 per cent are waged staff and school crossing supervisors and 74 per cent are salaried staff. Roads and Maritime also delivers a range of services through its industry partners and contractors.

Organisational chart



Financial overview

Financial performance

Information on financial results for the period 1 July 2012 to 30 June 2013 are shown in the Financial Statements (see pages 46-146).

Details of Roads and Maritime's financial performance against budget are detailed in Note 22 (see page 121).

Funding

State funding comprised of motor vehicle weight taxes and direct cash allocations. Federal funding was provided under the Nation Building Program and the Building Australia Fund. Roads and Maritime sourced revenue primarily included revenue from Sydney Harbour Bridge and Tunnel toll receipts, rental income, external commercial services, fees for services provided, advertising, maritime services and E-tag revenue. Non-cash revenue has been excluded.

Expenditure

Expenditure consisted of operational expenses (excluding non-cash items) incurred in achieving Roads and Maritime transport objectives and capital investment to enhance the value of the road network and maritime related assets.

Table 1. Roads and Maritime Funding Sources

Funding	(\$'m) Jul 2012 - Jun 2013
Motor vehicle taxes (State)	1675
State consolidated fund allocation	1179
State Government	2854
Australian Government	1542
Roads and Maritime revenue	868
Total	5264

Figure 1. Revenue July 2012 to June 2013

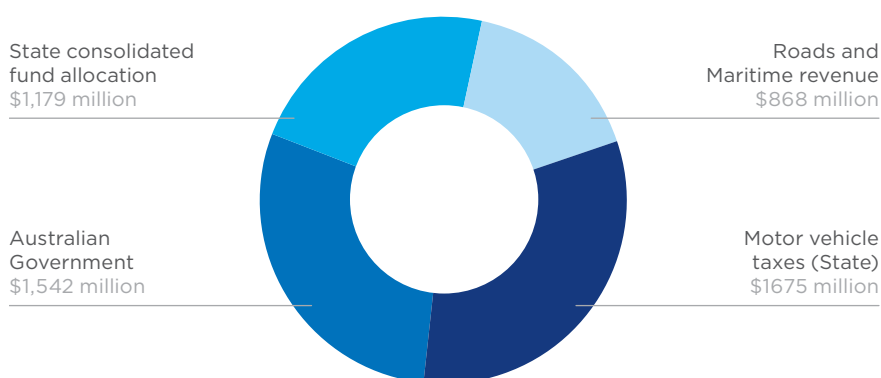
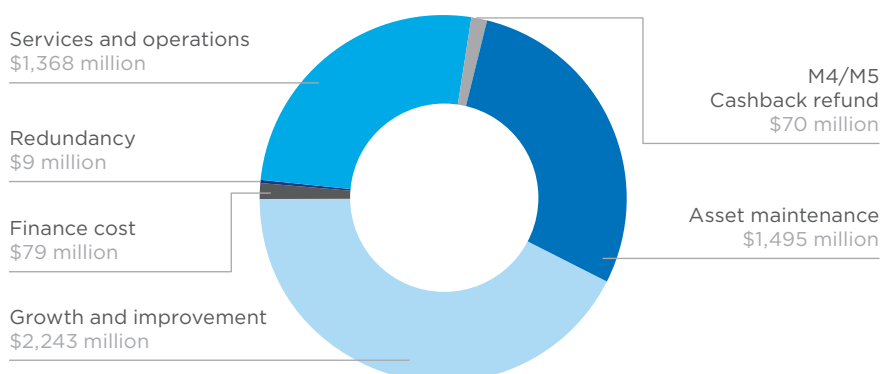


Table 2. Roads and Maritime Program Expenditure

Expenditure	(\$'m) June 2012-13
Growth and improvement	2243
Asset maintenance	1495
Service and operations	1368
M4/M5 Cashback refund	70
Finance cost	79
Redundancy	9
Total	5264

Figure 2. Expenditure July 2012 to June 2013

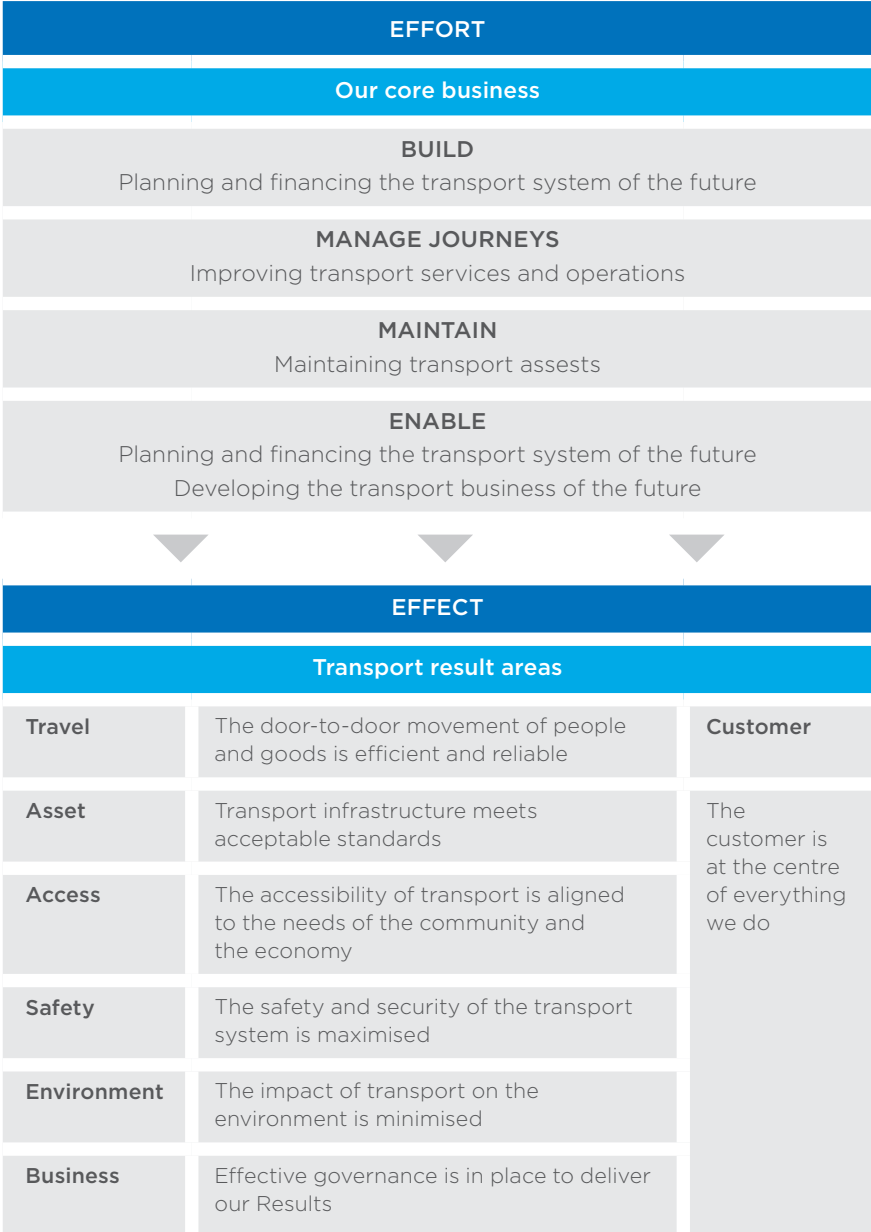


Corporate framework

This Annual Report is structured around the seven transport cluster result areas of Customer, Travel, Asset, Access, Safety, Environment and Business. These results represent the long-term outcomes for the community, known as the 'effect'. They guide strategy setting and resource allocation across Roads and Maritime and the Transport Cluster.

Roads and Maritime then concentrates its 'efforts' (i.e. 'what we do') on managing the operations of roads and waterways, designing and delivering initiatives, programs and projects that align to our core business of Build, Manage Journeys, Maintain and Enable.

This framework guides decision making, determines priorities, informs allocation of resources and helps demonstrate our contribution to the Transport Cluster.



Performance overview

The following table provides a snapshot of key Roads and Maritime performance indicators within each of the Transport Cluster result areas at 30 June 2013. Where indicators have been updated, the historical figures below have been amended for comparative purposes. The notes accompanying the tables provide detail on individual indicators and reference data provided outside the reporting range. Further performance indicator information is also found within the chapters and appendices of this report.

	08-09	09-10	10-11	11-12	Target 12-13	Actual 12-13
Table 3. Customer						
Roads and Maritime website visits (million) ⁽ⁱ⁾	21.0	27.5	25.8	24.6	-	28.1
Customers rating service as 'good' or 'very good' (%)	94	93	94	93	>90	93

(i) RTA only data for 2007-11. Actual as at 30 June 2013 is a combination of RTA (Roads, Road Projects and GEARED young drivers website), NSW Maritime and Roads and Maritime website visits.

Table 4. Travel						
Traffic volume on Sydney key routes (%) ⁽ⁱ⁾	-	-	-	-	-	0.39%(AM) 0.44%(PM)
Average travel speed on Sydney key routes (AM/PM) (km/h)	-	-	-	-	-	38.94 km/h (AM) 37.05 km/h (PM)
Average travel time on Sydney key routes (AM/PM) (min:sec) ⁽ⁱⁱ⁾	-	-	-	-	-	1 min 32sec (AM) 1 min 37sec (PM)
Reliability on Sydney key routes (%) ⁽ⁱⁱⁱ⁾	-	-	-	-	-	9.6% (AM) 9.9% (PM)
Benefit of development program (\$'m)	4174	4220	5920	4475	4400	4720
Major road works completed within 10 per cent of planned duration (%)	92	91.4	96	89.6	90	72.5

(i) Change in average kilometres travelled per hour from previous year

(ii) Average travel time taken to drive one kilometre

(iii) Per cent of days with travel time outside of a typical journey.

Table 5. Asset						
Roads meeting national road smoothness standards on all NSW State Roads ⁽ⁱ⁾	91.6	91.5	91.2	91.1	91.5	91.3 ⁽ⁱⁱ⁾
Roads pavement cracking (% good durability)	91.3	92.3	92.3	92.3	92.3	92.3 ⁽ⁱⁱ⁾
Number of bridges on State Roads limiting legal usage due to structural condition	0	0	0	1	1	1
Rebuilding of existing road pavements (% of exiting State Roads)	1.22	1.60	1.51	1.55	1.1	1.10
Resurfacing of bitumen spray seal surfaces (% of bitumen spray sealed State Roads)	10.30	10.90	9.59	8.50	9.9	9.32
Resurfacing of asphalt surfaced roads (% of asphalt surfaced State Roads)	3.53	4.10	3.18	3.50	3.4	3.42

(i) This is a NSW 2021 indicator.

(ii) Estimates for 2012-13.

	08-09	09-10	10-11	11-12	Target 12-13	Actual 12-13
Table 6. Access						
State Road network available to Higher Mass Limit Vehicles (%) ⁽ⁱ⁾	84.84	95.16	97.59	94.17	94.2	95.95
Sydney Harbour commuter wharves compliant with disability standard for Accessible Public Transport (%) ⁽ⁱⁱⁱ⁾	-	29	33	37	43	43

(i) Record of actual only, not target driven

(ii) 09-10 and 10-11 figures were based on the % of State roads approved for HML within the HML zone (this was not all state roads in NSW) and 11-12 figures provided were based on the % of State roads approved for HML within the whole of NSW

(iii) Assessment of compliance began in 2009-10 as part of the Wharf Upgrade Program.

Table 7. Safety						
Operational uptime status of cameras (%):						
• Fixed Digital Speed Camera	95	95	94.5	94.7	≥ 94.5	97.9
• Red Light Speed Camera	97	98	96.3	93.9	≥ 94.5	96.3
• Point-to-point	n/a	n/a	n/a	93.5	≥ 94.5	94.7
• Bus Lane Camera	96	96	99.2	99.1	≥ 94.5	98.6
Mobile speed enforcement hours delivered (%)	-	-	-	99.5	94.5	98
Boating safety compliance rate:						
• Recreational vessels, including personal watercraft (%)	88.3	89.0	92.8	90.8	>87.5	91
• Commercial vessels (%)	91.0	88.3	91.6	93.9	>87.5	93.1
Heavy Vehicle Inspection Scheme: number of inspections ⁽ⁱ⁾	100,278	102,461	103,622	106,104	108,500	104,669

(i) Data includes inspections completed as part of the heavy vehicles inspection scheme and only excludes inspections or defective vehicles identified as part of the heavy vehicle checking station, on-road enforcement or interagency programs.

Table 8. Environment						
Number of Environmental Penalty Infringement Notices issued to Roads and Maritime ⁽ⁱ⁾	0	1	4	2	N/A	0
Number of non-compliances with environmental protection licences held by Roads and Maritime ⁽ⁱ⁾	1	21	14	5	N/A	9
Waste removed from Sydney Harbour (m ³)	2737	2778	2284	2689	N/A	2259
Roads and Maritime's total greenhouse gas emissions from direct consumption (tonnes CO ₂ -equivalent) ⁽ⁱⁱ⁾	72,401	65,446	67,779	141,073	N/A	-
Roads and Maritime's total office energy consumption (GJ) ⁽ⁱⁱⁱ⁾	72,401	65,446	67,779	N/A	N/A	63,247

(i) Prior to November 2011, Environmental Penalty Infringement Notices and non-compliances with environmental protection notices were issued to the RTA or NSW Maritime

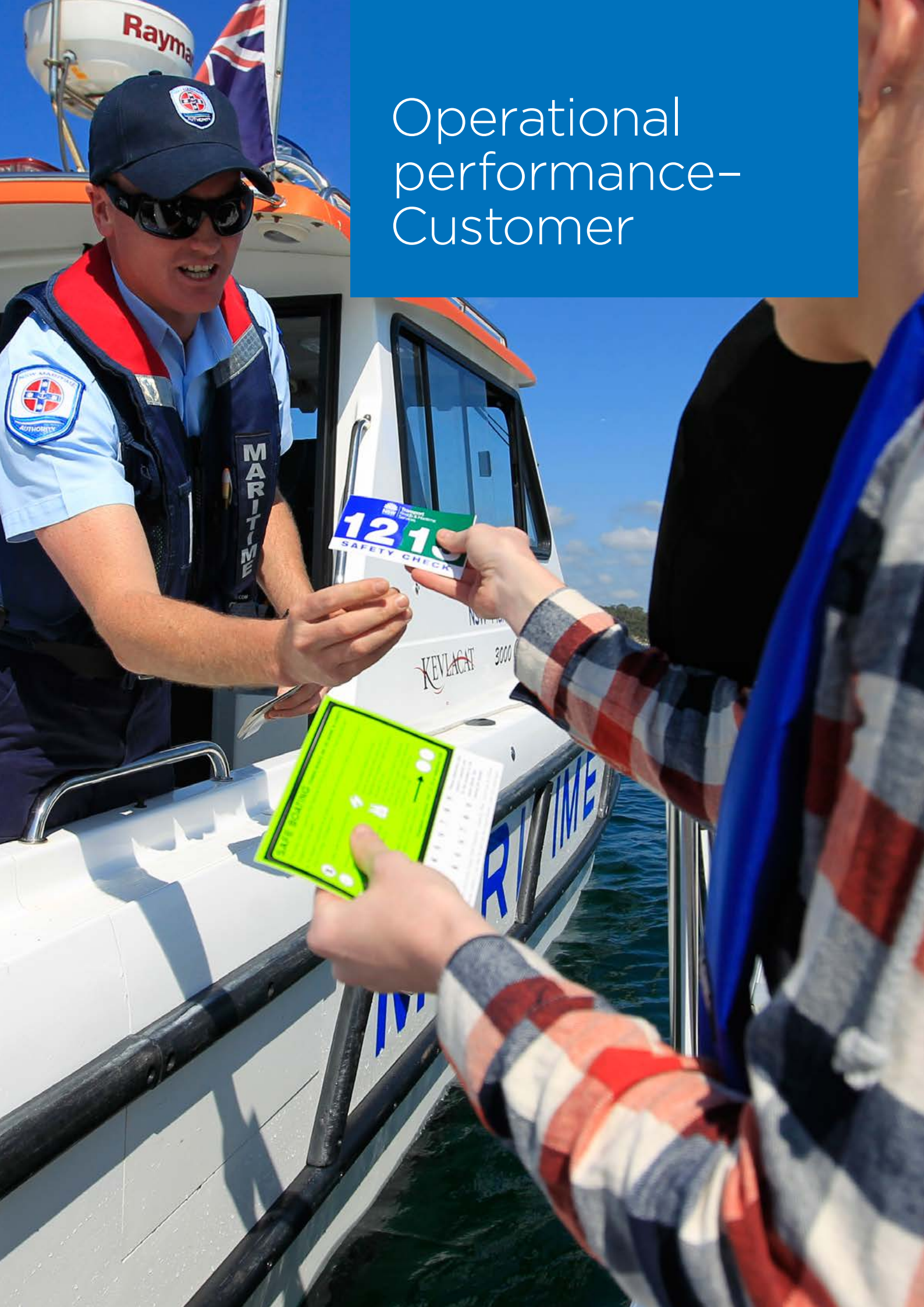
(ii) There is a 12-month lag in reporting on annual greenhouse emission data. Current data is for the period 2011-12

(iii) There is a 12-month lag in reporting on building energy consumption. Current data is for the period 2011-12.

Table 9. Business						
Roads and Maritime workplace injuries/100 employees ⁽ⁱ⁾	-	-	-	4.8	4.4	4.7
Roads and Maritime WHS liability workplace claims costs (\$ million)	-	-	-	1.1	N/A	2.15
Roads and Maritime separation rate of staff (%)	-	-	-	3.23	N/A	7.76

(i) This indicator is based on a rolling 12 month total divided by FTE.

Operational performance— Customer



Customer

Roads and Maritime objective: The customer is at the centre of everything we do

Roads and Maritime provides a range of services to customers such as vehicle and vessel registration and licensing, supplying up-to-date and accurate travel time information, and delivering traffic alerts and updates. Roads and Maritime strives to engage with customers and the community to understand their needs and consider these when making decisions.

Enhanced services

Capturing customer feedback

A pilot Customer Liaison Team was established in early 2013.

The team deals directly with customers and local communities and engages relevant divisions and external organisations, such as councils and local MP offices, to find solutions for our customers enquiries and concerns. Roads and Maritime uses the customer feedback to help inform decision making.

Live Traffic website

The Live Traffic website was developed to provide Roads and Maritime customers with access to the latest information about incidents, road works, major events, fires, floods and alpine conditions. Access to camera images, travel times and trip planning helps motorists plan their journeys and make informed travel decisions.

In March 2013, a new Live Traffic iPhone application was released, which provides customers with access to the site and personalised alerts for frequently travelled routes.

Real time information services

The travel time information service displays real travel time information on variable message signs to road users to help them to plan their trip and choose the best way to travel.

The service was expanded in 2012-13 to the Newcastle Freeway (F3), Westlink M7 and Western Motorway (M4).

Table 10. Roads and Maritime website statistics 2012-13

Website	No of page views	No. of unique visitors ^[1]	Top five pages viewed
Roads	79,660,930	10,691,633	Home, Practice Driver Knowledge Test, Online Services, Licensing, Registration
Road Projects	2,903,015	287,297	Home, Pacific Highway, Browse Projects, Pacific Highway - Port Macquarie to Coffs Harbour, Hunter Expressway
GEARED (young driver)	1,002,238	240,831	Home, Licence, Rules for L and P Plate drivers, Getting your Ls, Getting your P2 licence
Maritime	3,859,345	660,698	Home, Boating Knowledge Quiz, Boat Licences, Web Camera Trial, Boat Registration

[1] Unique visitors: This is the number of unduplicated (counted only once) visitors to the website over the course of a specified time period.

Passenger transport information services and systems (PTIPS)

In November 2012, an SMS service that provides bus passengers with real time bus arrival information was launched. This information is provided by PTIPS, a Roads and Maritime system that gives priority to buses at traffic signals by altering the sequencing and timing of the signals.

The success of the SMS service led to the provisioning of real time bus data to the public to support smartphone applications, which were developed by selected commercial developers. As of 30 June 2013, there were a total of seven smartphone applications, with more than two million downloads combined.

Maritime alerts

The Maritime alert system helps boat owners and rock fishermen in their trip planning and preparation. The free online email subscription service delivers weather alerts and expiry date reminder emails for important safety gear such as marine flares, emergency position indicating radio beacons and inflatable lifejackets.

As of 30 June 2013, 2032 people had subscribed to the Maritime alert service.

Online transactions

Roads and Maritime launched its refreshed Online Services website in June 2013 to replace myRTA.com and make it easier for customers to interact with the agency.

As the leading transactional government website in NSW, the Online Services website allows customers to access a range of services and complete transactions online. Transactions completed

online through the Roads and Maritime Online Services website significantly reduce operational costs associated with manually processing transactions in registries.

In December 2012, Roads and Maritime launched the NSW Rego iPhone Application that allows customers to look up the registration status of a vehicle, the location of a vehicle safety inspection station, renew their vehicle registration and set a registration reminder in their calendar. As of 30 June 2013, there had been more than 83,000 downloads of the NSW Rego iPhone Application, over 523,000 registration searches carried out and almost 27,000 registration renewals.

In May 2013, a redeveloped online Test Booking System was launched. The system incorporates customer recommended usability improvements, including a new booking availability search function and the provision of maps and directions to registries.

In 2012-13, 50.3 per cent of eligible transactions (up from 44.9 per cent in 2011-12) were completed through the Roads and Maritime Online Services website. This equates to 5.3 million transactions and \$1.55 billion of payments.

In the same period, the Maritime Division processed over 50,000 renewal transactions online, which equates to 11.8 per cent of all online renewal transactions and \$7.09 million in revenue.

Improved access maps

In response to customer feedback, Roads and Maritime improved access maps, including Restricted Access Vehicle interactive maps, Intelligent Access Program Higher Mass Limits maps.

This information assists in improving the efficiency and productivity of the freight industry.

Integration of Maritime Customer Service Centres

Roads and Maritime successfully managed the integration of all 29 Maritime Customer Service Centres into registries by December 2012.

Maritime customers can now complete boat licence and vessel registration transactions and motor vehicle transactions at any of these registries.

Taxi licences

Roads and Maritime issued 57 annual taxi licences by tender for Sydney and the Richmond/Windsor fringe area.

Service NSW

Service NSW is the new organisation that will make it easier for customers and businesses to access government services. In 2012-13 Roads and Maritime worked closely with Service NSW to prepare for the transition of a number of services.

Photo ID scheme

The NSW photo card is a voluntary card for people who do not hold a current NSW Driver Licence, or other form of photo identification, to prove who they are. It may be used to help access a number of everyday services such as sending or receiving international mail, opening bank accounts and entering licensed premises.

Roads and Maritime introduced the free NSW Photo Card to NSW Senior Card Holders and Carer Allowance recipients in November 2012.

myPlates services

To better meet the needs of myPlates customers, Roads and Maritime introduced alternative payment channels for myPlates transactions and secure, direct delivery of personalised myPlates products.

Aboriginal Driver Education Program

Roads and Maritime developed and distributed a new communication resource specifically designed for the Aboriginal community.

The Aboriginal Driver Knowledge Test, *Listen and Learn*, booklet and audio CD have been disseminated to all NSW registries, NSW Aboriginal Medical Service centres, Local Aboriginal Land Council offices, TafeNSW institutes, community employment organisations and various government agencies, including the Department of Family and Community Services.

Overseas driver licences

In February 2013, Roads and Maritime added nine countries to the list of recognised countries for converting to a NSW driver licence under the experienced driver category.

Improve tolling services

In 2012-13, Roads and Maritime offered customers a second and third E-Toll tag with no tag deposit to pay.

This initiative was developed to help customers who travel in a number of different vehicles to get ready for 'No Tag Fees' that are passed on to customers from 1 June 2013.

Elimination of registration stickers for light vehicles

In 2013, registration stickers for light vehicles were abolished. Customers continue to receive renewal notices prior to registration expiry as per the previous process, but were no longer required to display a label on their vehicle from 1 January 2013. The objectives of the progressive change were to increase efficiencies and respond to customer needs.

As a result, online transactions increased by 15 per cent.

Operational performance- Travel



Travel

Roads and Maritime objectives: The door-to-door movement of people and goods is efficient and reliable

Roads and Maritime delivers a range of travel solutions to optimise the movement of people and goods throughout the road and maritime networks. This includes enhancing the existing networks, improving on these networks by putting new infrastructure in place and by working to optimise operations. Roads and Maritime also supports road-based public transport solutions to move people by the most efficient and sustainable means.

Improving infrastructure

Roads and Maritime is providing new and improved road and waterway infrastructure to enable the safe and efficient movement of people, goods and services.

In 2012–13, major road projects included:

- Pacific Highway
- Great Western Highway
- Hume Highway
- Princes Highway
- Central Coast Highway
- Hunter Expressway
- WestConnex.

Construction also commenced on:

- Camden Valley Way, Bringelly Road to Oran Park Drive
- Richmond Road, Bells Creek to Townson Road
- Schofields Road, Windsor Road to Tallawong Road.

Roads and Maritime opened the following projects to traffic:

- Pacific Highway bypasses of Kempsey and Bulahdelah
- M2 upgrade, Windsor Road Ramps

- Great Western Highway upgrades at Lawson and Wentworth Falls.

Environmental impact assessments

Roads and Maritime completed the environmental impact assessment determination for eight projects in Sydney and the Central Coast:

- Schofields Road Stage 2, Tallawong Road to Veron Road
- The Northern Road, Camden Valley Way to Bringelly
- Alford's Point Road, Brushwood Drive to Georges River
- Old Wallgrove Road, M7 Motorway to Erskine Park Link Road
- Werrington Arterial Stage 1, M4 Motorway to Great Western Highway
- Pacific Highway/Wyong Road intersection upgrade
- Sparks Road, new intersection to support Warnervale town centre
- Terrigal Drive, Charles Kay Drive intersection upgrade.

Great Western Highway

In 2012–13, Roads and Maritime completed the environmental impact assessment determination for the Forty Bends upgrade near Lithgow.

Construction of the final project required to complete a four-lane highway between Emu Plains and Katoomba commenced at Bullaburra.

Work on the Bullaburra to Wentworth Falls and Woodford to Hazelbrook projects continued and the Lawson upgrade and Wentworth Falls East project was opened to traffic.

Hume Highway

The Hume Highway between Sydney and Melbourne is a major interstate corridor, carrying 20 million tonnes of freight every year.

The duplication of the Hume Highway included the construction of 26 major bypasses in NSW, which reduced noise and other traffic impacts on communities, by removing large trucks from local roads and towns.

In June 2013, Roads and Maritime celebrated the imminent completion of the Hume Highway with a community day at the Holbrook Bypass.

Upgrade to the Princes Highway from Gerringong to Bomaderry

At June 2013, construction activities including relocation of utilities, bridge piling and superstructures, haulage roads, side tracks, retaining walls and drainage culvert construction works were under way on the Gerringong upgrade.

The public display of the Foxground and Berry Bypass environmental assessment was completed in December 2012.

Central Coast

In February 2013, the recommended route for the Narara to Lisarow upgrade, Manns Road to Railway Crescent was announced and construction continued on the Central Coast Highway, Matcham Road to Ocean View Drive.

The following projects were opened to traffic in 2012-13:

- Central Coast Highway, Carlton Road to Matcham Road
- Pacific Motorway/Wyong Road interchange upgrade
- Central Coast Highway and Wisemans Ferry Road intersection upgrade.

Hunter

The Hunter Expressway project involves the construction of a four-lane freeway link between the Pacific Motorway near Seahampton and the New England Highway, west of Branxton. The new expressway will provide a new east-west connection between Newcastle and the Lower Hunter and is the biggest road infrastructure project to be built in the Hunter region.

In 2012-13, the following ancillary work was completed for the Hunter Expressway project:

- Intersection widening at Cameron Park Drive – opened to traffic in April 2013
- Lake Road and Douglas Street intersection upgrades – opened to traffic in June 2013.

In September 2012, Roads and Maritime undertook and completed a feasibility study for a New England Highway bypass of Singleton. The preliminary feasibility study was released by the Minister for Roads and Ports in June 2013.

Northern NSW

In January 2012, the government announced a short list of six options for rebuilding the Grafton Bridge.

The recommended preferred option was announced in December 2012 and displayed for public comment until March 2013. The Minister for Roads and Ports announced the preferred route in April 2013.

WestConnex

WestConnex is one of the NSW Government's major infrastructure projects. It will include a 33 kilometre link between Sydney's west and the airport and Port Botany precinct. It is a NSW Government commitment to deliver WestConnex for Sydney in response to the recommendations from Infrastructure NSW in its State Infrastructure Strategy and it is provided for in TfNSW's Long Term Transport Master Plan.

In 2012-13, work on transport planning, urban renewal, infrastructure development, environmental assessment, commercial and finance and communications commenced for the WestConnex business case.

Improving the efficiency of the road network

Bus infrastructure priority projects

Roads and Maritime plays a critical role in maximising the efficient use of road space and encouraging greater use of buses.

Together with TfNSW, Roads and Maritime is working on 43 strategic bus corridors across the Sydney metropolitan area. Bus priority measures such as continuous red bus lanes and bus priority at traffic lights are being implemented on priority corridors. This will improve the reliability of bus services and reduce bus journey times.

In 2012-13, the following projects in the bus priority program were completed:

- Pittwater Road, Bus Lane Maintenance
- Pittwater Road and Warriewood Road, Warriewood, intersection improvements
- Epping Road and Balaclava Road, Marsfield, intersection improvements
- Balaclava Road, Agincourt Road to Epping Road, Marsfield, Northbound Bus Lane
- Church Street, By Street to Pennant Hills Road, North Parramatta, Southbound Bus Lane
- Windsor Road, Hammers Road to Thomas Street, Northmead, Northbound Bus Lane and Bus Bay.

Planning studies were carried out on the following bus corridors:

- Sydenham, Mosman via CBD – Metrobus 30 route

- Burwood, Bondi Junction via Sydney Airport – Corridor 29
- Chatswood, Dee Why via Frenchs Forest – Corridor 15.

Pinch Point Program

The Pinch Point Program was established to improve traffic flow and ease congestion on the road network.

Corridor studies initiated in 2012–13 include Parramatta Road, Hume Highway, Pennant Hills Road, James Ruse Drive, Canterbury Road, Henry Lawson Drive, Woodville Road, Concord Road and Taren Point Road.

All 2012–13 projects scheduled for construction have been completed including:

- Hume Highway and Campbelltown Road (Casula) – intersection improvements
- Parramatta Road, Concord – variable message sign
- Parramatta Road and Frederick Street – extension of right turn bay
- Cumberland and Hume Highways, Liverpool – localised road widening of Cumberland Highway to extend the left turn slip lane and provide three right turn lanes – opened to traffic December 2012
- Hume Highway and Liverpool Street – widen Hume Highway to provide right turn bay into Liverpool Street – opened to traffic December 2012
- Hume Highway and The Horsley Drive – improvements to the left turn lane to allow safer turning of heavy vehicles – opened to traffic November 2012
- Old Windsor and Powers Roads – widen Powers Road to provide additional dedicated left turn lane – opened to traffic December 2012
- Parramatta and Concord Roads – extended eastbound right turn bay into Parramatta Road – opened to traffic December 2012
- F3 Motorway and Pacific Highway – widen southbound exit ramp to provide triple left turn into Pacific Highway – opened to traffic December 2012
- Princes Highway, Forest Road and Wickham Street, Arncliffe – implementation of tidal flow scheme – opened to traffic January 2013
- Cumberland Highway – widen southbound carriageway between Great Western Highway and M4 Motorway to provide increased capacity in Cumberland Highway at the M4 Motorway – opened to traffic March 2013
- Hume Highway and Hoxton Park Road, Liverpool – extension of right turn bay into Hoxton Park Road – opened to traffic April 2013.

Driver Aid Services

Driver Aid Services patrol major roads and Motorways in the Sydney Metropolitan area, responding to unplanned incidents on the road network and providing Traffic Emergency Patrol services to clear incidents and maintain reliable traffic flow.

In 2012–13, Driver Aid Services crews attended a total of 21,653 incidents.

Alpha-numeric route numbering

In 2012–13 the NSW Government made a significant improvement to how motorists can find their way across NSW. Roads and Maritime began implementing a new system of alpha-numeric route numbering, which will make it easier for road users to plan their trip, and will bring NSW into line with Queensland and Victoria who are already using the nationally-agreed system.

The existing ‘shield’ route markers are being replaced with a combination of a letter and a number – either an M (motorway), A (route of national significance) or B (route of state significance).

Case study: Pacific Highway upgrade

The Pacific Highway corridor connects Sydney and Brisbane and is a major contributor to Australia's economic activity. The road is a vital piece of the nation's infrastructure and is a key link in the National Land Transport Network.

Since 2008-09, the Australian and NSW governments have agreed on a \$7.92 billion program of work to upgrade the Pacific Highway to four-lane divided road standard.

The \$7.92 billion of funding will:

- Complete Priority 1 works (Newcastle to Port Macquarie, Ballina to the Queensland border and near Coffs Harbour)
- Complete Priority 2 works (Port Macquarie to Raleigh, near Coffs Harbour)
- Complete planning, land acquisition, preliminary investigations and some enabling works for Priority 3 works between Woolgoolga and Ballina.

At the end of June 2013, about 56 per cent of the final length of highway between Hexham and the Queensland border is now a four-lane divided road.

Key infrastructure opened between January and June 2013 includes:

- The 14.5 kilometre Kempsey Bypass
- The 8.5 kilometre Bulahdelah upgrade
- The Woolgoolga Creek Road, Bark Hut Road and Headlands Road overpasses on the Sapphire to Woolgoolga upgrade.

Two major traffic switches were completed between Sapphire and Woolgoolga which opened about 12 kilometres of new highway to two-way traffic.

Case study: The Kempsey Bypass

The 14.5 kilometre Kempsey Bypass project is part of the 40 kilometre Kempsey to Eungai project, which extends from the existing dual carriageway south of Kempsey to the existing dual carriageway at Eungai Rail.

The Kempsey Bypass project was approved by the Minister for Planning in July 2008, and as part of the Building Australia Fund, the Australian Government announced that it would provide \$618 million for construction.

Roads and Maritime formed the Kempsey Bypass Alliance with Leighton Contractors, AECOM and Coffey Geotechnics to build the bypass. Abigroup was awarded a separate contract to design and construct the 3.2 kilometre Macleay River and floodplain bridge.

The Kempsey Bypass was opened to traffic in March 2013, a year ahead of schedule. The bridge over the Macleay River and floodplain is 3.2

kilometres long, making it the longest bridge in Australia. Since opening to traffic on 27 March 2013, the Kempsey bypass has significantly improved safety and travel time for road users and communities.

Bypassing Kempsey and Fredrickton delivered safety and amenity improvements for local road users, pedestrians and cyclists by removing heavy vehicles and highway traffic from town centres. Morning and afternoon peak travel times on the bypassed highway in Kempsey improved by about seven minutes.

The Kempsey Bypass Alliance has been recognised with major environmental accolades including the NSW Office of Environment and Heritage Sustainability Leadership Award and the Civil Construction Federation Earth Award.

Operational performance- Asset



Asset

Roads and Maritime objective: Transport infrastructure meets acceptable standards

Roads and Maritime delivers maintenance and upgrade programs to ensure that infrastructure and assets are maintained in a sustainable, safe manner and to an appropriate standard. This includes regulating the access to Roads and Maritime networks to provide balanced, sustainable outcomes for all users.

Road assets

Road asset management achievements

The extended wet weather impacted a number of road maintenance programs. Additional funding was redirected to heavy patching works to keep roads open and safe during the extended period of wet weather. Total expenditure on road maintenance in 2012-13 was \$933.2 million. A further \$243.2 million was spent on restoration of natural disaster damage on state, local and Crown roads across 104 council areas.

Key achievements in road asset management in 2012-13 include:

- Resurfaced 3.42 per cent of the asphalt pavement network
- Resealed 9.32 per cent of the sprayed sealed network
- Rebuilt 1.1 per cent of the State Road network.

Maintenance of state bridges, including 28 major repairs, replacement of eight bridge size structures and the replacement of Beemery Bridge over Bogan River, accounted for \$232.6 million. A further \$154.9 million was spent on corridor maintenance.

Pavement rebuilding program

In the past year, Roads and Maritime delivered the \$176 million Pavement Rebuilding Program, including the reconstruction of:

- Pacific Highway at Houston Mitchell Drive, Lake Cathie turnoff – completed in November 2012
- Great Western Highway, east of Reserve Road at Marrangaroo – eastbound lane completed in May 2013
- Newell Highway at Deniliquin Road roundabout, Tocumwal – roundabout opened to traffic June 2013.

Road maintenance

Key asset maintenance services delivered include:

- Painting projects for the Sydney Harbour Bridge southern approach
- Upgrades for the Sydney Harbour Bridge Electronic Lane Control System
- Construction of three overtaking lanes on the Newell Highway, north of Narrabri
- Pavement strengthening works on Houston Mitchell Drive in the Port Macquarie area.

Infrastructure condition and performance

Roads and Maritime has changed the time of year that it collects condition data for the road pavements it manages to ensure the best possible allocation of funds across the state and between work activities.

This report contains estimated results for 2013, actual results will be published on the Roads and Maritime website in early 2014.

- **Ride quality** – Measured using vehicle-mounted laser technology. Smoother roads provide a more comfortable ride and reduce the damage caused to the road by heavy vehicles. Smoother roads also cause less damage to vehicles and save fuel.
- **Pavement durability** – This measures the amount of surface cracking on the road. Cracks let water in, which can soften the underlying road pavement and lead to premature deterioration.

Figures 3 to 6 show ride quality and pavement durability performance for urban and rural State Roads. Pavement durability (Figure 5) on the rural network has been relatively stable over the past eight years with the extent of road cracking remaining at very low levels. Greater attention is required to minimise cracking on rural roads, which are more susceptible to variations in moisture. Urban roads (Figure 6) in general, display a higher level of

cracking than rural roads but tend to be more resilient as they are made of manufactured materials such as asphalt. The durability of urban roads has improved significantly over the past few years.

Roads and Maritime carried out significant asset maintenance works on the State Road network during 2012–13, including:

- 611 lane kilometres of road pavement rebuilding

- 466 lane kilometres of asphalt resurfacing
- 3420 lane kilometres of sprayed seal resurfacing.

Figure 3. Ride quality (per cent 'smooth') on rural State Roads

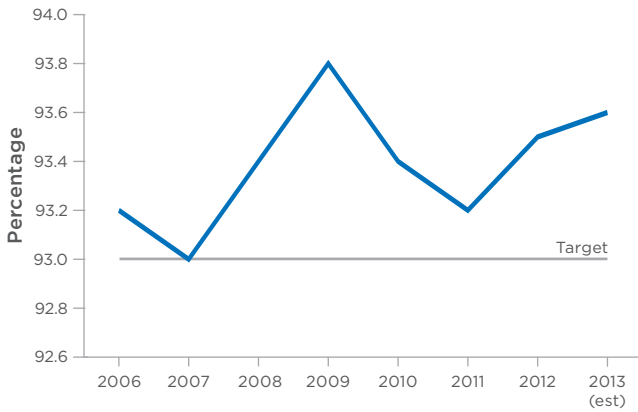


Figure 4. Ride quality (per cent 'smooth') on urban State Roads

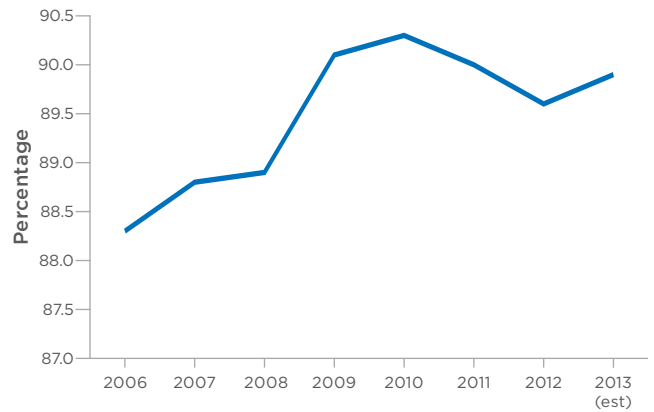


Figure 5. Pavement durability (per cent 'good' durability) - rural State Roads

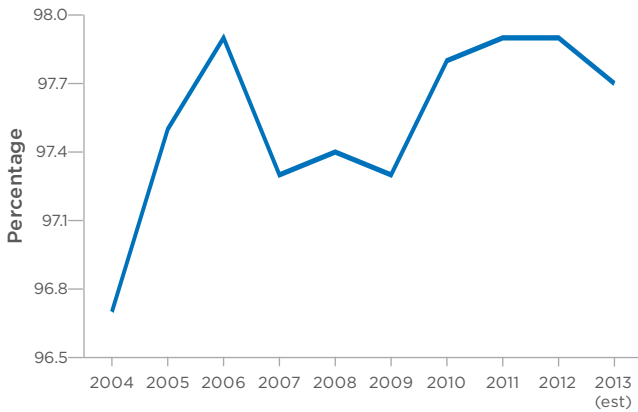


Figure 6. Pavement durability (per cent 'good' durability) - urban State Roads

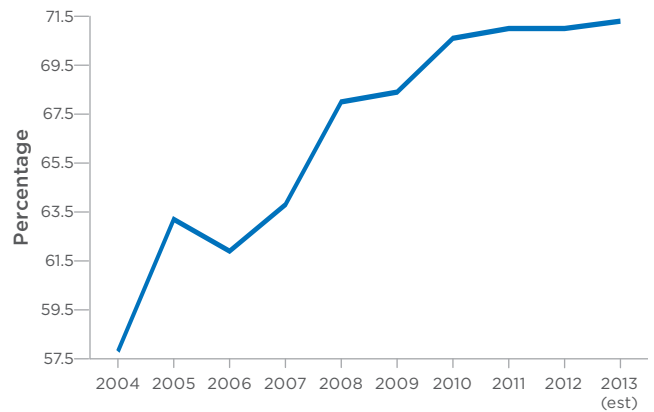
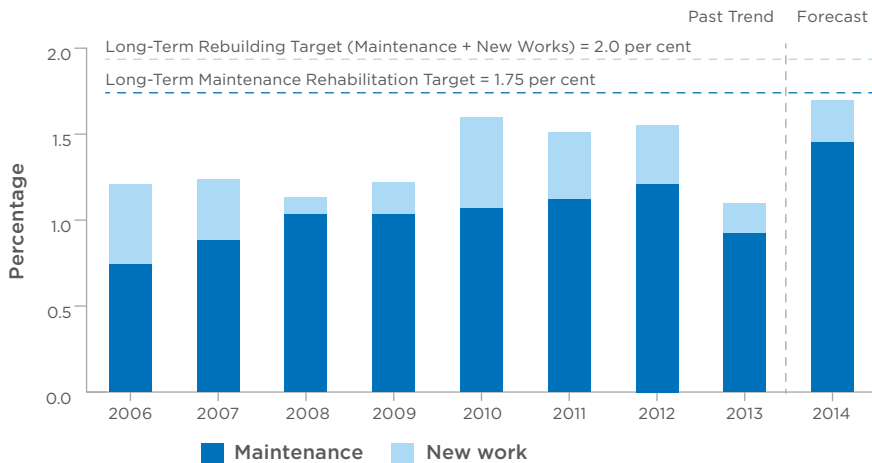


Figure 7 shows the recent level of pavement rebuilding activity. This indicator consists of rebuilding contributions from both the major infrastructure program (new works) and the asset maintenance program. Due to significantly increased funding, Roads and Maritime expects to achieve an improved level of pavement rebuilding in 2013–14.

Figure 7. Rebuilding of road pavements



- Completion of 28 bridge rehabilitation projects
- Replacement of Beemery Bridge over Bogan River
- Complete reconstruction of Dunmore Bridge in Hunter Region
- Painting of Wardell Bridge on the Pacific Highway
- Maintenance painting of Patterson River Bridge and Beryl Bridge
- Building a new ferry wharf for Wymah Crossing.

Managing a large asset base

The 185,477 kilometre NSW road network is a significant public asset, providing access across NSW for commuters, travellers, business and freight.

The road system can be divided into four categories:

- 18,036 kilometres of Roads and Maritime-managed State Roads including 4317 kilometres of the National Road Network, for which the Australian Government provides a funding contribution, and 147 kilometre of privately-funded toll roads
- 2970 kilometres of Roads and Maritime-managed Regional and Local Roads in the unincorporated area of NSW
- 18,259 kilometres of council-managed Regional Roads, which receive significant state grant funds administered by Roads and Maritime
- 146,212 kilometres of council-managed Local Access Roads, funded by local ratepayers and Australian Government programs such as the Financial Assistance Grants and the Roads to Recovery Program.

Roads and Maritime is also responsible for maintaining and operating:

- 2330 school zone flashing light signs
- 3945 traffic signal sites
- 10,000 street lights
- 5287 bridges and major culverts and 26 tunnels
- 7 automated tidal flow systems
- 56,000 kilometres of longitudinal linemarkings and other pavement markings
- 2 million reflective raised pavement markers
- 71,698 guide signs for major structures and 84,192 parking, 66,018 regulatory and 39,181 warning signs
- 9 vehicular ferry crossings
- Intelligent traffic systems including 300 variable message signs, 141 variable speed signs and 864 CCTV cameras.

Bridge maintenance

Over \$232 million was invested in bridge maintenance and the rehabilitation of state bridges. Program delivery included:

Sydney Harbour Bridge

Around 13,250 m² of the bridge was repainted in 2012-13. Work carried out included paint removal and repainting of 8150 m² of southern approach spans and painting of 5100 m² of the main arch.

ANZAC Bridge

Maintenance work started on the ANZAC Bridge in November 2011 and will take around two years to complete.

Bridge assessments

Roads and Maritime continues to evaluate the load carrying capacity of its bridges to determine which structures can safely take specific heavy vehicle types. As a result of these ongoing assessments a further 12 structures were made available for Higher Mass Limits (HML) access, resulting in greater efficiency and productivity for the heavy vehicle freight industry.

Bridges for the Bush

The Bridges for the Bush Program was announced by the NSW Premier in October 2012. The program is focused on improving freight productivity and road

safety through the replacement and upgrade of key bridges in regional areas.

The program consists of 17 bridge projects.

In October 2012, the first Bridges for Bush project, the upgrade of the Dunmore Bridge, was completed and opened to traffic.

Construction on the Crookwell and Holman Bridges and the upgrade of Carrathool Bridge also commenced.

Road corridor maintenance

The total maintenance expenditure on corridor assets (including capital works) in 2012-13 was \$154.9 million.

Roads and Maritime delivered \$107.4 million of routine maintenance for roadside assets, this represents a 7.3 per cent increase in expenditure in 2012-13. Routine corridor maintenance includes maintenance of drainage, slope, rest area, noise wall, safety barrier and fencing assets and also vegetation management, litter and graffiti removal, incident response, road sweeping and snow and ice removal. Heavy rainfall led to prolific growth of roadside vegetation, weakening and scouring of slopes, an increase in the number of road incidents, additional culvert blockages and occasional culvert failures.

Slope stability

Roads and Maritime remediated 34 road cuttings, embankments and retaining walls at a cost of \$21.5 million to stabilise road slopes which had failed, or were at risk of failure. Significant slope repairs undertaken during the year included:

- Slope stabilisation and rock revetment to protect against wave action along a section

of Lawrence Hargrave Drive, immediately north of the Seacliff Bridge

- In April 2012, a landslide on the Kings Highway, East of Braidwood, brought rocks and trees down onto the roadway. Subsequently Roads and Maritime undertook a detailed investigation and carried out extensive preventative maintenance works to minimise the risk of further landslides
- Two slope failures in difficult terrain along the Oxley Highway were completed allowing lanes to be reopened and speed restrictions lifted.

Other slope stability works were undertaken at various sites throughout NSW, including the Sydney-Newcastle Freeway (M1), Pacific Highway, Great Western Highway, Galston Road, Barrenjoey Road, Golden Highway, the Alpine Way, Mount Ousley Road and Summerland Way.

Risk assessments were carried out on 503 slopes across the state to help prioritise future slope stability remediation works.

Culverts

The program to assess the condition of culverts on the state road network was progressed with a further 1721 of the highest priority culverts being risk assessed. An additional 1868 culverts were identified and added to the inventory.

In 2012-13, Roads and Maritime rehabilitated 67 culverts across the state.

Other works

Work carried out within the road corridor programs in 2012-13 included:

- Replacement of nine kilometres of aging chain-wire fence with steel guardrail safety barriers
- Rehabilitation of 385 kilometres of table drains to improve road drainage.

Road maintenance delivery

Roads and Maritime continued detailed planning to contest the delivery of road maintenance and other minor improvement works in the Sydney region to complement the existing long-term maintenance contract that is already operating in North Sydney. During 2012-13 extensive planning work and industry consultation was carried out and a Request for Proposal for new long-term contracts with private sector providers in the south zone and west zone of Sydney was released in June.

Roads and Maritime continued to work with 78 rural councils carrying out the maintenance of sections of State Road network in regional areas.

Funding assistance to local councils

Roads and Maritime provides grants to local councils for works on Regional Roads under a number of programs.

Under the Block Grant Program \$139.5 million was provided to councils for the general management and maintenance of Regional Roads.

A further \$27.5 million was allocated to the Repair and Improvement of Roads (REPAIR) program, under which councils apply for additional assistance on a 50:50 funding basis for major rehabilitation and development works on Regional Roads. Projects are selected for

funding on the basis of merit through the Regional Council Consultative Committee process.

Natural disaster repairs

The NSW Government funds repairs to Roads and Maritime-managed State Roads damaged by declared natural disasters. It also provides significant financial assistance to local councils to restore local and Regional Roads and bridges to their pre-disaster condition.

Since late 2009, there have been an unprecedented number of natural disasters throughout NSW, with some communities impacted on a number of occasions by separate disasters. In 2012-13, 104 of 152 local government areas experienced natural disasters.

During the year, Roads and Maritime allocated \$243.3 million of NSW Government funds to repair damage arising from declared storms and floods.

The extensive nature of a number of these events means that restoration works will continue into 2013-14 in some cases.

National Heavy Vehicle Regulator (NHVR)

The Heavy Vehicle (Adoption of a National Law) Bill 2013 was introduced into NSW Parliament on 29 May 2013 and assented on 25 June 2013.

Roads and Maritime continues to work with Commonwealth, State and Territory agencies towards the implementation of the NHVR, which is expected by early next year.

Maritime assets

Wharf Maintenance Program

The wharf inspection and maintenance program continued during 2012-13. This includes general monthly inspections, comprehensive structural assessment, as well as electrical and lighting, sewerage and hydraulic inspections. This program involves regular inspections of more than 100 maritime structures located in Sydney, Newcastle and Port Kembla harbours, together with necessary maintenance work.

Significant maintenance works completed in 2012-13 include:

- Refurbishment of the old Huntleys Point Wharf
- Repairs to the substructure of the Manly Wharf ramp
- Refurbishment of the Manly East wharf
- Ongoing repairs to the Circular Quay wharves and southern promenade concrete and timber
- Replacement of the Bayview Park pontoon
- Rebuilding of the Heritage section of the Balmain (Thames Street) ferry wharf.

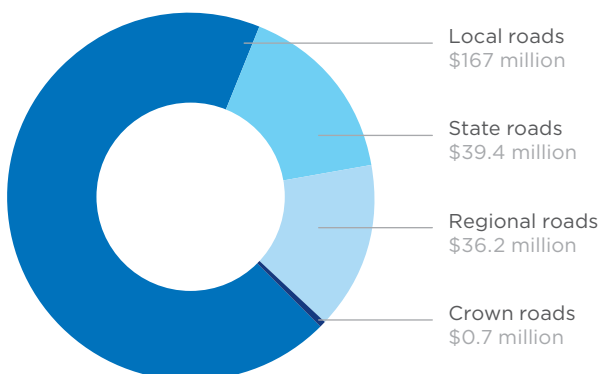
Case study: Dunmore Bridge opening

The Bridges for the Bush Program involves removing a number of significant freight pinch points or bottlenecks caused by deficient bridges at key locations.

Eleven bridges will be replaced or upgraded over the next five years so that they can handle larger and heavier freight vehicles. A further six timber truss bridges will be upgraded to improve safety for current traffic.

In October 2012, the first Bridges for the Bush project, the upgrade of the Dunmore Bridge was completed and opened to traffic.

Figure 8. Natural disaster expenditure 2012-13



Operational performance- Access



Access

Roads and Maritime objective: The accessibility of transport options is aligned to the needs of the community and economy

Roads and Maritime delivers initiatives to support access to public transport solutions such as buses, taxis, walking and cycling. Roads and Maritime also works to ensure our infrastructure meets the needs of customers, such as providing suitable access for mobility impaired travellers.

Public transport

Bicycle infrastructure

Bicycle riding is growing in popularity in NSW, with 1.05 million people riding their bikes each week.

Roads and Maritime continued the development and delivery of the NSW bicycle network with the northern section of the Prospect to Blacktown cycleway opening and the completion of a revised Stage 1 concept design for the Naremburn to Neutral Bay cycleway.

Road transport

Over-height vehicle program

Special conditions apply to over-height vehicles to reduce risk to other road users, heavy vehicle drivers and road assets.

New height signage was installed on critical bridge structures, including five sites in Sydney and six in the Northern and Hunter regions in 2012-13.

NSW Road Freight Industry Council

The NSW Road Freight Industry Council was formed by the Minister for Roads and Ports to focus on operational and customer service issues. The first meeting of the Council was held in September

2012 and was attended by key industry, community and government stakeholders.

High Productivity Vehicles

High Productivity Vehicles (HPVs) are a combination of a truck and trailer that shift more freight more efficiently with greater environmental and safety performance.

In 2012-13, Regional Freight Industry working groups were established to promote and achieve access improvements for HPVs.

Since July 2012, Roads and Maritime has been working to improve access on local council roads for HPVs.

All six Livestock and Bulk Carriers Association priority routes have undergone assessment or have been granted council approval.

NSW Livestock Loading Scheme

The NSW Livestock Loading Scheme was established to enhance productivity and protect jobs in the NSW meat and livestock industry. The Scheme includes measures to minimise road pavement wear, protect vulnerable bridges and reduce the incidence of livestock vehicle rollovers.

The NSW Government approved the Scheme in September 2012 and enrolments opened in November 2012. The Scheme commenced

on Higher Mass Limits routes on 1 December 2012, and by February 2013, the driver training course was finalised. There are 14 trainers approved to deliver the course, and the Scheme was extended to all NSW State Roads on 1 March 2013.

Roads and Maritime initiated data collection to identify priorities for extending the NSW Livestock Loading Scheme to local roads and for funding for local council bridge sign-posting program. By 30 June, about 50 per cent of councils (152) had responded to the bridge data request.

Maritime infrastructure

Better Boating Program

Since 1998, the Better Boating Program has delivered more than \$40 million in funding to support more than 670 projects across the state, including boat ramps, public wharves and pontoons, dinghy storage and sewage pump-out facilities.

In January 2013, the Minister for Roads and Ports announced a package of successful grants to support access to boating facilities for the amount of \$4.45 million and in May 2013, grants of \$0.44 million were approved for the Sharing Sydney Harbour Access Program.

In 2012-13, 72 projects were offered Better Boating Program grant funds, amounting to \$4.9 million in total.

Upgrades to commuter wharves

Wharf upgrades were completed for the following commuter wharves:

- Neutral Bay Wharf - Wharf rebuild completed August 2012
- Rose Bay Wharf - Wharf construction completed September 2012
- Balmain Thames Street Wharf - New wharf completed February 2013
- Huntleys Point Wharf - Wharf rebuild completed April 2013.

Case study: Sydney Harbour Commuter Wharf Upgrade Program

The NSW Government is progressively upgrading ferry wharves across Sydney Harbour to improve ferry services for customers. Four upgrades were successfully completed in 2012-13. The new wharf facilities provide better:

- Safety with upgraded lighting, safety gates, rescue equipment and emergency help points
- Ramps, gradients and turning space for people using mobility aids
- Views to and from the wharves and a design that complements the harbour outlook
- Comfort through undercover passenger waiting areas with seating and protection from the sun, wind and rain
- Access for passengers, as they can now board and disembark more quickly and efficiently, particularly at low tide.

Neutral Bay, Rose Bay, Balmain Thames Street and Huntleys Point wharves were completed in 2012-13.

Operational performance- Safety

WORKERS ON
USE CAUT

Campanile
To Sydney
EXIT



Safety

Roads and Maritime objective: The safety and security of the transport system is maximised

Roads and Maritime manages important compliance schemes and initiatives to promote safe behaviours of users on our networks and to deliver safe transport outcomes.

Delivering safer roads

Safer Roads Program

Analysis and site inspections were conducted to inform safety works and upgrade identified black spots. Work carried out in 2012–13 included:

- Vehicle activated safety signs for Nambucca to Urunga
- New England Highway, Howards Road Curve Realignment was completed
- New England Highway, Whittingham, construction of road widening
- Golden Highway at Ballimore, a turning lane was constructed and opened to traffic in August 2012
- CENWEST (Great Western Highway, Mitchell Highway and Mid-Western Highway). An expression of interest was issued in June 2013 to review intersections, delineation and barriers to inform safety across the Central West.

Point-to-point cameras

Point-to-point enforcement measures the amount of time it takes a heavy vehicle to drive between two points and then calculates the average speed of the vehicle. If the vehicle's average speed is higher than the speed limit for the length of the road, the driver will be fined for speeding.

Point-to-point cameras continue to be installed to enforce restrictions on heavy vehicle speeding in NSW. This technology is also being used to enforce speed limits over long stretches of road.

As of June 2013, 21 lengths were operating with four additional lengths under construction.

Red Light Speed Camera Program

Safety cameras are installed to make intersections safer by enforcing both speeding and red light compliance. As of June 2013, red light speed cameras were operating at 108 intersections.

School zone flashing lights

School zone flashing lights improve safety for children by warning motorists to slow down as they enter 40km/h school zones.

Initially, flashing lights were to be installed at 179 school zones in 2012–13. In March 2013, the NSW Premier announced an additional \$2.5 million commitment to install flashing lights to an additional 101 school zone sites by the end of June 2013.

These additional sites were also delivered, bringing the total to 280 for the year.

Five Star Trucking Safety Rating System

The Five Star Trucking Safety Rating System was designed to encourage best driving practice and reward those operators who foster safe driving.

In 2012–13, Roads and Maritime drafted a project mandate for a trial of the Five Star Rating System.

Heavy vehicle compliance and enforcement program

Roads and Maritime continued to work closely with NSW Police to monitor heavy vehicle speed compliance throughout NSW. This included providing a 24-hour access point for NSW Police personnel to report instances of heavy vehicle speed non-compliance.

In 2012, combined efforts targeting heavy vehicle speeding resulted in a 79 per cent fall in the number of heavy vehicles detected speeding at more than 105 km/h. This reduction was a result of concerted efforts to educate the heavy vehicle industry about the social and economic costs of speeding and effective compliance campaigns.

Multi-jurisdictional operations involving the interception, checking and monitoring of heavy vehicles are ongoing as part of Roads and Maritime's efforts to ensure heavy vehicle speed and safety compliance.

In 2012–13, there were nine special operations undertaken. As a result of these operations 6480 heavy vehicles were intercepted of which 128 were found to have non-compliant speed limiter devices (Engine Control Modules).

Roads and Maritime implemented the Heavy Vehicle Inspection Scheme (HVIS), which targets vehicles on-road and at Heavy Vehicle Checking Stations (HVCS), to ensure vehicles are registered and meet safety standards.

In 2012–13, the following interceptions and inspections were carried out:

- HVCS vehicle intercepts 143,767
- HVIS vehicle inspections 104,669
- On-road intercepts 62,256
- Inter-agency and targeted 31,677

Roads and Maritime has coordinated 10 heavy vehicle special operations with NSW Police to promote vehicle compliance, improve road safety, and protect the environment and road assets. As part of these operations, NSW Police conducted Random Breath Tests and drug tests on drivers intercepted for a compliance check and have shared the results with Roads and Maritime. In the 2012–13 operations, 2247 drug tests were completed with 16 positive drug tests, equating to less than one per cent of drivers being detected for drug use.

Black Spot Program

The Nation Building Black Spot Program was introduced as part of the Australian Government's commitment to reduce crashes on Australian roads.

In 2012–13, 90 projects were completed under the Federal Black Spot Program and a further 68 were completed under the State Black Spot Program.

Industry training program and code of practice in the tow truck industry

Roads and Maritime introduced a new tow truck driver training program and code of practice on 1 May 2013. Six Registered Training Organisations have been engaged to deliver the program. The program contains new safety procedures aimed at reducing incidents, particularly on high speed roads.

Electronic work diaries

An Operational Pilot of Electronic Work Diaries and Speed Monitoring Systems for Heavy Vehicles was established in 2010 as an alternative to the written work diaries used for monitoring compliance with heavy vehicle fatigue regulations. Funding of more than \$5 million was provided under the NSW Road Toll Response Package.

The project was led by Roads and Maritime, for the NSW Centre for Road Safety, and Transport Certification Australia was contracted to conduct the pilot.

The pilot was completed in 2013 and found that electronic work diaries are feasible from technical, operational and regulatory perspectives, and have the potential to generate safety and productivity benefits.

The pilot has been recommended for adoption and further development.

Maximising boating safety

National System for Domestic Commercial Vessel Safety

The National System for Domestic Commercial Vessel Safety aims to simplify commercial vessel safety requirements by replacing existing state and territory laws with a common National Law. During 2012–13, Roads and Maritime completed preparations for implementation of the National System on 1 July 2013 in liaison with the Australian Maritime Safety Authority (AMSA), the National Regulator of domestic commercial vessels. Activities included training and administrative changes to enable Roads and Maritime to operate as a NSW delegate for AMSA and enforce the new laws.

Boating safety compliance

The number of vessel safety compliance checks carried out by Roads and Maritime Boating Safety Officers in 2012–13 was 45,348, a decrease of some 3100 checks when compared with the previous period in 2011–12.

The minor decrease in compliance checks may be partially attributable to a number of temporary organisational factors, including the rollout of a new on-water system for capturing compliance information and the associated training and implementation phase of the project. In addition, organisational change and the recruitment and training of new boating safety officers has had an impact on compliance checks. It is anticipated that compliance checks will increase over the next financial year, as new staff and systems are bedded in.

A total of 2004 penalty notices were issued throughout NSW in 2012–13 for a range of offences.

State-wide and regional education and compliance campaigns

For the 2012–13 boating season, Roads and Maritime conducted six state-wide education and compliance campaigns. All campaigns included a lifejacket and safety equipment compliance component.

The primary focus of each campaign was:

- Ramp checks – promoting a safe boating culture by educating boaters on the importance of pre-season checks to ensure compliance with safety equipment requirements
- Alcohol – to educate boaters on the potential effects of alcohol when boating and reduce alcohol-related incidents
- Towing – to ensure compliance with towing requirements and raise awareness among boaters with regard to the potential for propeller strike injuries
- Offshore operations – including bar crossings, offshore safety equipment and communication requirements
- Navigation lights – to educate boaters on navigation light requirements when operating at night or in restricted visibility
- Commercial vessels – to educate boaters on the new national law system.

Lifejacket education

Compliance with lifejacket requirements remained the primary boating safety message for the year and was a theme of all campaigns, as was general compliance with safety equipment.

Marine Compliance Taskforce and reforms

The Marine Compliance Taskforce was formed in April 2013 to progress a series of reforms to help agencies with an on-water compliance function work together and ensure more effective use of assets and resources. The Taskforce is responsible for driving strategic direction of the State's on-water compliance activities, ensuring effective and efficient use of assets and resources and oversight of performance goals and audits.

The Taskforce, which meets monthly, is led by an Independent Chair and comprises members from Roads and Maritime, the Department of Primary Industries, NSW Police, the Office of Environment and Heritage and the State Emergency Service.

Since formation the Taskforce has:

- Started preparation of a two-year strategic plan of reforms to identify what needs to be done to assist agencies achieve the changes necessary for the better use of assets and resources including staff skills, equipment and vessels
- Developed a consultation program for actively engaging staff and unions throughout the reform process, including consultation on development of the strategic plan
- Launched a Taskforce webpage as a central repository for information on Taskforce activities
- Commissioned a scope of works to facilitate an integrated agency colocation trial at Botany Bay
- Established a sub-committee of subject matter experts to consider appropriate vessel types and procurement opportunities.

Case study: Reduction in excessive speeding by heavy vehicles

The Speed Limiter Compliance Program was delivered as part of the joint Speed Limiter Compliance Program by Roads and Maritime Heavy Vehicle Inspectors and the NSW Police to reduce excessive speeding of heavy vehicles in NSW.

The program has produced a radical and unprecedented 79 per cent reduction in trucks speeding above 105km/h across NSW and is an excellent interim compliance and enforcement result.

The Speed Limiter Compliance Program has been promoted to the National Heavy Vehicle Regulator as a national model of joint cooperation and compliance to target national road safety and road transport competitiveness.

Roads and Maritime and the NSW Police are now working towards joint training, coordination and investigations in relation to Heavy Vehicle speeding and future enforcement operations. This will improve the use of resources and improve information sharing and education.

Operational performance- Environment



Environment

Roads and Maritime objective: The impact of transport on the environment is minimised

Roads and Maritime supports and drives sustainable and compliant environmental management practices and behaviours to ensure that the impact of our works on the environment is minimised.

Noise management

Noise abatement program

In 2012–13, \$7.75 million was invested in the noise abatement program to reduce the impact of high level transport-generated noise in residential areas.

Heavy vehicle noise

TfNSW and Roads and Maritime have been working with other states and territories and the National Transport Commission to implement a national in-service standard for engine brakes.

To enable implementation of the standard, Roads and Maritime developed noise camera technology capable of detecting vehicles that emit excessive engine brake noise. This technology has been trialled at Mt Ousley and Woolgoolga on the north coast and NSW will lead the implementation. A relocatable noise camera system has also been developed and trialled.

Marine pollution response

Roads and Maritime is the combat agency responsible for marine incident and pollution response in NSW waters from Port Stephens to the Queensland border and from Gerroa to the Victorian border.

Roads and Maritime prepared pollution response contingency plans for its areas of responsibility, which were endorsed by their respective Regional Emergency Management Committee.

Responding to marine oil and chemical spills

During the reporting period, Roads and Maritime staff responded to five minor pollution incidents. These included:

- The pollution response and salvage of a grounded vessel at Kiama
- Assisting Fire and Rescue NSW following vessel fires in Coffs Harbour
- The grounding and salvage of a commercial fishing vessel at Harrington
- The pollution response and salvage of a sunken fishing vessel at Crowdy Head marina
- The pollution response and salvage of a sunken commercial fishing vessel from Newcastle Harbour.

Staff training

During the reporting period, the Maritime Division provided refresher training to 99 employees, more than 70 per cent of identified staff who can be called upon to assist in the event of an incident.

In 2012–13 pollution response training was delivered to 87 employees for the first time (more than 50 per cent of identified staff).

Infrastructure

Protecting biodiversity

Roads and Maritime is committed to the protection of biodiversity in road reserves and considers biodiversity issues carefully during route selection and road design for all infrastructure projects.

Biodiversity protection is achieved through the following:

- Regular environmental inspections of construction sites
- Development, review and implementation of environmental impact assessments
- Compliance with policies, guidelines and procedures
- Environmental specifications
- Environmental awareness training for Roads and Maritime staff and council workers.

Roads and Maritime contributed to a number of Threatened Species Recovery Plans prepared by the NSW Office of Environment and Heritage in accordance with Part 4 of the *Threatened Species Conservation Act 1995*. Refer to Appendix 6 for full details.

Roadside environment

Roads and Maritime continued to support the Roadside Environment Committee (REC) and funded the Committee's secretariat and meeting costs in 2012-13. The committee is a multi-agency advisory body that promotes the management of linear reserves to balance environmental, social and economic values.

Key achievements in 2012-13 for the REC included:

- Providing advice for the Roadside Vegetation Implementation Project
- Hosting the NSW Linear Reserve Environmental Management Forum on 30 October 2012. The forum provided an opportunity for land managers and other interested people to learn and discuss operational and strategic issues facing linear reserves in NSW
- Mapping the status of Roadside Vegetation Management Plans
- Sponsoring the Roadside Environmental Management Award as part of the 2012 Local Government Excellence in the Environment Awards
- Providing funding to the Sydney Weeds Committees to conduct a pilot study to better manage weeds in linear reserves.

Environmental performance improvements

In 2012-13, the regional environment team undertook more than 700 inspections on 200 separate construction and maintenance projects being carried out by 42 separate contracting companies.

Strategic environmental performance reviews were conducted on complex projects across the state.

Land and water management

DVD: *Erosion and Sediment Control Principles - examples from road construction*

Erosion and sediment control is a critical environmental compliance risk to Roads and Maritime on road construction sites, and currently accounts for more than one third of serious environmental incidents.

To assist the industry in managing this issue, Roads and Maritime developed and released an awareness video that covers the key principles for effective erosion and sediment control. The video was distributed to construction partners and Roads and Maritime offices across the state.

Internet based map of compensatory habitat lands

Roads and Maritime created a package of web-based maps and tables showing compensatory habitat lands acquired by Roads and Maritime for conservation purposes.

These maps and tables are available on the Roads and Maritime website.

Erosion and sedimentation control training

Roads and Maritime delivered a two-day erosion and sedimentation training session across all regions to 74 attendees, including Roads and Maritime and contractor staff. The training is designed to improve the management of erosion and sedimentation control on all Roads and Maritime-contracted road construction sites.

Urban design

Roads and Maritime continued to produce design excellence in its projects in accordance with the award winning urban design policy, *Beyond the Pavement*. These included, among many others, the ANZAC Bridge Strengthening project, the Epping Road Pedestrian Bridge at Marsfield, the Balmain Wharf upgrade, the Pacific Highway Kempsey Bypass and Banora Point upgrade, the M2 upgrade and the Hunter Expressway.

In addition, a number of initiatives were completed this year:

- The 'Guideline for Landscape Character and Visual Impact Assessment' was updated and improved. Procedures were streamlined, methodologies improved and project examples updated
- The guideline, '*Contributing to Liveable Communities: Roads as Links and Places*' has been updated and finalised. The guideline applies generally to projects that affect low speed roads in town centres. It sets out a number of principles so that the liveability of these centres is taken into consideration as well as the transport benefits of any work.
- Urban design review and input has been provided to:
 - The WestConnex project including the urban renewal opportunities for Parramatta Road
 - Rail transport projects including the Inner West Light Rail extension and the North West Rail Link project
 - The noise abatement program, with the production of an Urban Design Strategy for the Program and design input on noise walls at Sexton Place in Cammeray

- Syd Einfeld Drive at Woollahra
- A range of pedestrian bridge projects including the Heathcote Bridge project, the Nepean River Green Bridge project at Penrith and Beecroft pedestrian bridge are under development.

Keeping waters clean

In 2012-13, a total volume of 2258 cubic meters of rubbish was removed from Sydney Harbour.

Clean Safe Wharf Initiative

The Clean Safe Wharf Initiative is being conducted in phases. Since September 2011, a phased Three E's (Education, Enforcement, Exclusion) approach to ensuring commuter wharf cleanliness and safety has been in operation.

Roads and Maritime also encourages all stakeholders to provide feedback about the initiative through a number of communication methods, including email, telephone, mail and verbal feedback. Complaints about cleanliness have decreased by 85 per cent and complaints about anti-social behaviour decreased by 91 per cent, on the previous year.

In December 2012, Roads and Maritime implemented a 24/7 hotline through agreement with Local Area Command Burwood, to use the Police hotline for reporting anti-social behaviour on wharves.

Operational performance– Business results



Business results – Engagement

Community, partners and stakeholders are consulted and informed about transport issues

Roads and Maritime is committed to engaging with service users, members of the community, partners and stakeholders to ensure that they are informed and up-to-date on matters that impact them.

Roads and Maritime uses a diverse range of communication methods to ensure our community, business and industry partners can access the information they need, when they need it. We also actively seek and consider customer feedback through a range of channels.

In 2012–2013, Roads and Maritime worked to improve engagement with industry, particularly when undertaking major works. By investigating and assessing business community and industry feedback, and reviewing and updating tender assessment policy and guidelines, we are delivering better outcomes for our stakeholders.

We worked closely with TfNSW on the development and implementation of an organisational values program that supports interaction and drives greater collaboration across the cluster.

We also worked with TfNSW to guarantee the projects element of our website is class A for accessibility, to ensure information regarding all major infrastructure projects is accessible to the whole community. Roads and Maritime delivered three new web-based information services – in July 2012 the online community noticeboard was delivered for the Pacific Highway, live streaming of Dunmore bridge maintenance works was delivered in September 2012 and the Great Western Highway road safety review (Katoomba and Mount Victoria constraints mapping) was delivered in January 2013.

In June 2013, we implemented interactive Google maps on the road projects website. We also collated and reported on the volume and locations searched to determine the level of engagement.

Community engagement

In June 2013 an updated Community Consultation Manual was completed. The manual helps staff consider consultation strategies across online, face-to-face, print and mobile applications.

In 2012–13, Roads and Maritime undertook a range of community events to support our commitment to stakeholder engagement. We:

- Held more than 930 community and stakeholder meetings or information sessions
- Held or maintained around 170 staffed or static displays
- Issued around 200 community updates, including progress notices
- Undertook around 2000 letterbox drop campaigns to provide project information to the community
- Held more than 60 community events, including site tours and opening events
- Hosted New Year's Eve community event on the Cahill Expressway for more than 6000 people.

On-water event coordination

Roads and Maritime plays an important role in the licensing and on-water coordination of major aquatic events including the start of the Sydney to Hobart Yacht Race, Australia Day festivities and New Year's Eve celebrations on Sydney Harbour.

The events, which have attracted up to an estimated 2500 to 3000 spectator vessels, are managed in partnership with a number of government and private agencies including Sydney Ports Corporation, Sydney Water Police, Sydney Ferries and Marine Rescue NSW.

As part of this planning, Roads and Maritime carry out a range of engagement exercises to promote safe boating and to ensure that the boating and wider community is informed about events that may impact them.

This consultation includes the placement of marine notices in newspapers, information on the Roads and Maritime website, and the development and distribution of 16,000 annual aquatic events guides. The guides, which detail all major aquatic events planned for the coming year, are distributed via Boating Safety Officers, and to boating clubs, boating press, at boating ramps and to relevant organisations, including the water police and Marine Rescue NSW.

Business results – Governance

Effective governance is in place to deliver our results and services

Roads and Maritime ensures that formal governance mechanisms are in place and that it is held accountable to delivering agreed outcomes in an open and transparent manner to agreed levels of quality.

Financial performance

For details of Roads and Maritime’s financial performance for period 1 July 2012 to 30 June 2013, refer to the financial statements (see pages 46–146).

Chief Executive

The Chief Executive of Roads and Maritime is appointed by the Director General of TfNSW with the approval of the Minister for Roads and Ports. Under the governance arrangements of the *Transport Administration Act 1988*, the Chief Executive manages and controls the affairs of Roads and Maritime, subject to the control and direction of the Minister for Roads and Ports, and in accordance with

any directions of TfNSW. The Chief Executive also has a wider role in interacting with heads of other transport agencies in NSW, across Australia, and internationally. The Chief Executive is accountable to the Minister for Roads and Ports for overall performance.

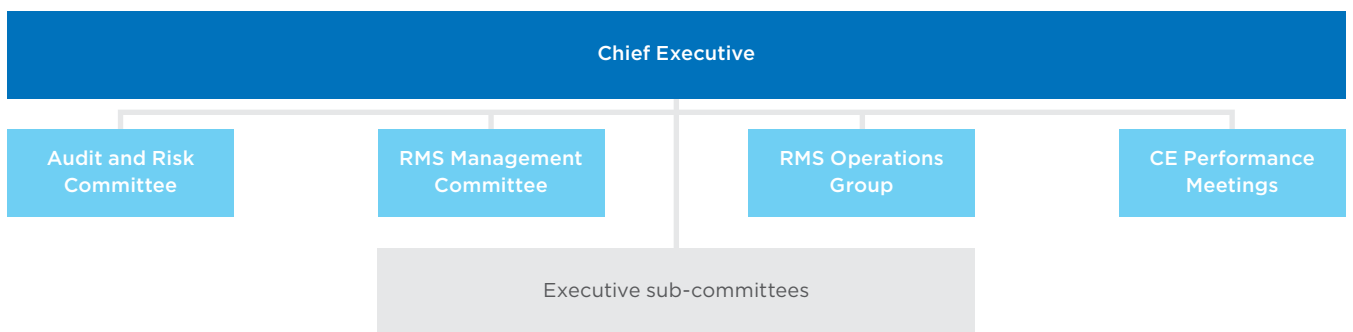
Executive framework

The Roads and Maritime executive charter, executive committee structure and committee management system were reviewed and revised to align with the new organisation. These outline how the Executive supports the Chief Executive in ensuring the effective governance of the organisation.

The Executive Management Committee focuses on the management of the organisation in the context of business and strategic priorities for the current period. The committee also monitors current performance, particularly any issues or risks that could affect the current delivery of its results and services.

The management of Roads and Maritime is also supported by a range of other executive committees that address key issues, such as reform and transformation, commercial development, Work Health and Safety, and the environment. These committees typically comprise Directors and other senior managers from across the organisation to ensure an integrated approach.

Figure 9. Roads and Maritime committee structure during 2012–13



Internal audit and risk management statement for 2012-13

I am of the opinion that Roads and Maritime has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

I am also of the opinion that the Audit and Risk Committee for Roads and Maritime is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and members of the Audit and Risk Committee are:

- Greg Fletcher, independent chair (three-year appointment from 1 July 2011)
- Dr Elizabeth Coombs, independent member (three-year appointment from 1 July, 2010 and retired from the committee on 30 June 2013)
- Alexander Smith, independent member (three-year appointment from 15 January 2012)
- Peter Wells, Director Customer and Compliance, internal member (three-year appointment from 1 July 2010)
- Geoff Fogarty, Director Infrastructure Development, internal member (three-year appointment from 1 July 2010).

In addition, I note the following as per Section 1.2.8 of TPP09/05:

“The department head or governing board of the statutory body is required to set out which service delivery model for the Internal Audit function has been established in the department or statutory body, including the reasons for

establishing that model, in the annual Attestation Statement required by the Policy.”

In this regard the Roads and Maritime Governance Branch has adopted a “co-sourced” service delivery model, as defined in the policy, i.e.:

“... co-sourced service delivery with in-house management, where the department or statutory body provides and manages internal audit services through a combination of in-house resources and contracted services delivered by an appropriately qualified third party provider.”

A major reason for this is related to the diverse nature of Roads and Maritime’s operations. They include a strong focus on large infrastructure projects as well as a significant front-line community presence in regard to, for instance, the licensing of road users and registration of vehicles for use on the roads. In conjunction with the current climate of rapid technological change this means that, to effectively manage its major risks, a wide range of technical engineering, financial and ICT audit and risk expertise is required. My view is that a co-sourcing model is the most effective and efficient way to procure this.

These processes provide a level of assurance that enables the senior management of Roads and Maritime to understand, manage and satisfactorily control the organisation’s risk exposures.

As required by this policy, I have submitted an Attestation Statement outlining compliance with the policy to Treasury.



Peter Duncan | Chief Executive

Risk management

A set of key risk management principles provided the foundation and processes for developing, implementing, monitoring, reviewing and continually improving risk management in Roads and Maritime. The approach is based on ISO 31000, but is specifically tailored to the organisation and is integrated into existing systems and processes, and in particular business planning and reporting.

In this regard, Roads and Maritime implemented a high level risk management process as part of its business planning cycle. The outcome from this risk process was an organisation-wide Enterprise Risk Profile which is endorsed by the Executive and reviewed by the Audit and Risk Committee.

Each risk on the Enterprise Risk Profile is prioritised as either level 1 – for Executive monitoring, level 2 – for Director monitoring or level 3 – for General Manager monitoring. The level 1 risks are reported quarterly to the Executive the Audit and Risk Committee and the Director General of TfNSW.

Reports are prepared for the Audit and Risk Committee that seek to demonstrate the effective implementation of the Roads and Maritime risk management framework and process, and its alignment with ISO 31000. This report also provides evidence to support the annual attestation statement in compliance with NSW Treasury’s TPP 09-5: *Internal Audit and Risk Management Policy for the Public Sector*.

Audit and Risk Committee

The Audit and Risk Committee meets at least once a quarter and one of its major objectives is to assess and provide an independent assessment to the Chief Executive on whether the Roads and Maritime risk and control management frameworks are operating effectively and whether critical related external accountability requirements are being met.

In terms of audit, the Audit and Risk Committee:

- Approves and monitors the implementation of the internal audit programs
- Reviews performance of internal and external audit functions
- Attests to the internal control framework assessed by Governance
- Approves related external reporting of financial information
- Reviews compliance with audit and finance related policies, procedures, central agency requirements and applicable laws and regulations.

In terms of risk management, the Audit and Risk Committee:

- Attests the organisation's risk management framework
- Assesses the Roads and Maritime Risk Profile
- Reviews compliance with risk management standards, policies, central agency requirements, relevant legislation and regulations.

Internal audit and assurance

Audits in the annual audit program are prioritised on the basis of the identification and analysis of risks and on the assessment of the control environment in place to address these risks. Audit outcomes were discussed with line management and resulted in the identification and implementation of a range of improvements to engineering operations, as well as other Roads and Maritime business operations.

The annual audit program is approved by the Audit and Risk Committee and aligns with current core Roads and Maritime initiatives to improve service delivery through a line-of-business based structure and centralisation of planning and policy functions within TfNSW.

Customer and regulatory services

Roads and Maritime carries out regular monitoring of customer service centre operations, other service delivery channels (such as Roads and Maritime websites) and back office functions that support the customer and compliance services business. During 2012-13, assurance activities resulted in improved controls used to manage business risks and improvements to business operations.

Information technology

Information Communication Technology (ICT) audits during 2012-13 covered areas such as ICT governance and project management and security. Advisory services to the business were also provided. This included auditors attending steering committees for major projects such as the SAP IMS Program and undertaking key milestone reviews.

Finance and operations

The Annual Financial and Operational Audit Program's coverage includes Roads and Maritime financial support functions and a range of activities in procurement, overtime and other back office services. The audit projects included an independent assessment of risks and compliance with policies, procedures and Treasury guidelines to provide assurance to the Chief Executive that related objectives were being met.

Key audits completed during 2012-13 included:

- Minor Infrastructure Contracts Administration Audit
- E-Toll Financial Accounting Audit
- Salaries and Waged Employees Overtime Audit
- Maritime Mooring Administration Audit
- Maritime Boating Incident Management Audit
- Skill Hire Audit
- Professional Service Contracts Audit.

The risk levels identified and embodied in the Roads and Maritime Enterprise Risk Profile are used to prioritise audits in the Finance and Operations projected five-year Audit Plan.

Business continuity

Roads and Maritime manages a diverse number of critical business activities, the robustness of which is supported by effective planning, preparation and response in the event of disruption.

In 2012-13, the yearly testing of the IM&IT business continuity plan was completed and key learnings were incorporated.

Corporate card and purchasing card

Roads and Maritime use of corporate credit and purchasing cards has been in accordance with the Premier's memorandum and the Treasurer's directions.

Investigations

Corruption and fraud risk management

In addition to the investigation of allegations of corruption and fraud, Roads and Maritime has a corruption and fraud control framework, for which the Corruption and Fraud Investigations Section has centralised oversight. This includes a range of tools, processes and initiatives aimed at minimising the risk of corrupt and fraudulent activity by staff and business partners. Examples of actions it involves include:

- Delivery of corruption and fraud and ethics seminars to staff across high risk business environments
- Provision of anti-corruption information through the Roads and Maritime intranet
- Provision of expertise and advice to staff and management on a wide range of corruption risks and ethical, probity and policy issues.

Operational complaints handling framework

In 2012-13, the Maritime Division consulted with the NSW Ombudsman's Office to develop training and procedural guidance for staff who deal with compliments, complaints and feedback.

Governance structure

In order to implement an investment decision-making governance approach for preparing the 2013-14 budget, a revised Roads and Maritime program structure was introduced in a number of areas. The 2013-14 Capital Budget was developed using the revised program structure in alignment with TfNSW requirements. The top tiers of the governance model have been established.

The realignment of Roads and Maritime's functions was completed in February 2013.

Business results – Value for money

Value for money is delivered within the integrated budget

Roads and Maritime ensures that resources are allocated to deliver best value for money and assesses new ways to deliver more with less.

Key savings initiatives

Roads and Maritime achieved savings of \$137 million against a target of \$98 million in 2012-13. Key initiatives contributing to the savings included accelerated property sales, procurement savings, maintenance contract management, reduction of leave provisions and other cost reduction.

Increase in online transactions

In 2012-13, 50.3 per cent of eligible transactions (up from 44.9 per cent in 2011-12) were completed through the Roads and Maritime Online Services website. This represented 5.3 million transactions and \$1.55 billion of payments.

In the 2012-13 financial year the NSW Maritime Division processed over 50,000 renewal transactions online, which equates to 11.8 per cent of all online renewal transactions and \$7.09 million in revenue.

Road Maintenance Contestability Program

The NSW Government committed to identifying potential opportunities for contestability in the provision of road maintenance to achieve solutions that provide improved value for money and optimum service delivery to road users.

Objectives of the Road Maintenance Contestability Reform Project include:

- Increasing contestability of road maintenance services in the Sydney Region
- Improving customer, network and asset outcomes
- Improving total asset management decision making
- Reducing the total cost of managing and maintaining assets.

Further to a recommendation from the NSW Commission of Audit, the Minister for Roads and Ports announced the establishment of a Project Management Office in October 2012. The business case for the Road Maintenance Contestability Program was approved in April 2013. Routine maintenance, renewal and improvement works were identified as potential areas in which improved value could be realised with greater involvement of the private sector. Four private sector proponents were invited to submit for Request for Proposals in June 2013.

Corporate and shared services reforms

Roads and Maritime worked with TfNSW to implement the corporate and shared services reforms and improve the quality of support services.

In 2012-13, Roads and Maritime also implemented cluster wide Transport Senior Service payroll capability via the Roads and Maritime SAP platform.

Business results – Safety (Work Health and Safety)

Work Health and Safety (WHS) is strengthened

Roads and Maritime focuses on a safe working environment for employees, those present on our sites, and those who work with us.

Reducing WHS risks

In 2012-13 the Roads and Maritime increased efforts with contracted construction entities and councils state-wide to address specific industry and project risks.

A series of risk reduction recommendations from working party reports were assessed and prioritised for delivery through the WHS Strategic Plan. Work commenced on many of the recommendations during 2012-13, with several changes having already been integrated into standard work practices.

The 'Worker on Foot' program was implemented across worksites managed and controlled by Roads and Maritime during 2012-13, to add strengthened controls to the separation of people and plant at worksites. Roads and Maritime will

continue to work in partnership with industry to ensure equivalent systems and controls are in place on major project sites.

Throughout 2012-13 Roads and Maritime sought to eliminate risks where practicable to do so. In June 2013, a combined 38 kilometre section of Mount Ousley and Picton Roads was closed on two successive weekend nights to carry out a range of construction and maintenance activities. This eliminated the risks associated with working near live traffic.

Prosecutions

Roads and Maritime was prosecuted by WorkCover for breach of section 10(1) of the *OHS Act* in relation to a fatality of a staff member on the F3 in 2009. The prosecution began against the then RTA on 7 June 2011. Judgment has been reserved.

WHS performance

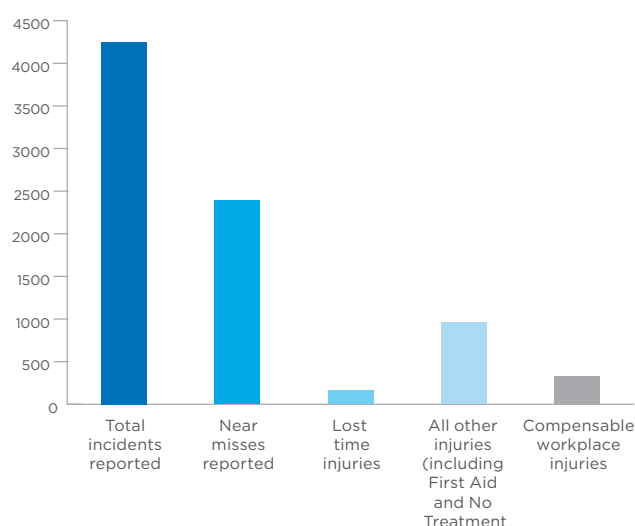
During 2012-13 the following serious incidents occurred on Roads and Maritime worksites:

- 26 occurrences of plant rollover
- Four occurrences of a worker being hit by moving plant
- 20 utility strikes
- Five incidents of a worker hit by a road vehicle.

Near miss reporting continued strongly in 2012-13 accounting for 56 per cent of all incidents reported. Lost time injuries accounted for 4 per cent and all other injuries a further 22 per cent. While the Lost time injury count showed a 16 per cent reduction on the previous year, Roads and Maritime will continue to work on further reducing the prevalence of incidents.

Table 11. WHS performance indicators 2012-13

Performance indicator	2012-13
Total incidents reported	4251
Near misses reported	2390
Lost time injuries	160
All other injuries (including First Aid and No Treatment)	959
Other incidents reported (including asset/property damage)	742
Number of near misses per injury	2.1
All compensable injuries (including journey claims)	334
Compensable workplace injuries	327
Total claims costs (\$ million)	2.15



Business results – Our people

Workforce commitment and capability is supported and developed

Roads and Maritime has a commitment to build a diverse workforce which is representative of our customers and communities.

Transport Diversity and Inclusion Strategy

To assist in the development of an integrated diversity and inclusion approach across the Cluster, the following actions were implemented:

- The consolidation of the following memberships in order to create a centralised resource centre located in TfNSW's Organisational Development Branch:
 - Australian Network on Disability
 - Diversity Council of Australia
 - Pride in Diversity
 - Carers NSW
 - NSW EEO Practitioners Association.
- Representation on the Transport Cluster's Diversity and Inclusion Working Group, which is responsible for overseeing the development and implementation of a Diversity and Inclusion Framework and Management Plan for TfNSW.

Paralympic Diversity Workplace Program

In 2012, Roads and Maritime was a Paralympic Employment Provider under the Paralympic Diversity Workplace Program. The program aimed to provide an entry point into mainstream employment in the public sector.

Roads and Maritime completed the program in 2012, as diversity and inclusion functions have been centralised within TfNSW.

Women in engineering

Roads and Maritime implements strategies to help attract women into non-traditional roles. In January 2013, Roads and Maritime sponsored the Women in Engineering Summit at the University of Wollongong and 45 women participated.

Targeted Employment Programs

On 1 December 2012, administration of the Roads and Maritime scholar, cadet and graduate programs were centralised in the TfNSW Talent Pipeline Programs. There are currently 432 graduates, cadets and scholars in the TfNSW graduate, cadet and scholarship programs.

As part of the Talent Pipeline Program, Roads and Maritime continued to directly sponsor positions for apprentices, paraprofessionals and trainees. In 2012-13, more than 90 people were recruited into a range of programs including nine apprentices across five trade groups, 73 trainees studying Civil Construction, Government Services or Business Services and nine in paraprofessional programs, including Road Designers in Training and Traffic Engineering Officers in Training.

Roads and Maritime currently has 255 employees undertaking some form of study and/or work experience supported through these programs, including 80 apprentices, 111 trainees and 64 paraprofessionals.

Employing people with a disability

People who have disclosed as having a disability currently represent 297 staff within Roads and Maritime. This figure has increased from 232 in 2011-12.

Aboriginal employment

Aboriginal Cultural Education Program

An Aboriginal Cultural Education Program has been delivered across the business through 22 workshops throughout NSW.

HSC Scholarships for Aboriginal students

Roads and Maritime sponsored learning resources for two continuing Year 12 Aboriginal students and ten additional Year 11-12 Aboriginal students. The sponsorships go towards future tertiary studies in engineering or related technical careers.

Mentoring Aboriginal people in the workplace

20 Aboriginal employees participated in training to obtain relevant knowledge and skills to enable the development of effective mentor/mentee relationships to be used prior to, and upon implementation of, the Aboriginal Mentor Program.

Financial Statements



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Independent Audit Report (page 1)



INDEPENDENT AUDITOR'S REPORT

Roads and Maritime Services

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Roads and Maritime Services (RMS), which comprises the statements of financial position as at 30 June 2013, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows and the service group statements for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of RMS and the consolidated entity. The consolidated entity comprises RMS and the entities it controlled at the year's end or from time to time during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of RMS and the consolidated entity as at 30 June 2013, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010

My opinion should be read in conjunction with the rest of this report.

The Chief Executive's responsibility for the Financial Statements

The Chief Executive is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Chief Executive determines is necessary to enable the preparation of the financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive, as well as evaluating the overall presentation of the financial statements.

Independent Audit Report (page 2)

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of RMS or consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information, that may have been hyperlinked to/from the financial statements

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



A T Whitfield
Deputy Auditor-General

18 September 2013
SYDNEY

Chief Executive Statement

ROADS AND MARITIME SERVICES

FOR THE YEAR ENDED 30 JUNE 2013

Pursuant to Section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we declare that in our opinion:

1. The accompanying financial statements and notes thereto exhibit a true and fair view of Roads and Maritime Services financial position as at 30 June 2013 and financial performance for the year ended 30 June 2013
2. The statements have been prepared in accordance with the provisions of applicable Accounting Standards (which include Australian Accounting Interpretations), the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010, and the Treasurer's Directions.

Further we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Peter Duncan
Chief Executive
18 September 2013



Paul Hesford
Director, Corporate
18 September 2013

Statement of Comprehensive Income for the year ended 30 June 2013

		Consolidated	Consolidated	Consolidated	Parent	Parent
		Actual 2013 12 months \$'000	Budget 2013 12 months \$'000	Actual 2012 8 months \$'000	Actual 2013 12 months \$'000	Actual 2012 8 months \$'000
Expenses excluding losses						
Operating expenses						
- Employee related expenses	2(a)	585,264	566,084	443,759	-	-
- Personnel service expenses	2(a)	-	-	-	366,390	812,413
- Other operating expenses	2(b)	592,519	449,108	342,807	592,519	342,807
Maintenance	2(b)	493,515	705,850	524,912	493,515	524,912
Depreciation and amortisation	2(c)	1,207,563	939,521	618,077	1,207,563	618,077
Grants and subsidies	2(d)	428,535	482,963	330,992	428,535	330,992
Finance costs	2(e)	79,102	78,075	61,639	79,102	61,639
Total expenses excluding losses		3,386,498	3,221,601	2,322,186	3,167,624	2,690,840
Revenue						
Sale of goods and services	3(a)	567,524	531,214	351,596	567,524	351,596
Personnel services revenue	3(a)	77,199	-	71,067	77,199	71,067
Investment revenue	3(b)	40,609	17,700	30,027	40,609	30,027
Retained taxes, fees and fines	3(c)	12,685	45,620	8,012	12,685	8,012
Operating grant received from Transport for NSW (TfNSW)	3(d)	1,535,143	1,640,595	1,236,098	1,535,143	1,236,098
Capital grant received from TfNSW	3(d)	2,860,962	2,694,418	1,826,407	2,860,962	1,826,407
(Transfers to the Crown Entity)	3(d)	(128,833)	-	-	(128,833)	-
Other grants and contributions	3(e)	163,974	138,495	28,147	163,974	28,147
Other revenue	3(f)	227,599	198,324	145,489	227,599	145,489
Total revenue		5,356,862	5,266,366	3,696,843	5,356,862	3,696,843
Gains/(losses) on disposal of property, plant and equipment	4(a)	13,652	(62)	(8,856)	13,652	(8,856)
Other losses	4(b)	(1,077,717)	860	(289,051)	(1,077,717)	(289,051)
Net result		906,299	2,045,563	1,076,750	1,125,173	708,096
Other comprehensive income						
<i>Items that will not be reclassified to net result</i>						
Net increase in asset revaluation reserve		4,221,730	1,000,000	2,028,547	4,221,730	2,028,547
Superannuation actuarial gain/(loss)		218,874	22,500	(368,654)	-	-
<i>Items that may be reclassified subsequently to net result</i>						
		-	-	-	-	-
Total other comprehensive income for the year/period		4,440,604	1,022,500	1,659,893	4,221,730	2,028,547
Total comprehensive income		5,346,903	3,068,063	2,736,643	5,346,903	2,736,643

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2013

		Consolidated	Consolidated	Consolidated	Parent	Parent
		Actual	Budget	Actual	Actual	Actual
		2013	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000
Assets						
Current assets						
Cash and cash equivalents	7	244,589	253,261	356,672	244,589	356,672
Receivables	8(a)	197,513	135,442	332,890	197,513	332,890
Inventories		10,354	13,210	11,806	10,354	11,806
Financial assets at fair value	8(d)	54,028	43,740	48,106	54,028	48,106
		506,484	445,653	749,474	506,484	749,474
Non-current assets classified as Held for Sale	11	23,120	44,469	22,525	23,120	22,525
Total current assets		529,604	490,122	771,999	529,604	771,999
Non-current assets						
Receivables	8(b)	1,828	27,758	6,167	1,828	6,167
Other financial assets (at amortised cost)	8(c)	160,425	119,591	144,342	160,425	144,342
Property, plant and equipment						
- Land and buildings	9(a)	2,410,411	3,732,706	2,741,395	2,410,411	2,741,395
- Plant and equipment	9(b)	136,680	260,481	141,082	136,680	141,082
- Infrastructure systems	9(c)	66,610,909	60,700,137	61,481,788	66,610,909	61,481,788
Total property, plant and equipment		69,158,000	64,693,324	64,364,265	69,158,000	64,364,265
Private sector provided infrastructure	10(a)	981,970	992,127	818,656	981,970	818,656
Intangible assets	10(b)	154,433	42,528	136,448	154,433	136,448
Investment property	10(c)	-	132,289	129,466	-	129,466
Total non-current assets		70,456,656	66,007,617	65,599,344	70,456,656	65,599,344
Total assets		70,986,260	66,497,739	66,371,343	70,986,260	66,371,343
Liabilities						
Current liabilities						
Payables	13	651,806	704,995	901,213	1,933,162	2,431,985
Borrowings	14	135,739	150,135	70,737	135,739	70,737
Provisions	16	302,386	319,432	330,365	1,301	5,356
Other	17	172,497	184,074	180,156	172,497	180,156
Total current liabilities		1,262,428	1,358,636	1,482,471	2,242,699	2,688,234
Non-current liabilities						
Borrowings	14	909,671	810,778	1,043,163	909,671	1,043,163
Provisions	16	998,734	934,698	1,216,203	18,463	10,440
Other	17	393,785	542,447	553,337	393,785	553,337
Total non-current liabilities		2,302,190	2,287,923	2,812,703	1,321,919	1,606,940
Total liabilities		3,564,618	3,646,559	4,295,174	3,564,618	4,295,174
Net assets		67,421,642	62,851,180	62,076,169	67,421,642	62,076,169
Equity						
Reserves		6,213,187	1,000,000	2,028,547	6,213,187	2,028,547
Accumulated funds		61,208,455	61,851,180	60,047,622	61,208,455	60,047,622
Total equity		67,421,642	62,851,180	62,076,169	67,421,642	62,076,169

The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the year ended 30 June 2013

	Accumulated funds		Asset revaluation surplus		Total equity	
	Consolidated \$'000	Parent \$'000	Consolidated \$'000	Parent \$'000	Consolidated \$'000	Parent \$'000
Balance as at 1 July 2012	60,047,622	60,047,622	2,028,547	2,028,547	62,076,169	62,076,169
Net result for the year	906,299	1,125,173	-	-	906,299	1,125,173
Other comprehensive income						
Net increase in asset revaluation reserves	-	-	4,221,730	4,221,730	4,221,730	4,221,730
Superannuation actuarial gains/(losses)	218,874	-	-	-	218,874	-
Other comprehensive income for the year	218,874	-	4,221,730	4,221,730	4,440,604	4,221,730
Total comprehensive income for the year	1,125,173	1,125,173	4,221,730	4,221,730	5,346,903	5,346,903
Transfers within equity						
Asset revaluation reserve balance transferred to accumulated funds on disposal of assets	37,090	37,090	(37,090)	(37,090)	-	-
Transactions with owners in their capacity as owners						
Increase/(decrease) in net assets from equity transfers	(1,430)	(1,430)	-	-	(1,430)	(1,430)
Balance as at 30 June 2013	61,208,455	61,208,455	6,213,187	6,213,187	67,421,642	67,421,642
Balance at 1 November 2011						
	-	-	-	-	-	-
Net result for the period	1,076,750	708,096	-	-	1,076,750	708,096
Other comprehensive income						
Net increase in asset revaluation reserves	-	-	2,028,547	2,028,547	2,028,547	2,028,547
Superannuation actuarial gains/(losses)	(368,654)	-	-	-	(368,654)	-
Other comprehensive income for the period	(368,654)	-	2,028,547	2,028,547	1,659,893	2,028,547
Total comprehensive income for the period	708,096	708,096	2,028,547	2,028,547	2,736,643	2,736,643
Transfers within equity						
Asset revaluation reserve balance transferred to accumulated funds on disposal of assets	-	-	-	-	-	-
Transactions with owners in their capacity as owners						
Increase/(decrease) in net assets from equity transfers	59,339,526	59,339,526	-	-	59,339,526	59,339,526
Balance as at 30 June 2012	60,047,622	60,047,622	2,028,547	2,028,547	62,076,169	62,076,169

The accompanying notes form part of these financial statements.

**Statement of Cash Flows
for the year ended 30 June 2013**

	Consolidated	Consolidated	Consolidated	Parent	Parent
	Actual	Budget	Actual	Actual	Actual
	2013	2013	2012	2013	2012
	12 months	12 months	8 months	12 months	8 months
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Payments					
Employee related	(607,890)	(553,122)	(416,204)	(607,890)	(416,204)
Grants and subsidies	(409,004)	(439,300)	(244,917)	(409,004)	(244,917)
Finance costs	(79,251)	(77,409)	(59,747)	(79,251)	(59,747)
Other	(1,617,646)	(1,560,648)	(964,156)	(1,617,646)	(964,156)
Total payments	(2,713,791)	(2,630,479)	(1,685,024)	(2,713,791)	(1,685,024)
Receipts					
Sale of goods and services	640,400	502,454	408,722	640,400	408,722
Interest received	19,469	17,698	16,552	19,469	16,552
Operating grants received from TfNSW	1,535,143	1,640,595	1,230,843	1,535,143	1,230,843
Capital grants received from TfNSW	2,860,962	2,694,418	1,826,407	2,860,962	1,826,407
(Transfers to the Crown Entity)	(128,833)	(4,000)		(128,833)	
Other grants and contributions	119,154	129,959	28,147	119,154	28,147
Other	493,099	500,730	217,050	493,099	217,050
Total receipts	5,539,394	5,481,854	3,727,721	5,539,394	3,727,721
Net cash flows from operating activities	26	2,825,603	2,851,375	2,825,603	2,042,697
Cash flows from investing activities					
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems	42,037	26,130	17,338	42,037	17,338
Proceeds from disposal of investment property	133,025	-	-	133,025	-
Purchases of land and buildings, plant and equipment and infrastructure systems	(3,051,876)	(2,850,013)	(1,837,659)	(3,051,876)	(1,837,659)
Receipt of lease revenue from maritime trade tower lease	13,525	18,685	8,731	13,525	8,731
Net cash flows used in investing activities	(2,863,289)	(2,805,198)	(1,811,590)	(2,863,289)	(1,811,590)
Cash flows from financing activities					
Contribution paid to government	-	-	(2,000)	-	(2,000)
Payment of finance lease liabilities	(65,738)	-	(46,550)	(65,738)	(46,550)
Repayment of borrowings and advances	(2,737)	(156,839)	(79,839)	(2,737)	(79,839)
Net cash flows used in financing activities	(68,475)	(156,839)	(128,389)	(68,475)	(128,389)
Net (decrease)/increase in cash	(106,161)	(110,662)	102,718	(106,161)	102,718
Opening cash and cash equivalents	404,778	407,663	-	404,778	-
Cash transferred in as result of administrative restructuring	19	-	302,060	-	302,060
Closing cash and cash equivalents	7	298,617	404,778	298,617	404,778

The accompanying notes form part of these financial statements.

**Service Group Statements
for the year ended 30 June 2013**

Roads and Maritime expenses and income	Transport infrastructure and development*		Integrated transport service delivery*		Integrated transport planning and management*				Not attributable		Total	
	2013 12 months \$'000	2012 8 months \$'000	2013 12 months \$'000	2012 8 months \$'000	2013 12 months \$'000	2012 8 months \$'000	2013 12 months \$'000	2012 8 months \$'000	2013 12 months \$'000	2012 8 months \$'000	2013 12 months \$'000	2012 8 months \$'000
Expenses excluding losses												
Operating expenses												
- Employee related expenses	6,900	5,841	417,289	194,272	161,075	243,646	-	-	585,264	443,759	-	-
- Other operating expenses	37,285	4,512	495,292	150,076	59,942	188,219	-	-	592,519	342,807	-	-
Maintenance	-	6,909	48,709	229,798	444,806	288,205	-	-	493,515	524,912	-	-
Depreciation and amortisation	-	8,135	1,207,563	270,585	-	339,357	-	-	1,207,563	618,077	-	-
Grants and subsidies	-	4,356	45,682	144,904	382,853	181,732	-	-	428,535	330,992	-	-
Finance costs	-	811	79,102	26,984	-	33,844	-	-	79,102	61,639	-	-
Total expenses excluding losses	44,185	30,564	2,293,637	1,016,619	1,048,676	1,275,003	-	-	3,386,498	2,322,186	-	-
Revenue												
Sale of goods and services	20,982	144,004	487,561	175,559	58,981	32,033	-	-	567,524	351,596	-	-
Personal services revenue	-	935	77,199	31,112	-	39,020	-	-	77,199	71,067	-	-
Investment revenue	-	12,298	40,609	14,993	-	2,736	-	-	40,609	30,027	-	-
Retained taxes, fees and fines	-	3,281	12,685	4,001	-	730	-	-	12,685	8,012	-	-
Operating grant received from TfNSW	23,203	9,012	551,650	1,146,888	960,289	80,198	-	-	1,535,143	1,236,098	-	-
Capital grant received from TfNSW	2,447,159	1,426,472	70,541	374,994	343,262	24,941	-	-	2,860,962	1,826,407	-	-
(Transfers to the Crown Entity)	-	-	(128,833)	-	-	-	-	-	(128,833)	-	-	-
Other grants and contributions	98,684	11,528	8,799	14,055	56,491	2,564	-	-	163,974	28,147	-	-
Other revenue	193,446	59,588	34,153	72,645	-	13,256	-	-	227,599	145,489	-	-
Total revenue	2,783,474	1,667,118	1,154,364	1,834,247	1,419,024	195,478	-	-	5,356,862	3,696,843	-	-

*Refer to Note 6 for description of service group.

Service Group Statements for the year ended 30 June 2013

Roads and Maritime expenses and income	Transport infrastructure and development*		Integrated transport service delivery*		Integrated transport planning and management*		Not attributable		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Gains on disposal of property, plant and equipment	37,589	(3,627)	-	(4,422)	(23,937)	(807)	-	-	13,652	(8,856)
Other (losses)	(312,191)	(118,387)	(402,702)	(144,330)	(362,824)	(26,334)	-	-	(1,077,717)	(289,051)
Net result	2,464,687	1,514,540	(1,541,974)	668,876	(16,414)	(1,106,666)	-	-	906,299	1,076,750
Other comprehensive income										
Net increase/(decrease) in asset revaluation reserve	-	59,127	4,221,730	1,956,452	-	12,968	-	-	4,221,730	2,028,547
Superannuation actuarial gains/(losses)	2,581	(4,852)	156,055	(161,391)	60,238	(202,411)	-	-	218,874	(368,654)
Total other comprehensive income for the year/period	2,581	54,275	4,377,785	1,795,061	60,238	(189,443)	-	-	4,440,604	1,659,893
Total comprehensive income	2,467,267	1,568,815	2,835,811	2,463,937	43,825	(1,296,109)	-	-	5,346,903	2,736,643

*Refer to Note 6 for description of service group

Administered expenses and income	Transport infrastructure and development*		Integrated transport service delivery*		Integrated transport planning and management*		Not attributable		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Administered expenses	-	-	-	-	-	-	-	-	-	-
Transfer payments	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total administered expenses	-	-	-	-	-	-	-	-	-	-
Administered income										
Transfer receipts	-	-	-	-	-	-	2,874,278	1,812,445	2,874,278	1,812,445
Total administered income	-	-	-	-	-	-	2,874,278	1,812,445	2,874,278	1,812,445
Administered income less expenses	-	-	-	-	-	-	2,874,278	1,812,445	2,874,278	1,812,445

**Service Group Statements
for the year ended 30 June 2013**

Roads and Maritime assets and liabilities	Transport infrastructure and development*		Integrated transport service delivery*		Integrated transport planning and management*			Not attributable		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000
Current assets											
Cash and cash equivalents	-	-	61,147	89,168	183,442	267,504	-	-	244,589	-	356,672
Receivables	7,302	22,072	169,684	250,413	20,527	60,405	-	-	197,513	-	332,890
Inventories	-	-	10,354	11,216	-	590	-	-	10,354	-	11,806
Financial assets at fair value	-	-	54,028	48,064	-	42	-	-	54,028	-	48,106
Non-current assets classified as held for sale	-	-	23,120	22,525	-	-	-	-	23,120	-	22,525
Total current assets	7,302	22,072	318,333	421,386	203,969	328,541	-	-	529,604	-	771,999
Non-current assets											
Receivables	68	409	1,570	4,639	190	1,119	-	-	1,828	-	6,167
Other financial assets	-	-	160,425	144,342	-	-	-	-	160,425	-	144,342
Property, plant and equipment											
- Land and buildings	-	-	2,410,411	2,446,602	-	294,793	-	-	2,410,411	-	2,741,395
- Plant and equipment	-	-	136,680	37,340	-	103,742	-	-	136,680	-	141,082
- Infrastructure systems	4,366,874	1,873,979	62,244,035	59,585,511	-	22,298	-	-	66,610,909	-	61,481,788
Private sector provided infrastructure	-	-	981,970	818,656	-	-	-	-	981,970	-	818,656
Intangible assets	-	-	154,433	136,448	-	-	-	-	154,433	-	136,448
Investment property	-	-	-	129,466	-	-	-	-	-	-	129,466
Total non-current assets	4,366,942	1,874,388	66,089,524	63,303,004	190	421,952	-	-	70,456,656	-	65,599,344
Total assets	4,374,244	1,896,460	66,407,858	63,724,390	204,159	750,493	-	-	70,986,260	-	66,371,343

Service Group Statements for the year ended 30 June 2013

Roads and Maritime assets and liabilities	Transport infrastructure and development*		Integrated transport service delivery*		Integrated transport planning and management*		Not attributable		Total	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Current liabilities										
Payables	41,015	552,194	544,851	210,337	65,940	138,683	-	-	651,806	901,214
Borrowings	-	43,342	135,739	16,509	-	10,885	-	-	135,739	70,736
Provisions	3,565	202,423	215,599	77,104	83,222	50,838	-	-	302,386	330,365
Other	10,854	110,386	144,192	42,047	17,451	27,723	-	-	172,497	180,156
Total current liabilities	55,435	908,345	1,040,381	345,997	166,612	228,129	-	-	1,262,428	1,482,471
Non-current liabilities										
Borrowings	-	639,172	909,671	243,465	-	160,526	-	-	909,671	1,043,163
Provisions	11,775	745,198	712,090	283,852	274,869	187,153	-	-	998,734	1,216,203
Other	24,779	339,043	329,169	129,144	39,837	85,150	-	-	393,785	553,337
Total non-current liabilities	36,554	1,723,413	1,950,929	656,461	314,707	432,829	-	-	2,302,190	2,812,703
Total liabilities	91,989	2,631,758	2,991,310	1,002,458	481,319	660,958	-	-	3,564,618	4,295,174
Net assets	4,282,255	(735,298)	63,416,548	62,721,932	(277,161)	89,535	-	-	67,421,642	62,076,169

The accompanying notes form part of these financial statements.

Notes to and forming part of the financial statements for the year ended 30 June 2013

1. Summary of Significant Accounting Policies

a. Reporting entity

Roads and Maritime Services is a NSW government entity. Roads and Maritime is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts. Roads and Maritime as a reporting entity, comprises all the entities under its control, namely Roads and Maritime Services Division (Roads and Maritime Division) which provides personnel services to Roads and Maritime.

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

These consolidated financial statements for the year ended 30 June 2013 have been authorised for issue by the Chief Executive of Roads and Maritime on 18 September 2013, the date when the accompanying statement under s.41C(1C) of the *Public Finance and Audit Act 1983* was signed.

b. Basis of preparation

Roads and Maritime's consolidated financial statements are general purpose financial statements which have been prepared in accordance with:

- Applicable Australian Accounting Standards (including Australian Accounting Interpretations).
- The requirements of the *Public Finance and Audit Act 1983*.
- The Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

In the event of any inconsistency between accounting standards and legislative requirements, the latter prevails.

Despite current liabilities exceeding current assets at period end, the operation and ability of Roads and Maritime to pay its debts are assured due to its funding arrangements with TfNSW. TfNSW provides funding in the form of grants. The 2012-13 TfNSW budget papers include an amount payable for Grants and Contributions of \$4,463.156 million payable to Roads and Maritime in the 2013-14 financial year.

Property, plant and equipment, and investment property assets (or disposal groups) held for sale and financial assets at 'fair value through profit or loss' and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

Cost is based on the fair value of the consideration given in exchange for assets.

Judgements, estimates and associated assumptions made by management about carrying values of assets and liabilities are disclosed in the relevant notes to the financial statements. Refer to Note 1(aa) for a summary of critical accounting estimates, judgements and assumptions determined when preparing the financial statements.

Unless otherwise stated, all amounts are rounded to the nearest one thousand dollars (\$'000) and are expressed in Australian currency.

The accounting policies set out have been applied consistently by the consolidated and parent entities.

c. Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretation.

d. Principles of consolidation

These financial statements have been consolidated in accordance with Australian Accounting Standard AASB 127 Consolidated and Separate Financial Statements and include the assets, liabilities, equities, revenues and expenses of all entities controlled by Roads and Maritime. Roads and Maritime Division is a controlled entity of Roads and Maritime. Control is achieved when one entity has the power to govern the financial and operating policies of another entity.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

e. New and revised Australian Accounting Standards and Interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective, have not been adopted for the financial year ended 30 June 2013. Management's assessment of the impact of these new standards and interpretations is set out below:

Standard	Summary of key requirements/changes	Applicable to annual reporting periods beginning on or after	Impact of reporting entity's financial statements
AASB 9 Financial Instruments and AASB 2010-7 & 2012-6 Amendments to Australian Accounting Standards arising from AASB 9	AASB 9 introduces new requirements for the classification, measurement and derecognition of financial assets and financial liabilities. It was further amended by AASB 2010-7 to reflect amendments to accounting for financial liabilities. Financial assets and financial liabilities can be designated and measured at fair value. The existing four category approach to measurement after initial recognition will be reduced to two categories - either amortised cost or fair value. AASB 2012-6 amended AASB 9 to defer the mandatory effective date to annual periods beginning on or after 1 January 2015.	The IASB has deferred the effective date of this standard to 1 January 2015. It is expected that AASB will also make a similar amendment.	On initial application of AASB 9, all existing financial instruments will need to be classified according to the AASB 9 criteria and transitional requirements. The impact on the reporting entity's accounting for financial assets and liabilities is not expected to be significant.
AASB 10 Consolidated Financial Statements	AASB 10 supersedes AASB 127. It introduces a new principles-based control model that focuses on both power and rights or exposure to variable returns. The Standard requires the parent entity to present consolidated financial statements as those of a single economic entity, replacing the requirements of AASB 127 Consolidated and Separate Financial Statements.	1 July 2013	The new definition of control is not expected to impact on the reporting entity. The concept of "single economic entity" may impact on the format of the consolidated financial statements unless modifications are made for public sector entities.
AASB 11 Joint Arrangements	Under AASB 11, the focus is no longer on the legal structure of joint arrangements (which determined the accounting) but rather on how rights and obligations are shared by the joint venture parties (the underlying economics). A joint venture will be classified as either a joint operation or joint venture. The Standard also replaces and alters the existing method of accounting for joint ventures under AASB 131 Interests in Joint Ventures.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant due to the absence of material joint arrangements.

Standard	Summary of key requirements/changes	Applicable to annual reporting periods beginning on or after	Impact of reporting entity's financial statements
AASB 12 Disclosure of Interests in other Entities	AASB 12 focuses on disclosures that would help users better assess the nature and financial effects of an entity's involvement with other entities and particularly enhances disclosures about consolidated entities and unconsolidated (off balance sheet) structured entities. The Standard sets out the required disclosures for entities reporting under AASB 10 and AASB 11 and replaces the disclosure requirements of AASB 128 Investment in Associates.	1 July 2013	Application of the standard will not affect any of the amounts recognised in the consolidated financial statements. However, it may impact on the type of information disclosed. The AASB may modify the standard "for application by not-for-profit entities".
AASB 13, AASB 2011-8 and AASB 2012-1 regarding fair value measurement	The Standard defines fair value, establishes a single framework or guidance for the measuring of fair value, and requires enhanced disclosures about fair value measurements. AASB 13 applies when another standard requires or permits fair value measurements or disclosures. The Standard establishes a three tier "fair value hierarchy".	1 January 2013	The reporting entity's major assets – property, plant and equipment, and investment properties, are recognised at fair value. It is not possible at this stage to determine the impact if any of the new rules on any of the amounts recognised in the consolidated financial statements.
AASB 119 Employee Benefits AASB 2011-10 and AASB 2011-11	This Standard will mainly impact the accounting for defined benefit pension schemes. The corridor approach for the recognition of actuarial gains and losses has been removed, as has the option to recognise actuarial gains and losses in profit or loss. The impact of this is that all actuarial gains and losses will be recognised in other comprehensive income in the period in which they arise. In addition, the calculation of net interest cost has changed. There will no longer be separate calculations of the expected return on plan assets and the interest cost of funding the defined benefit obligation. Instead, a single rate is applied to the net of the defined benefit obligation and plan assets.	1 January 2013 with retrospective implementation as per AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.	The requirements for measurement of employer liabilities and assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities and assets, are substantially different under the revised AASB 119. It is not possible at this stage to determine the impact of this new Standard on the consolidated financial statements.
AASB 127 Separate Financial Statements	AASB 127 Consolidated and Separate Financial Statements has been renamed Separate Financial Statements. The objective of this Standard is to prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements (in addition to consolidated financial statements). The Standard requires that when an entity prepares separate financial statements, investments in subsidiaries, associates and jointly controlled entities are accounted for either at cost or in accordance with AASB 9 Financial Instruments. The Standard also deals with the recognition of dividends, certain group reorganisations and includes a number of disclosure requirements.	1 July 2013	The AASB may modify the application of this standard to the not-for-profit entities. As such it is not practical to assess the impact of its application on the reporting entity's consolidated financial statements.

Standard	Summary of key requirements/changes	Applicable to annual reporting periods beginning on or after	Impact of reporting entity's financial statements
AASB 128 Investments in Associates and Joint ventures	This Standard supersedes AASB 128 Investments in Associates and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Standard defines "significant influence" and provides guidance on how the equity method of accounting is to be applied. It also prescribes how investments in associates and joint ventures should be tested for impairment.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 1053 and AASB 2010-2 regarding differential reporting	AASB 1053 establishes a two tier differential reporting framework for those entities that prepare general purpose financial statements: Tier 1 or full compliance with AASB and Tier 2 or Reduced Disclosure Requirements. Tier 2, therefore requires fewer disclosures than Tier 1.	1 July 2013	This Standard will not impact on the reporting entity's financial statements which will continue to be prepared in accordance with Financial Reporting Code for NSW General Government Sector Entities (Tier 1).
AASB 2010-10 regarding removal of fixed dates for first time adopters	AASB 2010-10 amendments affect AASB 1 First Time Adoption of Australian Accounting Standards and provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their transition to Australian Accounting Standards.	1 July 2013	The Standard has no impact on the reporting entity's consolidated financial statements as the group entities made the transition to AEIFRS in 2005-06.
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	Amends AASB 124 Related Party Disclosures to remove the individual key management personnel (KMP) disclosures required by Australian specific paragraphs. Such disclosures are more in the nature of governance disclosures that are better dealt with as part of the <i>Corporations Act 2001</i> .	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities	This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 2012-3 Amendments To Australian Accounting Standards - Offsetting Financial Assets And Financial Liabilities	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.

Standard	Summary of key requirements/changes	Applicable to annual reporting periods beginning on or after	Impact of reporting entity's financial statements
AASB 2012-4 Amendments to Australian Accounting Standards - Government Loans	This Standard adds an exception to the retrospective application of Australian Accounting Standards to require that first-time adopters apply the requirements in AASB 139 Financial Instruments: Recognition and Measurement (or AASB 9 Financial Instruments) and AASB 120 Accounting for Government Grants and Disclosure of Government Assistance prospectively to government loans existing at the date of transition to Australian Accounting Standards.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle	This Standard makes amendments to the Australian Accounting Standards and Interpretation listed in paragraph 1 of the Standard. These amendments are a consequence of the annual improvements process, which provides a vehicle for making non-urgent but necessary amendments to Standards. These amendments result from proposals that were included in Exposure Draft ED 213 Improvements to IFRSs published in July 2011 and follow the issuance of Annual Improvements to IFRSs 2009-2011 Cycle issued by the International Accounting Standards Board in May 2012.	1 July 2013	The Standard makes minor changes, primarily further clarifications and descriptions, to a number of other Australian Accounting Standards. The impact on the reporting entity's financial statements is expected to be minor.
AASB 2012-10 regarding transition guidance and other amendments	The transition guidance amendments to AASB 10 'Consolidated Financial Statements' and related Standards and interpretations clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 2013-1	This Standard removes the requirements relating to the disclosure of budgetary information from AASB 1049 (without substantive amendment). All budgetary reporting requirements applicable to public sector entities are now located in a single, topic-based, Standard AASB 1055 Budgetary Reporting.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 1055 Budgetary reporting	This Standard specifies budgetary disclosure requirements for the whole of government, General Government Sector (GGS) and not-for-profit entities with the GGS of each government.	1 July 2014	The impact on the reporting entity's financial statements is expected to be insignificant.

Roads and Maritime has also reviewed the following accounting standards and interpretations and concluded that they are not applicable to Roads and Maritime consolidated financial statements:

- AASB 2010-10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters
- AASB 2011-6 Amendments to Australian Accounting Standards - Extending Relief from

Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements

- AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards

- AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements
- AASB 2011-12 Amendments to AASB 119 arising from Reduced Disclosure Requirements
- AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039
- AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements
- AASB 2012-11 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments
- AASB 2013-2 Amendments to AASB 1038 – Regulatory Capital.

f. Administered activities

Roads and Maritime administers, but does not control, the collection of various fees, fines and levies on behalf of the Crown Entity. Monies collected are not recognised as Roads and Maritime revenue but are separately disclosed in the Administered Income and Expenses note (refer to Note 24). Roads and Maritime is accountable for the transactions relating to these administered activities but does not have the discretion, for example, to deploy the resources for the achievement of its own objectives.

Transactions and balances relating to the administered activities are not recognised as Roads and Maritime income, expenses, assets and liabilities, but are disclosed as “Administered Income and Expenses” (refer to Note 24), and “Administered Assets and Liabilities” (refer to Note 25) in accordance with AASB 1050 Administered Items.

Expenses incurred in collecting monies on behalf of the Crown Entity are recognised as Roads and Maritime expenses. The accrual basis of accounting and all applicable accounting standards have been adopted for the reporting of administered income in Notes 24 and 25.

g. Income recognition

Income is recognised in accordance with AASB 118 Revenue when Roads and Maritime has control of the good or right to receive, it is probable that the economic benefits will flow to Roads and Maritime and the amount of the income can be measured reliably. Income is measured at the fair value of the consideration or contribution received or receivable. The accounting policies for the recognition of income are discussed next:

i. Grants from TfNSW

Roads and Maritime receives capital and operating grants from TfNSW instead of receiving budget appropriations directly from NSW Treasury. These grants are generally recognised as income when Roads and Maritime obtains control over the assets comprising the grants. Control over grants is normally obtained upon the receipt of cash.

ii. Sale of goods and rendering of services

Revenue from the sale of goods is recognised when Roads and Maritime transfers the significant risks and rewards of ownership of the assets. User charges are recognised as revenue when Roads and Maritime obtains control of the assets that result from them.

Revenue from the rendering of services is recognised when the service is provided or by reference to the stage of completion.

iii. Rental income

Rental income is recognised as revenue on an accrual basis, in accordance with AASB117 Leases on a straight-line basis over the lease term.

iv. Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

v. Gains and losses

Gains and losses generally arise from adjustments to the measurement of assets and liabilities. They include gains and losses on asset disposals and fair value adjustments to physical and financial assets.

vi. Emerging interests in private sector provided infrastructure (PSPI) projects

The value of the emerging right to receive a PSPI asset is treated as the compound value of an annuity that accumulates as a series of receipts together with a calculated notional compound interest. The discount rate used is the NSW Treasury Corporation 10-year government bond rate at the commencement of the concession period.

The revenue recognition is on a progressive basis relative to the concession period.

vii. Amortisation of deferred revenue on PSPI Projects

Reimbursement of development costs in the form of upfront cash payments are treated as deferred revenue with an annual amortisation amount recognised on a straight-line basis over the life of the concession period.

h. Employee benefits and other provisions

i. Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date where it is probable that settlement will be required and where they are capable of being measured reliably on an undiscounted basis based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within 12 months is measured at present value in accordance with AASB 119 Employee Benefits. Market yields on ten year government bonds are used to discount long-term annual leave.

Sick leave accrued by employees of Roads and Maritime is all non-vesting and does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. Workers' compensation that may be applicable to leave entitlements has not been recognised as this expense is based on actual premiums paid, determined from past claims history, and not as a general percentage increase on salaries and wages.

ii. Long service leave and superannuation

Roads and Maritime assumes the long service leave liability for all employees and all superannuation liabilities. These liabilities are recognised in the Statement of Financial Position. Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. The long service leave liability is based on an actuarial assessment applicable for the period 2011 to 2013.

In accordance with AASB 101 Presentation of Financial Statements, all annual leave and unconditional long service leave are classified as current liabilities, even where the authority does not expect to settle the liability within 12 months. This does not necessarily align with the distinction between short-term and long-term employee benefits under AASB 119 Employee Benefits.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred. The expense is calculated as a percentage of the employee's salary.

Defined benefit plans

For defined benefit plans, actuarial valuations are carried out at each reporting date by Pillar Administration and the actuarial superannuation gains and losses are recognised outside operating surplus in the Statement of Changes in Equity in the period in which they occur.

The defined benefit position recognised in the Statement of Financial Position represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, net of the fair value of the plan assets.

Defined Benefit Plans expense is calculated as a multiple of the employee's superannuation contributions.

iii. Other provisions

Other provisions exist when, Roads and Maritime has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Any provisions for restructuring are recognised only when the organisation has a detailed formal plan and has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected. If the effect of the time value of money is material, provisions are discounted at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

Make good provision

A provision has been made for the present value of anticipated costs of future environmental restoration. The provision includes future cost estimates associated with remediation of the maritime environment. The calculation of this provision requires assumptions such as application of environmental legislation, community expectations, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the Statement of Financial Position by adjusting both the expense and/or asset (if applicable) and provision.

iv. Personnel services and shared services expense

Personal Services Income represents the provision of Roads and Maritime staff to TfNSW to undertake work on behalf of Transport Shared Services.

Shared Service Expenses represent services provided by TfNSW Shared Services to other government agencies, including Roads and Maritime.

i. Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's Mandate to not-for-profit general government sector agencies.

j. Insurance

Roads and Maritime insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for government agencies. The expense (premium) is determined by the Fund Manager based on past claims experience. Compulsory third party insurance is with a private sector provider arranged by NSW Treasury.

Roads and Maritime also arranges Principal Arranged Insurance (PAI) which provides cover for all parties involved in its construction projects. The premium cost is amortised on a straight-line basis over the term of the contract for all insurance policies.

k. Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that:

- The amount of GST incurred by Roads and Maritime as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- Receivables, payables, accruals and commitments are stated with the amount of GST included.

- Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO are classified as operating cash flows.

l. Asset management policy

Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by Roads and Maritime. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

The cost of assets constructed for own use includes the cost of materials, direct labour and foreign exchange gains and losses arising during construction, as well as an appropriate proportion of variable and fixed overhead costs that can be reliably attributed to the assets.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Where payment for property, plant and equipment is deferred beyond normal credit terms, the difference between its cash price equivalent and the total payment is measured as interest over the period of credit. The discount rate used to calculate the cash price equivalent is an asset specific rate.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Capitalisation thresholds

Property, plant and equipment and intangible assets costing above \$10,000 individually, or forming part of a network costing more than \$10,000, are capitalised. Some computer equipment and intangible assets costing above \$1,000 are capitalised. Items below these amounts are expensed in the period in which they are incurred.

Valuation and depreciation

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 07-01). This policy adopts a fair value approach in accordance with AASB 116 Property, Plant and Equipment.

Property, Plant and Equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

Roads and Maritime revalues each class of property, plant and equipment with sufficient regularity to ensure the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. Further details on asset revaluations can be found in Note 9.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

Otherwise, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrement

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense, the increment is recognised immediately as revenue.

Revaluation decrements are recognised immediately as expenses, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, Roads and Maritime is effectively exempted from AASB 136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

i. Plant and equipment

Asset	Valuation policy	Depreciation policy
Plant, equipment and vehicles	Depreciated historical cost	Depreciated on the straight-line method over the estimated useful life between 2 and 60 years.
Computer hardware	Depreciated historical cost	Depreciated on the straight-line method over the estimated useful life between 2 and 5 years.
Electronic office equipment	Depreciated historical cost	Depreciated on the straight-line method over the estimated useful life between 5 and 10 years.

The carrying amount is considered to reflect the fair value of these assets.

Depreciation and valuation policies in respect of operational assets are subject to annual review.

Estimates of useful life for depreciation and amortisation purposes have been determined with regard to a number of factors including the expected retention period by the entity and the underlying physical, technical and commercial nature of the assets as defined in AASB 116 Property, Plant and Equipment. In accordance with this standard the shortest alternative useful life is applied.

ii. Land and buildings

Asset	Valuation policy	Depreciation policy
Land and buildings in service Works administration properties Officers' residences	Land and buildings in service are generally valued at value in use (land) and depreciated replacement cost (buildings). Where such properties are rented externally they are valued at current market value. Land and buildings in service are revalued at least every five years. Annual indexation is applied to ensure that carrying amounts do not differ materially from market values at reporting date.	Buildings – Depreciated on the straight-line basis over the estimated useful life of between 20 and 50 years.
Land and Buildings Acquired for Future Roadworks (LAFFRW)	LAFFRW is valued at indexed acquisition cost and revalued to current market value progressively over a five year cycle. The valuation is carried out by a registered valuer. Annual indexation is applied to ensure that carrying amounts do not differ materially from market values at reporting date.	No depreciation is charged as buildings are not purchased to generate revenue but ultimately to be demolished for roadworks.
Vacant land	Vacant land is valued at indexed acquisition cost using Land Property Index data provided by the Valuer General.	No depreciation is charged on vacant land.
Leasehold improvements	Depreciated historic cost/revalued amount.	Amortised over the period of the lease, or the useful life of the leasehold improvement, whichever is shorter.
Individual LAFFRW parcels required for road construction are transferred to land under roads WIP when road construction begins. The date of transfer is the construction start date as detailed in the construction contract. At time of transfer, LAFFRW parcels are deemed to have no feasible alternative use and are revalued downwards to value in use (englobo or unimproved value).	Included in the value of land and buildings in service is an amount of \$16.385 million (2012: \$16.385 million) for buildings on Crown land. As Roads and Maritime effectively “controls” this Crown land, it has been included in Roads and Maritime’s Statement of Financial Position. Should such Crown land be transferred or disposed of, associated buildings are written off in the financial year the transfer or disposal takes place.	Roads and Maritime’s land and buildings are valued by registered valuers. Land and Buildings Acquired for Future Roadworks comprise Untenanted Land for Roads which is indexed annually and rental properties and surplus properties which are revalued progressively within a five year timeframe. The selection of assets within Land and Buildings Acquired for Future Roadworks to be revalued in each reporting period within the current progressive revaluation is made by reference to the asset’s acquisition date or previous revaluation date. For details refer to Note 9(a).

iii. Infrastructure systems

Asset	Valuation policy	Depreciation policy
Roads	Depreciated replacement cost	Depreciated over estimated useful life using straight-line method.
Earthworks – Not depreciated		• Indefinite
Earthworks – Depreciated		• 50 years
Pavement wearing surface – Asphalt		• 16–25 years
Pavement wearing surface – Spray sealed		• 6–11 years
Pavement wearing surface – Unsealed		• 4 years
Pavement wearing surface – Concrete		• 16–25 years
Pavement base and sub-base – Asphalt		• 25–100 years
Pavement base and sub-base – Spray sealed		• 20–100 years
Pavement base and sub-base – Unsealed		• 100 years
Pavement base and sub-base – Concrete		• 55–100 years
Culverts and drainage		• 50–100 years
Safety barriers		• 40–100 years
Fences		• 40 years
Structures (retaining walls, noise walls and gabions)		• 75 years
Footway, vegetation, and landscaping		• 20 years
Kerbs and gutters		• 50 years
Guide posts, pavement markings, signposting, and street lighting		• 25 years
Bridges	Depreciated replacement cost	Depreciated over estimated useful life dependant on bridge type:
Timber structure		• 60 years
Concrete structures		• 100 years
Steel structures		• 100 years
Bridge trusses (timber and steel)		• 60 years
Heritage bridges		• 200 years
Bridge size culverts/tunnels		• 100 years
Traffic signals	Depreciated replacement cost	Depreciated over estimated useful life of 20 years.
Traffic Control Network	Depreciated replacement cost	Depreciated over estimated useful life of:
Traffic systems		• 5–20 years
Transport Management Centre		• 5–20 years
Variable message signs		• 30 years
Land under roads and within road reserves	The urban Average Rateable Value per hectare within each Local Government Area (LGA) adjusted by an “open spaces ratio”. The “open spaces ratio” is derived from open spaces data provided by the Valuer-General and is used to adjust average rateable value to approximate englobo value (unimproved and pre-subdivision land).	No depreciation applied as land does not have a limited useful life.

Asset	Valuation policy	Depreciation policy
Sydney Harbour Tunnel Immersed tube Mechanical and electrical Pavement Earthworks	Depreciated replacement cost	Depreciated over estimate useful life depending on asset type: <ul style="list-style-type: none"> • 100 years • 22 years • 22 years • Indefinite life
Wharves and jetties	Depreciated replacement cost	Depreciated over estimated useful life of between 20 and 40 years
Moorings and wetlands	Capitalised revenues	Depreciated over estimated useful life of between nil and 20 years
Dredging assets	Depreciated replacement cost	Independent valuation
Seawall	Depreciated replacement cost	Depreciated over estimated useful life of between 25 and 40 years
Navigational aids	Depreciated historical cost	Depreciated on the straight-line method over the estimated useful life between 5 and 20 years

The determination of unit replacement rates for road, bridge and traffic control signal infrastructure valuations is carried out at least every five years by suitably qualified engineering contractors and employees of Roads and Maritime.

These assets are recorded initially at construction cost and the annual percentage increase in the Road Cost Index (RCI) is applied each year until the following unit replacement review is undertaken.

Subsequent to the review, infrastructure is valued using the unit replacement rates, adjusted by the Road Cost Index as applicable.

Land under roads and within road reserves are revalued annually by applying the most recent urban rateable average value per hectare provided by the Valuer-General to the land under roads and within reserves within each Local Government Area (LGA), and adjusting this value by the "open spaces ratio". The valuations are based on certain assumptions including property being vacant and therefore do not take into

account costs that may be incurred in removing roads and other improvements. The Valuer-General's urban average rateable values are calculated by reference to land values only and do not include the value of any improvements.

Major works-in-progress are valued at construction cost and exclude the cost of land, which is currently disclosed as land under roads.

iv. Intangible assets

Roads and Maritime recognises intangible assets only if it is probable that future economic benefits will flow to Roads and Maritime and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an intangible asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

All research costs are expensed. Development costs are only capitalised when the following criteria are met:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The intention to complete the intangible asset and use or sell it.
- The ability to use or sell the intangible asset.
- The intangible asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The useful lives of intangible assets are assessed to be finite and are carried at cost less any accumulated amortisation.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

Asset	Valuation policy	Depreciation policy
Intangible assets	Depreciated historical cost	Amortised using the straight-line method over the estimated useful life of between 2 and 10 years.

v. Private sector provided infrastructure (PSPI)

In respect of certain private sector provided infrastructure assets: M2 Motorway, M4 Service Centre, M5 Motorway, the Eastern Distributor, the Cross City Tunnel, the Westlink M7 Motorway and the Lane Cove Tunnel, Roads and Maritime values each right to receive asset by reference to Roads and Maritime's emerging share of the written down replacement cost of each asset apportioned using an annuity approach. Under this approach, the ultimate value of the right to receive the property is treated as the compound value of an annuity that accumulates as a series of equal annual receipts together with an amount representing notional compound interest.

vi. Cultural collection assets

Roads and Maritime has minor cultural collection items such as prints, drawings and artefacts that cannot be reliably valued and are considered immaterial.

vii. Leased assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at the lower of its fair value and the present value of minimum lease payments at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that class of asset.

Operating lease payments are charged to the Statement of Comprehensive Income in the periods in which they are incurred.

As Lessor: The reporting entity as the lessor classifies its long-term leases (typically where the initial lease term exceeds 50 years) as finance leases if it transfers to the lessee substantially all the risks and rewards incidental to ownership of the land. The leased assets are recognised as current and non-current receivables at amounts equal to the net investment in the leases.

The lease receipt is recognised in two components, one as a reduction of the lease receivables and the other as finance income. The finance income is calculated relevant to the term of the lease

viii. Investment property

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, investment properties are revalued annually and stated at fair value, which is based on active market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the Statement of Comprehensive Income in the year in which they arise.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal. Any gains or losses on the derecognition of an investment property are recognised in the Statement of Comprehensive Income in the year of derecognition.

Transfers are made to and from investment property when, and only when, there is a change in use. Where properties are transferred from investment property, the deemed cost for subsequent accounting is its fair value at the date of change in use. Where properties are transferred to investment property, such properties are accounted for in accordance with the policy stated under Note 1(l)(ii) up to the date of the change in use.

ix. Investments

The reporting entity subsequently measures investments classified as "held for trading" or designated upon initial recognition "at fair value through profit or loss" at fair value. Financial assets are classified as "held for trading" if they are acquired for the purpose of selling in the near term. The NSW Treasury

Corporation (TCorp) Hour-Glass Investment Facilities are designated at fair value through profit and loss using the second leg of the fair value option, ie these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about these assets is provided internally on that basis to the key management personnel.

The movement in the fair value of the NSW TCorp Hour-Glass Investment Facilities incorporates distributions received as well as unrealised movements in fair value and is reported in the line item investment revenue.

x. Port Corporation dredging

As Roads and Maritime is the owner of the seabed of the major NSW ports, costs incurred by Port Corporations in NSW in capital dredging (harbour deepening) of channels are recorded as a Roads and Maritime asset. A corresponding amount is recorded as "Long-term channel fees unearned income" and amortised over a period of 99 years.

m. Major inspection costs

The labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

n. Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

o. Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated over the life of the asset.

p. Inventories

Inventories are initially measured at cost. Cost is calculated using either the weighted average cost or "first in first out" method. Inventories consist mainly of raw materials and supplies used for the construction and maintenance of roads, bridges and traffic signals.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost as at the date of acquisition. Current replacement cost is the cost the agency would incur to acquire the asset on the reporting date.

Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

q. Capitalisation of expenditure

Expenditure (including employee costs and operational asset depreciation) in respect of road development and construction, bridge and tunnel replacement and some road safety and traffic management are capitalised as infrastructure systems (refer to Note 2(a)).

r. Non-current assets held for sale

Roads and Maritime has certain non-current assets classified as held for sale, where their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition, and the sale of the asset is expected to be completed within one year from the date of classification. Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale. Refer to Note 11 for details.

s. Other assets

Other assets including prepayments are recognised on a cost basis.

t. Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period, as adjusted for section 24 of the PFAA where there has been a transfer of functions between departments. Other amendments made to the budget are not reflected in the budgeted amounts.

u. Financial instruments

The following accounting policies were applied to accounting for financial instruments. Additional disclosures regarding carrying amount and risk management disclosures are presented in Note 15.

a. Financial assets

i. Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand, cash at bank and short-term deposits and include deposits in the NSW TCorp Hour-Glass cash facility, Treasury Corporation deposits (with maturities of less than 30 days) and other at-call deposits that are not quoted in an active market. These are considered to have an insignificant risk of changes in value. Bank overdrafts are included within liabilities.

In accordance with AASB 139 Financial Instruments: Recognition and Measurement, cash and cash equivalents are measured at fair value with interest revenue accrued as earned such that fair value is reflected at no less than the amount payable on demand.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

An allowance for impairment of receivables is established when there is objective evidence that the entity will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

iii. Other financial assets

Other financial assets consist of non-derivative financial assets measured at amortised cost, using the effective interest method (refer Note 8(c)).

iv. Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Statement of Comprehensive Income.

Any reversals of impairment losses are reversed through the Statement of Comprehensive Income, where there is objective evidence. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

v. Derecognition of financial assets

A financial asset is derecognised in the following circumstances:

- When the contractual rights to the cash flows from the financial assets expire; or if Roads and Maritime transfers the financial asset.
- Where substantially all the risks and rewards have been transferred.
- Where Roads and Maritime has not transferred substantially all the risks and rewards, if the entity has not retained control.

Where Roads and Maritime has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Roads and Maritime's continuing involvement in the asset.

b. Financial liabilities

i. Payables

These amounts represent liabilities for goods and services provided to Roads and Maritime and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

ii. Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Loans are not held for trading and are recognised at amortised cost using the effective interest method.

Amortised cost is the face value of the debt less unamortised premiums. The discount or premiums are treated as finance charges and amortised over the term of the debt.

Finance lease liabilities are recognised in accordance with AASB117 Leases. Minimum lease payments made under finance leases are apportioned between the interest expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a consistent periodic rate of interest on the remaining balance of the liability.

iii. Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

When a lender replaces an existing financial liability with one on significantly different or modified terms, the Organisation derecognises the original liability and recognises the new liability. It then recognises the difference in their carrying amounts in the Statement of Comprehensive Income.

iv. Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a contract arrangement.

Under AASB 139, financial guarantee contracts are recognised as a liability at the time the guarantee is issued and initially measured at fair value, where material. After initial recognition, the liability is measured at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised, less accumulated amortisation.

Roads and Maritime carries out minor works contracts for entities outside of the NSW public sector. In order to tender for the contracts and remain on an equal footing, Roads and Maritime is required to lodge a security deposit in the form of bank guarantee. Under the *Public Authorities and (Financial Arrangements) Act 1987*, Roads and Maritime has an approved limit of \$3 million until 30 June 2015 from TCorp.

Roads and Maritime has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts as at 30 June 2013 and as at 30 June 2012. Refer to Note 21 regarding disclosures on contingent liabilities.

v. Equity transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector agencies are designated as contributions by owners and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with AASB 1004 Contributions and Australian Interpretation 1038 Contributions by Owners Made to Wholly Owned Public Sector Entities.

Transfers arising from an administrative restructure between not-for-profit entities and for-profit government departments are recognised at the amount at which the asset was recognised by the transferor immediately prior to the restructure. In most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at amortised cost by the transferor because there is no active market, Roads and Maritime recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, Roads and Maritime does not recognise that asset.

w. Grants and subsidies

Grants and subsidies generally comprise contributions in cash or kind to various local government authorities and not-for-profit community organisations. These contributions include transfers of roads and bridges, cash grants for road maintenance and the provision of transport services. The grants and subsidies are expensed on the transfer of cash or assets. The transferred assets are measured at their fair value and transferred for nil consideration.

x. Retained taxes, fees and fines

Retained taxes, fines and fees are recognised when cash is received.

y. Comparative information

This is Roads and Maritime's first full year of operation. The comparative figures provided for the prior year relate to a part year of trading only, being from the creation of Roads and Maritime on 1 November 2011 to the end of the prior financial period ended 30 June 2012.

z. Equity and reserves

i. Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with the agency's policy on the revaluation of property, plant and equipment as discussed in Note 1(k).

ii. Accumulated funds

The category of accumulated funds includes retained funds.

aa. Critical accounting estimates, judgements and assumptions

In the application of accounting standards, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the current set of circumstances. Actual results may differ from these estimates.

Management evaluates these judgements, estimates and assumptions on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised if the revision affects only that period - or in the period of the revision and future periods if the revision affects both current and future periods.

Significant judgements, estimates and assumptions made by management in the preparation of the consolidated financial statements are outlined below:

Property, plant and equipment	Note 1(l) and Note 9
Private sector provided infrastructure	Note 1(l) and Note 10(a)
Employee benefits	Note 1(h) and Note 16

bb. Change in Accounting estimates

i. Roads componentisation

Roads and Maritime has componentised its roads assets from 8 to 13 new components and adjusted their useful lives assumptions to align the accounting to the engineering perspective. The changes in road components and useful life assumptions are recognised as change in estimates and recognised prospectively in accordance with AASB108: Accounting policies, Changes in Accounting Estimates and Errors.

This change resulted in an increase in depreciation expense and the decrease in the fair value of road assets by \$291.410 million for the 12 months to 30 June 2013, refer Note 9(c).

ii. Land Acquired for Future Road Works (LAFFRW)

Roads and Maritime reassessed the valuation technique to determine the fair value of land acquired for future road works assets at 30 June 2013.

The fair value of this asset is now determined using indexed acquisition cost. This was previously based on the average rateable value per hectare of urban and rural areas within each Local Government Area. The new methodology assesses the fair value of LAFFRW based on market value evidence and considers the characteristics of each specific property, and hence represents a more refined estimate to revalue LAFFRW.

The change in valuation technique to determine the fair value of LAFFRW asset is accounted as change in estimate.

As at 30 June 2013, the LAFFRW assets have decreased by \$312.191 million refer Note 5, with a corresponding increase in the expense in absence of asset revaluation reserve for this class of asset.

The impact of change in valuation technique on future years on fair value of LAFFRW asset cannot be reliably estimated.

2. Expenses excluding losses

a. Employee related expenses

Employee related expenses comprise the following specific items:

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	12 months	8 months	12 months	8 months
	\$'000	\$'000	\$'000	\$'000
Salaries and wages (including annual leave)	462,066	330,369	-	-
Superannuation - defined benefit plans*	151	7,683	-	-
Superannuation - defined contribution plans	25,874	22,015	-	-
Personnel services	-	-	322,911	778,271
Long service leave	7,521	21,545	-	-
Payroll tax and fringe benefits tax	27,308	17,977	-	-
Redundancy	9,136	539	-	-
Skill hire contractors	43,479	34,142	43,479	34,142
Workers' compensation insurance	9,729	9,489	-	-
	585,264	443,759	366,390	812,413
Allocations of employee related costs to programs				
- Capitalised to infrastructure	246,248	160,505	246,248	160,505
- Operating programs (including maintenance costs)	585,264	443,759	366,390	812,413
	831,512	604,264	612,638	972,918

Included in the above are employee related expenses of \$146.745 million (2012: \$124.491 million) related to maintenance.

* Defined benefit superannuation actuarial gains of \$218.874 million in the year ended 30 June 2013 (losses 2012: \$368.654 million) are recognised in the Statement of Comprehensive Income.

b. Other operating expenses

Auditor's remuneration - audit of financial statements	710	610	695	595
Advertising	5,505	14,308	5,505	14,308
Contract payments	66,809	20,233	66,809	20,233
Data processing	35,863	17,065	35,863	17,065
Contingent rent	3,403	3,748	3,403	3,748
Fleet hire and lease charges	11,368	7,021	11,368	7,021
Lease and property expenses	60,894	30,400	60,894	30,400
M5 Cashback refund	70,201	47,409	70,201	47,409
Office expenses	36,108	24,656	36,108	24,656
Payments to councils and external bodies	16,071	7,684	16,071	7,684
Sydney Harbour Tunnel operating fees	28,382	18,370	28,382	18,370
Travel and legal expenses	21,364	8,673	21,364	8,673
Consultants	1,609	2,873	1,609	2,873
Professional fees	118,346	53,196	118,346	53,196
Other	50,797	12,856	50,812	12,871
	527,430	269,102	527,430	269,102
Share services charges	65,089	73,705	65,089	73,705
	592,519	342,807	592,519	342,807

Infrastructure maintenance

Major reconstruction costs for road segments on State roads are capitalised and as such not charged against maintenance expenditure. Roads and Maritime capitalised \$466.768 million (2012: \$228.329 million) of such works during the year.

Roads and Maritime expensed \$243.272 million in the year ended 30 June 2013 (2012: \$136.42 million) on natural disaster restoration works from State funds, and \$202.818 million in the year ended 30 June 2013 (2012: \$93.21 million) on block grants and other maintenance grants to councils for regional and local roads.

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	12 months	8 months	12 months	8 months
	\$'000	\$'000	\$'000	\$'000
Roads maintenance*	481,267	514,890	481,267	514,890
Maritime maintenance	12,248	10,022	12,248	10,022
Maintenance expenses in Statement of Comprehensive Income	493,515	524,912	493,515	524,912
Maintenance related employee expenses (Note 2(a))	146,745	124,491	146,745	124,491
Total maintenance expenses including employee related	640,260	649,403	640,260	649,403
Maintenance grants to councils (Note 2(d))	400,389	238,747	400,389	238,747
Capitalised maintenance*	466,768	228,329	466,768	228,329
Total maintenance program	1,507,417	1,116,479	1,507,417	1,116,479

* Capitalised maintenance includes \$186.255 million reclassified from roads maintenance expenditure.

c. Depreciation and amortisation

Depreciation of operational and property assets	42,654	28,112	42,654	28,112
Depreciation of infrastructure assets	1,152,881	583,517	1,152,881	583,517
Amortisation of intangible assets	12,028	6,448	12,028	6,448
	1,207,563	618,077	1,207,563	618,077

d. Grants and subsidies

Grants under road safety program	-	5,997	-	5,997
Maintenance grants to councils (Note 2(b))	400,389	238,747	400,389	238,747
Roads and bridges transferred to councils	20,683	73,026	20,683	73,026
Other grants and subsidies	7,463	13,222	7,463	13,222
	428,535	330,992	428,535	330,992

e. Finance costs

Interest expense from financial liabilities not at fair value through profit and loss	27,986	21,240	27,986	21,240
Finance lease interest charges	43,039	30,551	43,039	30,551
Finance lease interest charges - Maritime Trade Tower	3,266	3,962	3,266	3,962
Other	4,811	5,886	4,811	5,886
	79,102	61,639	79,102	61,639

3. Revenue

a. Sale of goods and services

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	12 months	8 months	12 months	8 months
	\$'000	\$'000	\$'000	\$'000
Sale of goods				
Number plates	105,184	63,642	105,184	63,642
Rendering of services				
Advertising	21,089	13,280	21,089	13,280
Boat licences	20,529	13,219	20,529	13,219
Boat registrations	22,982	14,978	22,982	14,978
Channel fees	15,029	9,040	15,029	9,040
Fees for services	55,742	34,255	55,742	34,255
Heavy vehicle permit fees	1,729	1,028	1,729	1,028
Miscellaneous services	24,668	16,804	24,668	16,804
Moorings	8,361	5,657	8,361	5,657
General maritime revenue	2,993	2,044	2,993	2,044
Publications	6,961	3,516	6,961	3,516
Rental income	51,260	37,549	51,260	37,549
Third party insurance data access charges	18,855	11,514	18,855	11,514
Toll revenue (Sydney Harbour Bridge)	98,851	64,523	98,851	64,523
Toll revenue (Sydney Harbour Tunnel)	43,565	28,786	43,565	28,786
Works and services	69,726	31,761	69,726	31,761
	567,524	351,596	567,524	351,596
Personnel services revenue	77,199	71,067	77,199	71,067

b. Investment revenue

Interest	10,429	9,392	10,429	9,392
Interest – Maritime Trade Tower	3,153	3,820	3,153	3,820
Rent received – Maritime Trade Tower	13,525	8,731	13,525	8,731
Amortisation of zero interest loan Sydney Harbour Tunnel	7,580	4,744	7,580	4,744
TCorp Investment Facilities Designated at Fair Value Through Profit or Loss – Gain on Fair Valuation	5,922	3,340	5,922	3,340
	40,609	30,027	40,609	30,027

c. Retained taxes, fees and fines

Sanction fees payable under the Fines Act	12,685	8,012	12,685	8,012
	12,685	8,012	12,685	8,012

d. Grants from TfNSW

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	12 months	8 months	12 months	8 months
	\$'000	\$'000	\$'000	\$'000
Operating grant				
Grant to fund general operations including maintenance	1,535,143	1,236,098	1,535,143	1,236,098
Capital grant				
Grants to fund investment in infrastructure network development	2,860,962	1,826,407	2,860,962	1,826,407
	4,396,105	3,062,505	4,396,105	3,062,505

Of the \$2,860.962 million capital grant, \$1,381.510 million relates to federal funding (2012: \$1,017 million of \$1,826.407 million). The equivalent figure for the federal recurrent grant is \$160.447 million (2012: \$97.372 million). Federal funding is appropriated to TfNSW through NSW Treasury.

Transfers to the Crown Entity				
Asset sales proceeds transferred	(124,833)	-	(124,833)	-
Other transfers	(4,000)	-	(4,000)	-
	(128,833)	-	(128,833)	-

e. Other grants and contributions

NSW Government agencies				
- TfNSW	13,047	3,813	13,047	3,813
- Other	81,236	6,496	81,236	6,496
Local government	47,762	1,707	47,762	1,707
Other government agencies	3,781	4,234	3,781	4,234
Private firms and individuals	18,148	11,897	18,148	11,897
	163,974	28,147	163,974	28,147

Contributions received during the year ended 30 June 2013 were recognised as revenue during the period and were expended in that period with no balance of those funds available at 30 June 2013.

f. Other revenue

	Consolidated 2013 12 months \$'000	Consolidated 2012 8 months \$'000	Parent 2013 12 months \$'000	Parent 2012 8 months \$'000
Amortisation of Deferred Revenue on Private Sector Provided Infrastructure (PSPI) Projects	14,048	8,119	14,048	8,119
Value of emerging interest of PSPI				
- M2 (refer Note 10(a))	15,384	9,524	15,384	9,524
- M4 (refer Note 10(a))	1,136	695	26,220	695
- M5 (refer Note 10(a))	26,220	16,101	16,208	16,101
- Eastern Distributor (refer Note 10(a))	16,208	10,140	23,613	10,140
- Cross City Tunnel (refer Note 10(a))	23,613	14,924	47,223	14,924
- Western Sydney Orbital M7 (refer Note 10(a))	47,223	29,810	33,530	29,810
- Lane Cove Tunnel (refer Note 10(a))	33,530	21,082	1,136	21,082
M2 and Eastern Distributor promissory notes	8,504	10,253	8,504	10,253
Fuel tax credits	258	134	258	134
Principal arranged insurance refund	1,118	2,024	1,118	2,024
Property revenue	127	3,862	127	3,862
Recognition of infrastructure assets	31,172	12,682	31,172	12,682
Other boating fees	1,753	1,305	1,753	1,305
Other (including professional services revenue)	7,305	4,834	7,305	4,834
	227,599	145,489	227,599	145,489

4. Gains (losses) on disposal

a. Gains/(losses) on disposal

Net gain on sale of property, plant and equipment				
- Proceeds from sale	187,494	20,744	187,494	20,744
- Carrying amount of assets sold	(173,842)	(29,600)	(173,842)	(29,600)
Net gain on sale of property, plant and equipment	13,652	(8,856)	13,652	(8,856)

b. Other gains/(losses)

Allowance for impairment of receivables	(2,300)	(677)	(2,300)	(677)
Bad debts (written off)/recovered	(51)	(4,451)	(51)	(4,451)
Carrying amount of assets written off (refer Note 5)	(696,678)	(170,080)	(696,678)	(170,080)
Revaluation decrement on investment properties*	-	(2,823)	-	(2,823)
Asset write-down infrastructure assets (refer Note 5)	(378,688)	(111,020)	(378,688)	(111,020)
Total other gains/(losses)	(1,077,717)	(289,051)	(1,077,717)	(289,051)

The majority of the assets written off were infrastructure assets. In cases where Roads and Maritime constructs a new infrastructure asset that substantially replaces an existing asset (rather than performing work to maintain the existing asset), the capitalised value of the original asset is written off and the new asset is included within the additions to infrastructure assets (Note 9(c)).

* Loss on revaluation of Maritime investment property - Maritime Trade Tower (refer Note 10(c)).

5. Write-off of infrastructure assets

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	12 months	8 months	12 months	8 months
	\$'000	\$'000	\$'000	\$'000
Infrastructure assets written off	696,678	169,544	696,678	169,544

The following infrastructure assets were written off in year ended 30 June 2013 and the eight months to 30 June 2012:

	Replacement costs	Accumulated depreciation/Unearned income	Written down replacement costs	Replacement costs	Accumulated depreciation	Written down replacement costs
	2013	2013	2013	2012	2012	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Roads	408,955	(136,628)	272,327	172,406	(26,774)	145,632
LUR	10,370	-	10,370	14,957	-	14,957
Bridges	8,473	(4,644)	3,829	6,108	(2,683)	3,425
Maritime assets	2,283	-	2,283	-	-	-
Work in progress	7,401	-	7,401	-	-	-
Traffic signals network	282	(165)	117	299	(143)	156
Traffic control network	-	-	-	6,512	(1,138)	5,374
Maritime dredge assets*	549,015	(148,664)	400,351	-	-	-
	986,779	(290,101)	696,678	200,282	(30,738)	169,544

* The write-off amount of \$400.351 million, represents the derecognition of Maritime dredge assets transferred to Port Kembla and Sydney Ports.

Write-down of infrastructure assets

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	12 months	8 months	12 months	8 months
	\$'000	\$'000	\$'000	\$'000
Infrastructure assets written down	378,688	111,020	378,688	111,020

The following infrastructure assets were written down in year ended 30 June 2013 and the eight months to 30 June 2012:

	Replacement costs	Accumulated depreciation	Written down replacement costs	Replacement costs	Accumulated depreciation	Written down replacement costs
	2013	2013	2013	2012	2012	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land under roads	66,497	-	66,497	111,020	-	111,020
Land acquired for future roadworks*	312,191	-	312,191	-	-	-
	378,688	-	378,688	111,020	-	111,020

* Writedown of LAFFRW due to change in valuation technique recognised prospectively as change in estimates, refer Note 1(bb)ii.

6. Service groups of Roads and Maritime Services

a. Transport Infrastructure and Development

This service group includes the development of new road and maritime infrastructure along with enhancement of the existing networks.

b. Integrated Transport Service Delivery

This service group seeks to implement initiatives to increase safe road and maritime use behaviour to ensure that: drivers, marine vessel operators and riders are eligible, competent and identified; vehicles and marine vessels are road and sea worthy and meet emission standards; and a high standard of customer service is maintained.

c. Integrated Transport Planning and Management

This service group seeks to ensure safe, reliable movement of people and goods on the arterial road network and marine waterways, and retain the value and quality of the infrastructure as a long-term renewable asset.

7. Current assets – cash and cash equivalents

	Consolidated 2013 \$'000	Consolidated 2012 \$'000	Parent 2013 \$'000	Parent 2012 \$'000
Roads and Maritime operating account	20,265	11,710	20,265	11,710
Remitting account, cash in transit and cash on hand*	38,908	41,595	38,908	41,595
TCorp Hour-Glass Cash Facility**	177,101	295,549	177,101	295,549
On call deposits	7,456	7,239	7,456	7,239
Other	859	579	859	579
	244,589	356,672	244,589	356,672

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash at bank, cash on hand, on call deposits, and TCorp Investments.

* The remitting account balance above does not include cash of \$29.418 million (2012: \$26.377 million) relating to administered revenue held by Roads and Maritime as at 30 June (refer to Note 25).

**The TCorp Investments are unit trust investment facilities which are at call. This includes restricted assets received from the deposit holders, which are SHB ETOLL Tag Deposits of \$50.756 million (2012: \$48.953 million), Just Terms Compensation of \$2.452 million (2012: \$0.782 million), and Tow Truck Licensing and Compliance of \$0.410 million (2012: \$0.395 million).

Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial period to the Statement of Cash Flows as follows:

Cash and cash equivalents (per Statement of Financial Position)	244,589	356,672	244,589	356,672
Long-term growth facility	13,272	11,010	13,272	11,010
Medium-term growth facility	35,622	32,167	35,622	32,167
Strategic cash facility	5,134	4,929	5,134	4,929
Closing cash and cash equivalents (per Statement of Cash Flows)	298,617	404,778	298,617	404,778

Details regarding credit risk, liquidity risk and market risk arising from financial instruments are disclosed in Note 15.

8. Current assets/non-current assets – receivables and other financial assets

a. Current receivables

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Sale of goods and services	47,793	52,443	47,793	52,443
Other	7,358	1,818	7,358	1,818
Less: allowance for impairment*	(6,597)	(8,679)	(6,597)	(8,679)
	48,554	45,582	48,554	45,582
TfNSW receivable (see Note 1(g)iv)	3,552	131,449	3,552	131,449
Goods and services tax receivable	72,575	88,799	72,575	88,799
	124,681	265,830	124,681	265,830
Prepayments	10,636	4,618	10,636	4,618
Land sale receivables**	-	24,253	-	24,253
Property debtors	21,204	9,415	21,204	9,415
Dishonoured credit cards	192	109	192	109
	156,713	304,225	156,713	304,225
Accrued income				
- Interest	140	105	140	105
- Property sales	28,917	18,768	28,917	18,768
- Other	11,743	9,792	11,743	9,792
	197,513	332,890	197,513	332,890

* The allowance for impairment primarily relates to amounts owing as a result of commercial transactions (eg debts raised for performance of services or sale of goods) and tenants who vacate rental premises without notice whilst in arrears.

**Land sale receivables relate to the Maritime Trade Tower land which was sold in 1989 on a 96-year term with payments extending for 25 years. The purchaser's tenure is secured by a lease. These amounts represent the capital portion owed under a Finance Lease with the amount disclosed receivable within 12 months.

Details regarding credit risk, liquidity risk and market risk arising from financial instruments are disclosed in Note 15.

Movement in the allowance for impairment

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	8,679	-	8,679	-
Balance as part of net assets received from equity transfer	-	3,708	-	3,708
Amounts written off during the year	(4,382)	(157)	(4,382)	(157)
Increase in allowance recognised in Statement of Comprehensive Income	2,300	5,128	2,300	5,128
Balance as at end of financial period	6,597	8,679	6,597	8,679

b. Non-current receivables

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Pre-paid lease	-	15	-	15
Other	1,828	6,152	1,828	6,152
	1,828	6,167	1,828	6,167

c. Other financial assets**Non-current financial assets (at amortised cost)**

Loan to Sydney Harbour Tunnel Company	119,127	111,547	119,127	111,547
M2 and Eastern Distributor operators Promissory notes (refer to Note 10 (a))	41,298	32,795	41,298	32,795
	160,425	144,342	160,425	144,342

d. Current financial assets (at fair value)

TCorp Hour-Glass Investment Facilities - long-term growth facility	13,272	11,010	13,272	11,010
TCorp Hour-Glass Investment Facilities - medium-term growth facility	35,622	32,167	35,622	32,167
TCorp Hour-Glass Investment Facilities - strategic cash facility	5,134	4,929	5,134	4,929
	54,028	48,106	54,028	48,106

9. Non-current assets – property, plant and equipment

Consolidated and parent	Land and buildings \$'000	Plant and equipment \$'000	Infrastructure systems \$'000	Total \$'000
As at 1 July 2012 – fair value				
Gross carrying amount	2,788,210	272,291	83,278,453	86,338,954
Accumulated depreciation	(46,815)	(131,209)	(21,796,665)	(21,974,689)
Net carrying amount	2,741,395	141,082	61,481,788	64,364,265
As at 30 June 2013 – fair value				
Gross carrying amount	2,476,695	280,984	97,519,308	100,276,987
Accumulated depreciation	(66,284)	(144,304)	(30,908,399)	(31,118,987)
Net carrying amount	2,410,411	136,680	66,610,909	69,158,000

Consolidated and parent	Land and buildings \$'000	Plant and equipment \$'000	Infrastructure systems \$'000	Total \$'000
As at 1 November 2011 – fair value				
Gross carrying amount	-	-	-	-
Accumulated depreciation	-	-	-	-
Net carrying amount	-	-	-	-
As at 30 June 2012 – fair value				
Gross carrying amount	2,788,210	272,291	83,278,453	86,338,954
Accumulated depreciation	(46,815)	(131,209)	(21,796,665)	(21,974,689)
Net carrying amount	2,741,395	141,082	61,481,788	64,364,265

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

Year ended 30 June 2013	Land and buildings \$'000	Plant and equipment \$'000	Infrastructure systems \$'000	Total \$'000
Net carrying amount 1 July 2013	2,741,395	141,082	61,481,788	64,364,265
Additions	91,502	16,010	2,870,288	2,977,800
Disposals	-	(2,859)	(835,660)	(838,519)
Net assets transferred as equity transfer	-	-	(1,430)	(1,430)
Transfers to councils	-	-	(20,683)	(20,683)
Transfers from councils	-	-	44,820	44,820
Net revaluation increment less revaluation decrements	(33,320)	-	4,255,050	4,221,730
Assets recognised for the first time	-	-	31,172	31,172
Asset write-off	-	-	(9,684)	(9,684)
Asset write-down	(312,191)	-	(66,497)	(378,688)
Depreciation expense	(19,468)	(23,186)	(1,152,881)	(1,195,535)
Transfer (to)/from assets held for sale	(40,690)	-	-	(40,690)
Rci and other adjustments/WIP	-	5,633	(1,005)	4,628
Transfer out	(17,365)	-	(2,246,524)	(2,263,889)
Transfers in	548	-	2,262,155	2,262,703
Net carrying amount at 30 June 2013	2,410,411	136,680	66,610,909	69,158,000

Period ended 30 June 2012	Land and buildings \$'000	Plant and equipment \$'000	Infrastructure systems \$'000	Total \$'000
Net carrying amount 1 November 2011	-	-	-	-
Net assets received from equity transfer*	2,645,613	139,564	58,568,117	61,353,294
Additions	94,425	12,694	1,817,889	1,925,008
Disposals	(22,199)	(2,156)	(149,560)	(173,915)
Transfers to Sydney Ports Corporation	-	(196)	(4,484)	(4,680)
Transfers to councils	-	-	(73,590)	(73,590)
Transfers from councils	-	-	7,279	7,279
Increase in marina assets	-	-	1,799	1,799
Net revaluation increment less revaluation decrements	25,119	-	14,307	39,426
Asset write-down	(1,038)	-	(111,020)	(112,058)
Depreciation expense	(15,802)	(12,311)	(583,517)	(611,630)
Transfer (to)/from assets held for sale	18,125	137	-	18,262
Rci and other adjustments/WIP	2,026	-	1,990,016	1,992,042
Transfer out	(4,874)	(2,484)	(1,677,143)	(1,684,501)
Transfers in	-	5,834	1,681,695	1,687,529
Net carrying amount at 30 June 2012	2,741,395	141,082	61,481,788	64,364,265

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment. Roads and Maritime engaged external professional valuers to perform road assets full revaluation and utilise Roads and Maritime engineers to perform a bridge asset full valuation effective 31 March 2013 in 2012-13.

a. Land and buildings – consolidated and parent

Year ended 30 June 2013	Officers' residence land \$'000	Officers' residence buildings \$'000	Land and buildings acquired for future roadworks \$'000	Leasehold improvements \$'000	Total \$'000
Net carrying amount 1 July 2012	157,540	234,142	2,306,692	43,021	2,741,395
Additions	-	3,172	87,936	394	91,502
Disposals	-	-	-	-	-
Net revaluation increments less revaluation decrements	-	-	(33,320)	-	(33,320)
Depreciation expense	-	(9,560)	-	(9,908)	(19,468)
Transfer from/to assets held for sale	-	-	(40,690)	-	(40,690)
Transfer in	-	(817)	-	1,365	548
Reclassifications	72,547	(72,547)	-	-	-
Adjustments/WIP	-	-	-	-	-
Asset write-down*	-	-	(312,191)	-	(312,191)
Transfer to infrastructure	-	-	(17,365)	-	(17,365)
Net carrying amount at 30 June 2013	230,087	154,390	1,991,062	34,872	2,410,411

Period ended 30 June 2012	Officers residences' \$'000	Buildings \$'000	Land and buildings acquired for future roadworks \$'000	Leasehold improvements \$'000	Total \$'000
Net carrying amount 1 November 2011	-	-	-	-	-
Net assets received from equity transfer	160,140	245,351	2,191,480	48,642	2,645,613
Additions	-	2,569	89,786	2,070	94,425
Disposals	-	(2,477)	(17,235)	(2,487)	(22,199)
Net revaluation increments less revaluation decrements	70	110	24,939	-	25,119
Depreciation expense	-	(7,974)	-	(7,828)	(15,802)
Transfer from assets held for sale	-	-	18,125	-	18,125
Reclassifications	(2,670)	(2,820)	5,439	51	-
Adjustments/WIP	-	(547)	-	2,573	2,026
Asset write-down	-	(70)	(968)	-	(1,038)
Transfer to infrastructure	-	-	(4,874)	-	(4,874)
Net carrying amount at 30 June 2012	157,540	234,142	2,306,692	43,021	2,741,395

*Land acquired for future road works was revalued on 30 June 2013 using the Valuer-Generals land property index. This has resulted in a devaluation/decrement recorded in the Statement of Comprehensive Income of \$312.191 million (see Note 1(bb)ii).

Category of land and building acquired for future road works	Aggregate carrying amount 2013 \$'000	Aggregate carrying amount 2012 \$'000
Revalued as part of the current progressive revaluation and carried at fair value (market value) as at 30 June 2013 less, where applicable, any subsequent accumulated depreciation:		
- Surplus properties	371,902	386,177
- Rentable properties	496,004	500,327
Untenanted land for roads - revalued annually not subject to progressive revaluation	1,123,156	1,420,188
Total land and buildings acquired for future roadworks	1,991,062	2,306,692

Due to the large number of properties held, a combination of Roads and Maritime and independent valuers are used to perform the progressive revaluations. Where possible, the fair value of land and buildings are determined by reference to recent market transactions, using the following methods and assumptions:

- The pre-acquisition market value was used as the base value for determining fair value
- The base value for land and building parcels acquired after 1999 have been increased by movements in the NSW Valuer-General's Land Price Index (LPI) for the period 2011-2012
- For land and building parcels purchased prior to 2000 or where pre-acquisition market values were not available, a rate per square metre was calculated from recent market transactions within the same or similar Local Government Areas and applied to the current parcel area.

Land and buildings not re-valued as part of the current year progressive revaluations have been indexed based on LPI component factors to ensure that their carrying amounts do not differ materially from fair value as at 30 June 2013.

b. Plant and equipment – consolidated and parent

Year ended 30 June 2013	Plant equipment and motor vehicles \$'000	Computer hardware \$'000	Electronic office equipment \$'000	Maritime plant and equipment \$'000	Total \$'000
Net carrying amount 1 July 2012	87,088	34,914	432	18,648	141,082
Additions	8,305	7,683	22	-	16,010
Disposals	(2,765)	(86)	(8)	-	(2,859)
Depreciation expense	(13,901)	(9,255)	(30)	-	(23,186)
Reclassifications	18,544	5,737	-	(18,648)	5,633
Net carrying amount at 30 June 2013	97,271	38,993	416	-	136,680

Period ended 30 June 2012	Plant equipment and motor vehicles \$'000	Computer hardware \$'000	Electronic office equipment \$'000	Maritime plant and equipment \$'000	Total \$'000
Net carrying amount 1 November 2011	-	-	-	-	-
Net assets received from equity transfer	87,161	29,983	2,640	19,780	139,564
Additions	6,666	3,318	295	2,415	12,694
Disposals	(1,276)	-	-	(880)	(2,156)
Transfers to Sydney Ports Corporation	-	-	-	(196)	(196)
Depreciation expense	(6,436)	(3,385)	(19)	(2,471)	(12,311)
Transfer from assets held for sale	137	-	-	-	137
Reclassifications	836	4,998	(2,484)	-	3,350
Net carrying amount at 30 June 2012	87,088	34,914	432	18,648	141,082

c. Infrastructure systems – consolidated and parent

	Roads \$'000	Land under roads \$'000	Bridges \$'000	Sydney Harbour Tunnel \$'000	Traffic signals network \$'000	Traffic control network \$'000	Maritime assets \$'000	Major works in progress \$'000	Total \$'000
Year ended 30 June 2013	41,996,227	1,537,443	11,137,970	762,405	288,225	147,862	1,361,518	4,250,138	61,481,788
Net carrying amount 1 July 2012	41,996,227	1,537,443	11,137,970	762,405	288,225	147,862	1,361,518	4,250,138	61,481,788
Additions	345,554	-	131,106	-	6,327	15,635	-	2,371,666	2,870,288
Disposals	(272,327)	(10,370)	(3,829)	-	(117)	-	(549,017)	-	(835,660)
Net assets transferred as equity transfer	-	-	-	-	-	-	(1,430)	-	(1,430)
Transfers to councils	(10,264)	(235)	(10,184)	-	-	-	-	-	(20,683)
Transfers from councils	-	-	44,820	-	-	-	-	-	44,820
Assets recognised for the first time	-	-	31,172	-	-	-	-	-	31,172
Net revaluation increment less revaluation decrements	3,974,763	-	189,078	51,054	8,772	7,344	24,039	-	4,255,050
Asset write-off	-	-	-	-	-	-	(2,283)	(7,401)	(9,684)
Asset write-down	-	(66,497)	-	-	-	-	-	-	(66,497)
Depreciation expense	(950,883)	-	(145,491)	(6,008)	(28,772)	(11,524)	(10,203)	-	(1,152,881)
Transfers in	1,607,956	17,364	610,095	-	-	-	26,740	-	2,262,155
Transfers out	-	-	-	-	-	-	-	(2,246,524)	(2,246,524)
RCI and other adjustments/WIP	-	-	-	-	-	-	-	(1,005)	(1,005)
Net carrying amount at 30 June 2013	46,691,026	1,477,705	11,984,737	807,451	274,435	159,317	849,364	4,366,874	66,610,909

Roads and Maritime leases the Sydney Harbour Tunnel under agreement with the Sydney Harbour Tunnel Company (SHTC). The agreement transfers ownership of the tunnel to Roads and Maritime at the end of the lease term in 2022 (see Note 17 for further details). At 30 June 2013 the net carrying amount of this leased infrastructure assets was \$807.451 million (2012: \$762.405 million).

Roads and Maritime re-componentised its road assets increasing the number of components. This has resulted in an increase in depreciation expense of \$291.410 million, refer Note 1(bb)i.

Period ended 30 June 2012	Roads \$'000	Land under roads \$'000	Bridges \$'000	Sydney Harbour Tunnel \$'000	Traffic signals network \$'000	Traffic control network \$'000	Maritime assets \$'000	Major works in progress \$'000	Total \$'000
Net carrying amount 1 November 2011	-	-	-	-	-	-	-	-	-
Net assets received from equity transfer	39,380,356	1,669,773	10,560,685	759,346	299,326	121,389	1,363,648	4,413,594	58,568,117
Additions	208,885	-	41,953	-	7,009	38,343	4,885	1,516,814	1,817,889
Disposals	(104,234)	(14,957)	(8,082)	-	(156)	(5,373)	(2,377)	(14,381)	(149,560)
Transfers to Sydney Ports Corporation	-	-	-	-	-	-	(4,484)	-	(4,484)
Transfers to councils	(59,769)	(11,227)	(2,030)	-	-	-	(564)	-	(73,590)
Transfers from councils	-	-	2,027	-	-	-	5,252	-	7,279
Increase in marina assets	-	-	-	-	-	-	1,799	-	1,799
Asset write-down	-	(111,020)	-	-	-	-	-	-	(111,020)
Depreciation expense	(425,281)	-	(103,197)	(11,248)	(18,436)	(18,714)	(6,641)	-	(583,517)
Transfers in	1,275,812	4,551	401,332	-	-	-	-	-	1,681,695
Transfers out	-	-	-	-	(573)	(3,502)	-	(1,673,068)	(1,677,143)
RCI and other adjustments/WIP	1,720,458	323	245,282	14,307	1,055	15,719	-	7,179	2,004,323
Net carrying amount at 30 June 2012	41,996,227	1,537,443	11,137,970	762,405	288,225	147,862	1,361,518	4,250,138	61,481,788

A full valuation of the road infrastructure assets was carried out by an independent valuer on 31 March 2013. All road infrastructure assets are stated at fair value using the depreciated replacement cost (DRC) approach.

The methods and significant assumptions applied in estimating the 'roads' asset class fair values include:

Valuation methodologies

Primary Approach – applied to culverts, pavements, earthworks, safety barriers, and fences. This approach involved the following steps:

- Obtaining inventory details for components by RAMS segment/unique ID
- Applying unit rates to the inventory listings
- Estimating replacement costs based on quantity/area/length
- Estimating normal useful lives
- Applying depreciation (straight line) based on age/life analysis to estimate fair value.

Secondary Approach – applied to structures and "other" corridor assets categories. This approach involved the following steps:

- Obtaining percentage breakdown of components from the Roads and Maritime Project Management Office (PMO)
- Converting PMO percentages to "known assets" percentages
- Estimating replacement costs based on replacement cost of "known assets"
- Estimating normal useful lives
- Applying depreciation (straight line) based on age/life analysis to estimate fair value.

Hybrid Approach – used for longitudinal and subsoil drainage assets, involving a combination of the Primary and Secondary Approaches.

Earthworks assumptions

- Sub-categories for Earthworks have been identified as 'Region', 'Road rank', and 'Terrain'
- The Roads and Maritime PMO unit rates were only available by region and were therefore adjusted to include road rank and terrain, using assumed typical earthwork depths, to capture the cost variations for all stereotypes.

Pavement assumptions

- Base/Sub-base asset ages have been based on the road construction date
- Wearing surface asset ages have been based on the newer of resurfacing or rehabilitation dates
- Remaining life extensions of 7 years and 2 years respectively have been applied to Base/Sub-base and wearing surface assets past their useful lives. These assumptions are based on Roads and Maritime's projected pavement rebuilding/resurfacing estimates
- Sub-categories for pavements have been identified as 'Pavement category', 'Region', and 'Road rank.'

Culvert and drainage assumptions

- Ages for culverts have been calculated using the road construction date
- A remaining life extension of 5 years has been applied to all culverts that were past their useful life

- Stereotypes for culverts have been identified as 'Culvert type', 'Region', and 'Pipe diameter/box width'
- Longitudinal Drainage assumed to be located in urban terrains in Sydney region only (Hunter region captured in culverts inventory), and applied to 50 per cent of segment lengths only
- 375mm pipe culvert unit rate was deemed most appropriate for Longitudinal drainage
- Subsoil drainage primary types include edge and trench drains, and only concrete pavement types assumed to include edge drains.

Safety barrier and fence assumptions

- Sub-categories have been identified as 'Barrier type', and 'Region'
- Age calculations for depreciation were determined using road segment construction dates.

Due to the specialised nature of Roads and Maritime's 'roads' asset class, and the fact that Roads and Maritime's road assets are not sold or traded, the fair value for this asset class cannot be determined with reference to observable prices in an active market or recent market transactions on arm's length terms. Instead, the fair value has been determined using the valuation techniques outlined above, primarily with reference to current tendered contract rates produced by the Roads and Maritime PMO.

The revaluation resulted in a revaluation increment of \$3.974 billion (2012: \$1.720 billion).

10. Non-current assets – intangible assets and other

a. Private sector provided infrastructure

	Consolidated 2013 \$'000	Consolidated 2012 \$'000	Parent 2013 \$'000	Parent 2012 \$'000
M2 Motorway				
Carrying amount at start of period	69,037	-	69,037	-
Net assets received from equity transfer	-	59,513	-	59,513
Annual increment – emerging right to receive	15,384	9,524	15,384	9,524
Carrying amount at end of period	84,421	69,037	84,421	69,037
M4 Motorway Service Centre				
Carrying amount at start of period	5,021	-	5,021	-
Net assets received from equity transfer	-	4,326	-	4,326
Annual increment – emerging right to receive	1,136	695	1,136	695
Carrying amount at end of period	6,157	5,021	6,157	5,021
M5 Motorway				
Carrying amount at start of period	189,240	-	189,240	-
Net assets received from equity transfer	-	173,139	-	173,139
Annual increment – emerging right to receive	26,220	16,101	26,220	16,101
Carrying amount at end of period	215,460	189,240	215,460	189,240
Eastern Distributor				
Carrying amount at start of period	74,615	-	74,615	-
Net assets received from equity transfer	-	64,475	-	64,475
Annual increment – emerging right to receive	16,208	10,140	16,208	10,140
Carrying amount at end of period	90,823	74,615	90,823	74,615
Cross City Tunnel (CCT)				
Carrying amount at start of period	116,703	-	116,703	-
Net assets received from equity transfer	-	101,779	-	101,779
Annual increment – emerging right to receive	23,613	14,924	23,613	14,924
Carrying amount at end of period	140,316	116,703	140,316	116,703
Western Sydney Orbital (M7)				
Carrying amount at start of period	232,162	-	232,162	-
Net assets received from equity transfer	-	202,352	-	202,352
Annual increment – emerging right to receive	47,223	29,810	47,223	29,810
Carrying amount at end of period	279,385	232,162	279,385	232,162
Lane Cove Tunnel				
Carrying amount at start of period	131,878	-	131,878	-
Net assets received from equity transfer	-	110,796	-	110,796
Annual increment – emerging right to receive	33,530	21,082	33,530	21,082
Carrying amount at end of period	165,408	131,878	165,408	131,878
Total carrying amount at end of period	981,970	818,656	981,970	818,656
Totals				
Carrying amount at start of period	818,656	-	818,656	-
Net assets received from equity transfer	-	716,380	-	716,380
Annual increment – emerging right to receive	163,314	102,276	163,314	102,276
Total carrying amount at end of period	981,970	818,656	981,970	818,656

M2 Motorway

Roads and Maritime entered into a contract with the concession holder to design, construct, operate and maintain the M2 Motorway. Under the terms of the Project Deed, ownership of the M2 Motorway will revert to Roads and Maritime on the earlier of the achievement of: specified financial returns outlined in the Deed; or 45 years from the M2 commencement date of 26 May 1997.

To facilitate these works, Roads and Maritime leased land detailed in the M2 Motorway Project Deed for the term of the Agreement. Until the project realises a real after tax internal rate of return of 12.25 per cent per annum, rent is payable, at the lessee's discretion, in cash or by promissory note. On achievement of the required rate, the rent is payable in cash. Under the terms of the lease, Roads and Maritime must not present any of the promissory notes for payment until the earlier of the end of the term of Agreement or the achievement of the required rate of return. The term of the Agreement ends on the 45th anniversary of the M2 commencement date (26 May 2042) subject to the provisions of the M2 Motorway Project Deed.

No payments have been made for rents for the leases for the period ended 30 June 2013 (2012: No payments made). Roads and Maritime, as at 30 June 2013, has received promissory notes for rent on the above leases totalling \$147.608 million (2012: \$136.910 million). The net present value of these promissory notes as at 30 June 2013 is \$20.028 million (2012: \$15.957 million).

Roads and Maritime has, from the date of completion of the M2 Motorway, valued the asset by reference to Roads and Maritime's emerging share of the estimated depreciated replacement cost of the asset at date of hand back over the concession period calculated using the effective interest rate method (refer Note 1(g) (vi)). Based on the historical rental returns, the conservative period of 45 years has been used to calculate Roads and Maritime's emerging share of the asset.

The NSW Government announced the Hills M2 Upgrade on 26 October 2010. Construction of the upgrade commenced in December 2010. The upgrade will take approximately three years to complete and the existing M2 concession period will be extended for four years after the final completion of the project. The estimated initial construction cost is \$550 million. Roads and Maritime will not recognise an emerging asset for the upgrade until the upgrade is complete.

M4 Service Centre

In October 1992, Roads and Maritime and the concession holder entered into the M4 Service Centre Project Deed under which Roads and Maritime agreed to acquire land and lease the land to the concession holder. The concession holder agreed to finance, design, construct, maintain and operate two service centres which are located on each carriageway of the M4 at Eastern Creek.

The M4 Service Centres were opened for use on 1 January 1993. The concession holder will operate, maintain and repair the service centres until 31 December 2017, after which the service centres will be transferred back to Roads and Maritime at nil value.

Roads and Maritime values the Service Centre asset by reference to Roads and Maritime's emerging share of the depreciated replacement cost of the asset over the period of the concession period calculated using the effective interest rate method (refer Note 1(g)(vi)).

M5 South-West Motorway

Roads and Maritime entered into a contract with the concession holder to design, construct, operate and maintain the M5 South-West Motorway. The initial concession period for the M5 South-West Motorway was for the period 14 August 1992 to 14 August 2022. Roads and Maritime has valued the M5 South-West Motorway by reference to Roads and Maritime's emerging share of the depreciated replacement cost apportioned over the period of the concession agreement calculated using the effective interest rate method (refer Note 1(g)(vi)).

In consideration for the concession holder undertaking construction of an additional interchange at Moorebank (M5 Improvements), the initial concession period has been subsequently extended to 22 August 2023.

The M5 South-West Motorway Call Option Deed provides that if, after at least 25 years from the M5 Western Link commencement date of 26 June 1994, Roads and Maritime determines that the expected financial return has been achieved, Roads and Maritime has the right to purchase either the business from the concession holder or the shares in the concession holder. The exercise price under the M5 South-West Call Option Deed will be based on open market valuation of the business or shares.

In November 2009, the NSW Government announced a proposal to expand the M5 corridor. The M5 West widening would expand the South West Motorway generally from two to three lanes in each direction to reduce travel time for motorists using the motorway and surrounding roads. It was announced on 26 June 2012 that contracts were signed and financial close reached. Major construction started in August 2012 and is due to be completed at the end of 2014. The end of the concession period will be extended by 3 years and 3 months from 22 August 2023 to 10 December 2026 upon completion of the widening work. Roads and Maritime will not recognise as emerging assets for the widening until the widening is complete.

Eastern Distributor

An agreement was signed with the concession holder on 27 June 1997 to finance, design, construct, operate, maintain and repair the Eastern Distributor which was opened to traffic on 23 July 2000.

In consideration of Roads and Maritime granting to the concession holder the right to levy and retain tolls on the Eastern Distributor, the concession holder is required to pay concession fees in accordance with the Agreement. From the date of financial close, which occurred on 18 August 1997, the concession holder has paid \$240 million by way of promissory notes (being \$15 million on financial close and \$15 million on each anniversary of financial close). A further \$2.2 million was received in cash six months after Financial Close and \$8 million in cash on the third anniversary of financial close. Under the Agreement, the promissory

notes show a payment date (subject to provisions in the Project Deed) of 24 July 2048 and, as at 30 June 2013, the promissory notes have a net present value of \$21.270 million (2012: \$16.838 million).

Under the terms of the Project Deed, ownership of the Eastern Distributor will revert to Roads and Maritime on the earlier of the achievement of specified financial returns outlined in the Deed or 48 years from the Eastern Distributor Commencement Date of 23 July 2000. The conservative period of 48 years has been used to calculate Roads and Maritime's emerging share of the asset.

Cross City Tunnel

An agreement was signed with the concession holder on 18 December 2002 to design, construct, operate and maintain the Cross City Tunnel. Major construction started on 28 January 2003. The Cross City Tunnel (CCT) was completed and opened to traffic on 28 August 2005.

The concession holder was placed into receivership in 2006–07. The receivers subsequently sold the CCT asset to a private operator in June 2007.

The construction cost was \$642 million with the cost being met by the private sector. Under the terms of the agreement, an external party will operate the motorway until 18 December 2035, after which the motorway will be transferred back to Roads and Maritime.

Roads and Maritime values the asset by reference to Roads and Maritime's emerging share of the depreciated replacement cost of the asset over the period of the concession period calculated using the effective interest rate method (refer Note 1(g)(vi)).

Reimbursement of certain development costs was received by Roads and Maritime from the operator in the form of an upfront cash payment. The amount of this payment was \$96.860 million.

Westlink M7 Motorway

An agreement was signed with the concession holder on 13 February 2003 to design, construct, operate and maintain the Westlink M7 Motorway. Major construction started on 7 July 2003 and the completed motorway was opened to traffic on 16 December 2005.

The construction cost was \$1.54 billion. The Federal Government contributed \$356 million towards the cost of the project with the remainder of the cost being met by the private sector. Roads and Maritime had responsibility under the contract for the provision of access to property required for the project. Under the terms of the agreement, the concession holder will operate the motorway until 14 February 2037, after which the motorway will be transferred back to Roads and Maritime.

Roads and Maritime values the asset by reference to Roads and Maritime's emerging share of the depreciated replacement cost of the asset over the period of the concession period calculated using the effective interest rate method (refer Note 1(g)(vi)).

Reimbursement of certain development costs were received by Roads and Maritime from the operator in the form of an upfront cash payment. The amount of this payment was \$193.754 million.

Lane Cove Tunnel

An agreement was signed with the concession holder on 4 December 2003 to finance, design, construct, operate and maintain the Lane Cove Tunnel Project. Major construction started on 24 June 2004 and the tunnel was opened to traffic on 25 March 2007.

The construction cost was \$1.1 billion, with the cost being met by the private sector. Roads and Maritime was responsible under

the contract for the provision of access to property required for the project, which was identified by the Project Deed. Under the terms of the agreement, the concession holder designed and constructed the motorway and will operate the motorway until 9 January 2037 after which the motorway will be transferred back to Roads and Maritime.

Roads and Maritime values the asset by reference to Roads and Maritime's emerging share of the depreciated replacement cost of the asset over the period of the concession period calculated using the effective interest rate method (refer Note 1(g)(vi)).

Reimbursement of certain development costs were received by Roads and Maritime from the operator in the form of an upfront cash payment. The amount of this payment was \$79.301 million.

b. Other intangible assets - consolidated and parent

	Software 2013 \$'000	Software 2012 \$'000
Balance at start of period		
Cost	233,122	-
Accumulated amortisation and impairment	(96,674)	-
Net carrying amount	136,448	-
Balance at end of period		
Cost	260,438	233,122
Accumulated amortisation and impairment	(106,004)	(96,674)
Net carrying amount	154,434	136,448
Net carrying amount at start of period	136,448	-
Net assets received from equity transfer	-	105,747
Additions	34,848	40,503
Written off	-	-
Disposals	(1,402)	(4)
Amortisation expense	(12,028)	(6,448)
Transfer to/from PPE (Note 9(b))	(3,432)	(3,350)
Net carrying amount at end of period	154,434	136,448

c. Investment property

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Opening balance	129,466	-	129,466	-
Balance as part of net assets transferred from equity transfer	-	132,289	-	132,289
Disposals and assets held for sale	(129,466)	-	(129,466)	-
Net gain/(loss) from fair value adjustment	-	(2,823)	-	(2,823)
Other	-	-	-	-
Closing balance as at 30 June - fair value	-	129,466	-	129,466

Gain on disposal of investment property of \$3.559 million is recognised in net results for the year.

11. Non-current assets held for sale

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Assets held for sale				
Balance at beginning of period*				
Land and buildings	22,414	40,538	22,414	40,538
Plant and equipment	111	248	111	248
	22,525	40,786	22,525	40,786
Balance at end of period				
Land and buildings	23,056	22,414	23,056	22,414
Plant and equipment	64	111	64	111
	23,120	22,525	23,120	22,525

*Balance for 2012 is part of net assets transferred from equity transfer.

Land and buildings held for sale include properties that have been identified as no longer required to fulfil long-term plans for road development or administrative needs. These assets are placed on auction as outlined in the annual asset selling plan and sales budget. Plant and equipment held for sale mainly consists of fully depreciated fleet assets. The gain or loss recognised on sale is: land and buildings \$5.309 million (2012: \$2.180 million), fleet assets \$nil (2012: \$nil). The WDV of assets held for sale derecognised due to reclassification: Land and buildings \$40.924 million (2012: \$18.125 million), fleet assets \$nil million (2012: \$0.137 million).

12. Restricted assets

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
TCorp Hour-Glass Investments	50,756	48,952	50,756	48,952

Holders of E-tags provide an initial amount as a security deposit for the use of the actual E-tag. The deposit is refundable upon closure of the associated E-tag account. Monies received for these deposits have been invested in an account with TCorp. Transactions on this account are restricted to activity relating to E-tag deposits.

13. Current liabilities – payables

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Trade creditors ⁽ⁱ⁾	147,400	175,528	147,400	175,528
Creditors arising from compulsory acquisitions	8,789	12,907	8,789	12,907
Personnel services	11,549	131,448	1,308,868	1,673,398
Accrued expenses				
- Salaries, wages and on-costs	15,963	11,178	-	-
- Works contract expenditure	251,559	291,264	251,559	291,264
- Work carried out by councils	91,453	129,684	91,453	129,684
- Interest	9,016	9,165	9,016	9,165
- Other (including non-works contracts)	116,062	140,027	116,062	140,027
Other	15	12	15	12
	651,806	901,213	1,933,162	2,431,985

(i) The average credit period on purchases of goods is 30 days. Roads and Maritime has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

(ii) Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 15.

14. Current/non-current liabilities – borrowings

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
At amortised cost				
Current				
NSW Treasury Corporation borrowings	86,524	2,973	86,524	2,973
Treasury advances repayable	2,130	2,011	2,130	2,011
Finance lease – Sydney Harbour Tunnel (Note 18(d))	46,935	40,623	46,935	40,623
Finance lease – Maritime Trade Tower (Note 18(e))	-	25,130	-	25,130
Other	150	-	150	-
	135,739	70,737	135,739	70,737
Non-current				
NSW Treasury Corporation borrowings	404,376	488,666	404,376	488,666
Treasury advances repayable	4,206	6,336	4,206	6,336
Finance lease – Sydney Harbour Tunnel (Note 18(d))	500,855	547,790	500,855	547,790
Other	234	371	234	371
	909,671	1,043,163	909,671	1,043,163

Details regarding credit risk, liquidity risk and market risk, including maturity analysis of the above borrowings are disclosed in Note 15.

15. Financial instruments

Roads and Maritime principal financial instruments are outlined below. These financial instruments arise directly from Roads and Maritime operations or are required to finance Roads and Maritime operations. Roads and Maritime does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. Roads and Maritime's main risks arising from financial instruments are outlined below, together with Roads and Maritime's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial report.

The Chief Executive has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by Roads and Maritime, to set risk limits and controls and to monitor risks.

a. Financial instrument categories

Financial assets	Note	Category	Carrying amount 2013 \$'000	Carrying amount 2012 \$'000
Class:				
Cash and cash equivalents	7	N/A	244,589	356,672
Receivables ¹	8	Loans and receivables (at amortised cost)	114,301	215,220
Financial assets	8	At fair value through profit and loss - designated as such upon initial recognition	54,028	48,106
Other financial assets	8	Loans and receivables (at amortised cost)	160,425	144,342
Financial liabilities				
Financial liabilities	Note	Category	Carrying amount 2013 \$'000	Carrying amount 2012 \$'000
Class:				
Payables ²	13,17	Financial liabilities measured at amortised cost	776,072	1,021,283
Borrowings	14	Financial liabilities measured at amortised cost	1,045,410	1,113,900

1. Excludes statutory receivables and prepayments (ie not within scope of AASB 7).

2. Excludes statutory payables and unearned revenue (ie not within scope of AASB 7).

b. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Roads and Maritime exposures to market risk are primarily through interest rate risk on borrowings and other price risks associated with the movement in the unit price of the Hour-Glass Investment facilities. Roads and Maritime has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the table below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which Roads and Maritime operates and the time frame for the assessment (ie until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Statement of Financial Position date.

i. Interest rate risk

Exposure to interest rate risk arises primarily through Roads and Maritime's interest bearing liabilities. This risk is minimised by undertaking mainly fixed rate borrowings, primarily with NSW TCorp.

TCorp manages interest rate risk exposures applicable to specific borrowings of Roads and Maritime in accordance with the debt management policies determined by the NSW Debt Management Committee (DMC), to a benchmark and other criteria similar to those applying to the Crown debt portfolio and receives a fee for this service.

TCorp uses derivatives, primarily interest rate futures, to establish short-term (tactical) and longer term (strategic) positions within agreed tolerance limits to manage portfolio duration and maturity profiles. At reporting date the carrying value of borrowings and derivatives (net of funds held at call) managed by TCorp stood at \$490.900 million (2012: \$491.148 million).

Roads and Maritime does not account for any fixed rate financial instruments at fair value through profit and loss or as available for sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- one per cent is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

The impact on Roads and Maritime's surplus/deficit and equity is set out in the table below assuming a 1 per cent change in variable interest rates.

		1% increase in interest rate		1% decrease in interest rate	
	Carrying amount \$'000	Surplus/Deficit \$'000	Equity \$'000	Surplus/Deficit \$'000	Equity \$'000
30 June 2013					
Financial assets					
Cash and cash equivalents	264,408	(2,644)	(2,644)	2,644	2,644
		1% increase in interest rate		1% decrease in interest rate	
	Carrying amount \$'000	Surplus/Deficit \$'000	Equity \$'000	Surplus/Deficit \$'000	Equity \$'000
30 June 2012					
Financial assets					
Cash and cash equivalents	404,778	(4,048)	(4,048)	4,048	4,048

ii. Other price risk – TCorp Hour-Glass facilities

Exposure to 'Other Price Risk' primarily arises through the investment in the TCorp Hour-Glass Investment facilities, which are held for strategic rather than trading purposes. Roads and Maritime has no direct equity investments and holds units in the following Hour-Glass Investment Trusts:

Facility	Investment sectors	Investment horizon	2013 \$'000	2012 \$'000
Cash facility	Cash, money market instruments	up to 1.5 years	177,100	295,548
Strategic cash facility	Cash, money market instruments, interest rate securities, bank floating rate notes	1.5 years to 3 years	5,134	4,929
Medium-term growth facility	Cash, money market instruments, Australian and international bonds, listed property, Australian and international shares	3 years to 7 years	35,622	32,167
Long-term growth facility	Cash, money market instruments, Australian and international bonds, listed property, Australian and international shares	7 years and over	13,272	11,010

The unit price of each facility is equal to the total fair value of the net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp is the trustee for each of the above facilities and is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp, acts as manager for part of the cash facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the Hour-Glass facilities limits Roads and Maritime's exposure to risk, as it allows diversification across a pool of funds with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the Investment facilities, using historically based volatility information. The TCorp Hour-Glass Investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity). A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year.

	Impact on profit/loss		
	Change in unit price	June 2013 \$'000	June 2012 \$'000
Financial assets			
Cash facility	+/- 1%	1,771	2,955
Strategic cash facility	+/- 1%	51	49
Medium-term growth facility	+/- 6%	2,137	1,930
Long-term growth facility	+/- 15%	1,991	1,652

c. Credit risk

Credit risk arises when there is the possibility of Roads and Maritime's debtors defaulting on their contractual obligations, resulting in a financial loss to Roads and Maritime. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of Roads and Maritime, including cash, receivables and authority deposits. Roads and Maritime does not hold any collateral and has not granted any financial guarantees.

Credit risk associated with Roads and Maritime financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Roads and Maritime deposits held with NSW TCorp are guaranteed by the State.

	Banks \$'000	Government \$'000	Other \$'000	Total \$'000
2013				
Financial assets				
Cash	66,628	231,127	859	298,614
Receivables	-	-	114,301	114,301
Other	-	-	160,425	160,425
Total financial assets	66,628	231,127	275,585	573,340
2012				
Financial assets				
Cash	61,124	343,654	-	404,778
Receivables	-	-	212,292	212,292
Other	-	-	192,448	192,448
Total financial assets	61,124	343,654	404,740	809,518

i. Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW TCorp 11am unofficial cash rate, adjusted for a management fee to NSW Treasury.

ii. Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. Debts which are known to be uncollectible are written off. No interest is earned on trade debtors. Sales are made on 35 day terms.

Roads and Maritime is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2013: \$51.622 million; 2012: \$30.733 million) and not less than six months past due (2013: \$3.589 million; 2012: \$1.498 million) are not considered impaired and together these represent 87 per cent (2012: 80 per cent) of the total trade debtors. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

The only financial assets that are past due or impaired are "sales of goods and services" and "other" in the "receivables" category of the Statement of Financial Position (refer to Note 8(a)).

	\$'000		
	Total ^{1,2}	Past due but not impaired ^{1,2}	Considered impaired ^{1,2}
30 June 2013			
< 3 months overdue	4,696	4,407	289
3 months – 6 months overdue	1,412	626	786
> 6 months overdue	9,112	3,589	5,523
30 June 2012			
< 3 months overdue	9,457	8,981	476
3 months – 6 months overdue	2,602	1,893	709
> 6 months overdue	4,862	1,678	3,184

1. Each column in the table reports “gross receivables”.

2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 Financial Instruments: Disclosures and excludes receivables that are not past due and not impaired. Therefore, the “total” will not reconcile to the receivables total recognised in the Statement of Financial Position.

iii. Other financial assets

The repayment of the Sydney Harbour Tunnel loan ranks behind all creditors to be paid. Redemption of the M2 and Eastern Distributor promissory notes is dependent upon counterparties generating sufficient cash flows to enable the face value to be repaid.

iv. Roads and Maritime deposits

Roads and Maritime has placed funds on deposit with TCorp (which has been rated “AAA” by Standard and Poor’s). These deposits are similar to money market or bank deposits and can be placed “at call” or for a fixed term. For fixed term deposits, the interest rate payable by TCorp is negotiated initially and is fixed for the term of the deposit, while the interest rate payable on at call deposits can vary. The deposits at balance date were earning an average interest rate of 2.94 per cent (2012: 3.85 per cent), while over the year the weighted average interest rate was 4.99 per cent (2012: 3.01 per cent) on a weighted average balance during the year of \$305.978 million (2012: \$98.188 million). None of these assets are past due or impaired.

d. Fair value

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. As discussed, the value of the Hour-Glass Investments is based on Roads and Maritime’s share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using “redemption” pricing.

The amortised cost of financial instruments recognised in the Statement of Financial Position approximates the fair value, because of the short term nature of many of the financial instruments.

The future cash flows of the M2 Motorway and Eastern Distributor promissory notes are discounted using standard valuation techniques at the applicable yield having regard to the timing of the cash flows.

The fair value of the Sydney Harbour Tunnel finance lease liability is calculated based on the present value of the minimum lease liability, discounted at the interest rate implicit in the lease agreement.

e. Fair value recognised in Statement of Financial Position

Roads and Maritime uses the following hierarchy for disclosing the fair value of financial instruments by valuation technique:

- Level 1 – Derived from quoted prices in active markets for identical assets/liabilities.
- Level 2 – Derived from inputs other than quoted prices that are observable directly or indirectly.
- Level 3 – Derived from valuation techniques that include inputs for the asset/liability not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2013				
Financial assets at fair value				
TCorp Hour-Glass Investment facility	-	231,127	-	231,127
30 June 2012				
Financial assets at fair value				
TCorp Hour-Glass Investment facility	-	343,654	-	343,654

The table above only includes financial assets, as no financial liabilities were measured at fair value in the Statement of Financial Position. There were no transfers between level 1 and 2 during the period ended 30 June 2013 (2012: none).

f. Liquidity risk

Roads and Maritime manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows.

Liquidity risk is the risk that Roads and Maritime will be unable to meet its payment obligations when they fall due. Roads and Maritime continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

Roads and Maritime has a Come and Go Facility with TCorp valued at \$100 million that has current approval to 30 June 2015 for cash management purposes. This year the facility was not used to fund shortfalls, incurring a total interest charge of zero.

Financing arrangements

	Consolidated 2013 \$'000	Consolidated 2012 \$'000	Parent 2013 \$'000	Parent 2012 \$'000
Unrestricted access was available at the Statement of Financial Position date to the come and go facility				
Total facility	100,000	100,000	100,000	100,000
Used at Statement of Financial Position date	-	-	-	-
Unused at Statement of Financial Position date	100,000	100,000	100,000	100,000

During the current and prior years, there were no defaults on any loans payable. No assets have been pledged as collateral. Roads and Maritime's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received.

The table summarises the maturity profile of Roads and Maritime's financial liabilities, together with the interest rate exposure.

Maturity analysis and interest rate exposure of financial liabilities

\$'000								
			Interest rate exposure			Maturity dates		
30 June 2013	Weighted average effective int. rate	Nominal amount	Fixed interest rate	Variable interest rate	Non-interest bearing	< 1 year	1-5 years	>5 years
Payables								
Accrued salaries, wages and on-costs	-	15,963	-	-	15,963	15,963	-	-
Trade payables	-	147,400	-	-	147,400	147,400	-	-
Other current payables	-	8,804	-	-	8,804	8,804	-	-
Accrued expenses	-	468,090	-	-	468,090	468,090	-	-
Sydney Harbour Tunnel tax liability	-	25,109	-	-	25,109	1,964	4,378	18,767
Personnel services	-	11,549	-	-	11,549	11,549	-	-
Holding accounts	-	99,157	-	-	99,157	99,157	-	-
Borrowings								
Advances repayable	5.85%	6,337	6,337	-	-	2,130	4,206	-
TCorp borrowings	5.58%	490,900	490,900	-	-	86,524	404,376	-
Finance leases	7.70%	765,046	765,046	-	-	86,753	318,886	359,407
Other loans and deposits	6.04%	384	-	-	-	150	234	-
Maritime leases	-	-	-	-	-	-	-	-

(1) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities and therefore will not reconcile to the balance sheet.

\$'000								
			Interest rate exposure			Maturity dates		
30 June 2012	Weighted average effective int. rate	Nominal amount ⁽¹⁾	Fixed interest rate	Variable interest rate	Non-interest bearing	< 1 year	1-5 years	>5 years
Payables								
Accrued salaries, wages and on-costs	-	11,178	-	-	11,178	11,178	-	-
Trade payables	-	175,528	-	-	175,528	175,528	-	-
Other current payables	-	12,907	-	-	12,907	12,907	-	-
Accrued expenses	-	570,152	-	-	570,152	570,152	-	-
Sydney Harbour Tunnel tax liability	-	25,607	-	-	25,607	1,919	4,063	19,625
Personnel services	-	131,448	-	-	131,448	131,448	-	-
Holding accounts	-	94,463	-	-	94,463	94,463	-	-
Borrowings								
Advances repayable	5.84%	8,348	8,348	-	-	2,011	6,337	-
TCorp borrowings	5.64%	491,148	491,148	-	-	2,482	488,666	-
Finance leases	7.70%	848,708	848,708	-	-	83,661	250,222	514,825
Other loans and deposits	5.95%	862	862	-	-	491	371	-
Maritime leases	13%	25,130	25,130	-	-	25,130	-	-

(1) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities and therefore will not reconcile to the balance sheet.

Provision for superannuation – consolidated

Superannuation statements include both employer and employee superannuation assets and liabilities as prescribed by AASB 119 Employee Benefits.

General description of the plan

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the schemes are closed to new members.

Actuarial gains and losses are recognised in other comprehensive income in the year they occur.

The following information has been prepared by the scheme actuary.

Superannuation position for AASB 119 purposes				
	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Accrued liability	613,926	83,550	1,355,025	2,052,501
Estimated reserve account balance	(446,252)	(66,746)	(583,809)	(1,096,807)
	167,674	16,804	771,216	955,694
Future service liability	(37,825)	(20,742)	(21,190)	(79,757)
Net (asset)/liability recognised in Statement of Financial Position	167,674	16,804	771,216	955,694
	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Accrued liability	638,096	94,825	1,467,891	2,200,812
Estimated reserve account balance	(414,170)	(61,375)	(538,747)	(1,014,292)
	223,926	33,450	929,144	1,186,520
Future service liability	(48,321)	(20,454)	(34,386)	(103,161)
Net (asset)/liability recognised in Statement of Financial Position	223,926	33,450	929,144	1,186,520

Reconciliation of the present value of the defined benefit obligation				
	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Present value of partly funded defined benefit obligation at part of net assets received from equity transfer	638,096	94,825	1,467,891	2,200,812
Current service cost	11,549	3,731	1,240	16,520
Interest cost	18,350	2,650	44,114	65,114
Contributions by fund participants	6,558	-	5,724	12,282
Actuarial (gains)/losses	(11,289)	(9,927)	(108,384)	(129,600)
Benefits paid	(49,338)	(7,729)	(55,560)	(112,627)
Present value of partly funded defined benefit obligation at the end of the period	613,926	83,550	1,355,025	2,052,501
	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Present value of partly funded defined benefit obligation at part of net assets received from equity transfer	590,312	91,509	1,195,232	1,877,053
Current service cost	7,279	2,536	3,007	12,822
Interest cost	18,801	2,862	37,069	58,732
Contributions by fund participants	4,655	-	4,263	8,918
Actuarial (gains)/losses	62,929	6,324	269,791	339,044
Benefits paid	(45,880)	(8,406)	(41,471)	(95,757)
Present value of partly funded defined benefit obligation at the end of the period	638,096	94,825	1,467,891	2,200,812

Reconciliation of the fair value of fund assets				
	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Fair value of fund assets at the beginning of the period	414,170	61,375	538,747	1,014,292
Expected return on fund assets	32,642	4,714	44,127	81,483
Actuarial gains/(losses)	34,578	5,131	49,565	89,274
Employer contributions	7,642	3,255	1,206	12,103
Contributions by fund participants	6,558	-	5,724	12,282
Benefits paid	(49,338)	(7,729)	(55,560)	(112,627)
Fair value of fund assets at the end of the period	446,252	66,746	583,809	1,096,807

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Fair value of fund assets at the beginning of the period	439,808	65,361	558,593	1,063,762
Expected return on fund assets	24,248	3,728	31,833	59,809
Actuarial gains/(losses)	(14,061)	(1,662)	(14,806)	(30,529)
Employer contributions	5,400	2,354	335	8,089
Contributions by fund participants	4,655	-	4,263	8,918
Benefits paid	(45,880)	(8,406)	(41,471)	(95,757)
Fair value of fund assets at the end of the period	414,170	61,375	538,747	1,014,292

Reconciliation of the assets and liabilities recognised in the Statement of Financial Position

	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Present value of partly funded defined benefits at end of year	613,926	83,550	1,355,025	2,052,501
Fair value of fund assets at end of the year	(446,252)	(66,746)	(583,809)	(1,096,807)
Net (asset)/liability recognised in Statement of Financial Position at the end of the period	167,674	16,804	771,216	955,694

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Present value of partly funded defined benefits at end of year	638,096	94,825	1,467,891	2,200,812
Fair value of fund assets at end of the year	(414,170)	(61,375)	(538,747)	(1,014,292)
Net (asset)/liability recognised in Statement of Financial Position at the end of the period	223,926	33,450	929,144	1,186,520

Expense recognised

	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Current service cost	11,549	3,731	1,240	16,520
Interest on obligation	18,350	2,650	44,114	65,114
Expected return on fund assets (net of expenses)	(32,642)	(4,714)	(44,127)	(81,483)
Expense/(income) recognised*	(2,743)	1,667	1,227	151

*A portion of this expense has been capitalised.

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Current service cost	7,278	2,536	3,008	12,822
Interest on obligation	18,801	2,862	37,069	58,732
Expected return on fund assets (net of expenses)	(24,248)	(3,728)	(31,833)	(59,809)
Expense/(income) recognised*	1,831	1,670	8,244	11,745

* A portion of this expense has been capitalised.

Amount recognised in other comprehensive income				
	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Actuarial (gains)/losses	(45,867)	(15,058)	(157,949)	(218,874)

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Actuarial (gains)/losses	76,990	7,986	284,597	369,573

Cumulative amount recognised in other comprehensive income				
	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Actuarial (gains)/losses	192,806	18,006	507,226	718,038

	SASS financial year June 2012 \$'000	SANCS financial year June 2012 \$'000	SSS financial year June 2012 \$'000	Total \$'000
Actuarial (gains)/losses	238,673	33,064	665,175	936,912

Actual return on fund assets				
	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Actual return on fund assets	66,940	9,845	87,768	164,553

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Actual return on fund assets	13,253	2,066	16,403	31,722

Fund assets		
The percentage invested in each asset class at the balance date:	June 2013	June 2012
Australian equities	30%	28%
Overseas equities	26%	23.7%
Australian fixed interest securities	7%	4.9%
Overseas fixed interest securities	2%	2.4%
Property	8%	8.6%
Cash	13%	19.5%
Other	13%	12.9%

Fair value of fund assets

All fund assets are invested by STC at arm's length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Valuation method and principal actuarial assumptions at the reporting date

a. Valuation method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b. Economic assumptions

	June 2013	June 2012
Salary increase rate (excluding promotional increases)		
2013–2014 (SASS, SSS and SANCS)	2.25% p.a.	2.5% p.a.
2014–2015	2.25% p.a.	-
2015–2016 to 2019–2020	2.0% p.a.	-
2020 onwards	2.5% p.a.	-
Rate of CPI increase	2.5% p.a.	2.5% p.a.
Expected rate of return on assets	8.6%	8.6%
Discount rate	3.80% p.a.	3.06% p.a.

c. Demographic assumptions

The demographic assumptions at 30 June 2013 are those that were used in the 2012 triennial actuarial valuation. The triennial review report is available from the NSW Treasury website.

Historical information				
	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Present value of defined benefit obligation	613,926	83,550	1,355,025	2,052,501
Fair value of fund assets	(446,252)	(66,746)	(583,809)	(1,096,807)
(Surplus)/Deficit in fund	167,674	16,804	771,216	955,694
Experience adjustments – Fund liabilities	(11,289)	(9,927)	(108,384)	(129,600)
Experience adjustments – Fund assets	(34,578)	(5,131)	(49,565)	(89,274)
	SASS financial year June 2012 \$'000	SANCS financial year June 2012 \$'000	SSS financial year June 2012 \$'000	Total \$'000
Present value of defined benefit obligation	638,096	94,825	1,467,891	2,200,812
Fair value of fund assets	(414,170)	(61,375)	(538,747)	(1,014,292)
(Surplus)/Deficit in fund	223,926	33,450	929,144	1,186,520
Experience adjustments – Fund liabilities	62,929	6,324	269,791	339,044
Experience adjustments – Fund assets	14,061	1,662	14,806	30,529
Expected contributions				
	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Expected employer contributions to be paid in the next reporting period	7,193	2,988	1,147	11,328
	SASS financial year June 2012 \$'000	SANCS financial year June 2012 \$'000	SSS financial year June 2012 \$'000	Total \$'000
Expected employer contributions to be paid in the next reporting period	7,724	3,276	1,293	12,293

Funding arrangements for employer contributions

The following is a summary of the 30 June 2013 financial position of the fund calculated in accordance with AAS 25 – Financial Reporting by Superannuation Plans.

	SASS financial year June 2013 \$'000	SANCS financial year June 2013 \$'000	SSS financial year June 2013 \$'000	Total \$'000
Accrued benefits	508,280	72,856	821,470	1,402,606
Net market value of fund assets	(446,252)	(66,746)	(583,809)	(1,096,807)
Net (surplus)/deficit	62,028	6,110	237,661	305,799

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Accrued benefits	509,138	81,202	803,334	1,393,674
Net market value of fund assets	(414,170)	(61,375)	(538,747)	(1,014,292)
Net (surplus)/deficit	94,968	19,827	264,587	379,382

Recommended contribution rates for the entity are:

SASS	SANCS	SSS
Multiple of member contributions	% Member salary	Multiple of member
1.90	2.50	0.93

Funded method

Contributions are set after discussion between the employer, STC and NSW Treasury.

Economic assumptions

The economic assumptions adopted for 2012 actuarial review of the fund are:

Weighted-average assumptions	June 2013	June 2012
Expected rate of return on fund assets backing current pension liabilities	8.3% p.a.	8.3% p.a.
Expected rate of return on fund assets backing other liabilities	7.3% p.a.	7.3% p.a.
Expected salary increase rate	SASS, SANCS, SSS 2.7% p.a. for 6 years then 4.0% p.a.	4.0% p.a.
Expected CPI increase	2.5% p.a.	2.5% p.a.

Nature of asset/liability

If a surplus exists in the employer's interest in the fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

Provision for long service leave

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is based on the application of the valuation ratio at the Commonwealth Government bond rate at the reporting date to all employees using current rates of pay. This ratio is determined based on an actuarial review to approximate present value.

The actuarial assessment is based on the accrued long service leave liabilities and employee data of Roads and Maritime as at 31 March 2011. Long service leave is accrued at the rate of 4.4 days per annum for the first 10 years of service and then at the rate of 11 days per annum.

Employees who exit with less than five years service get no benefits. Those who leave with between five and seven years service have been assumed to only receive benefits if exiting due to death, disability or age retirement. Benefits are paid in service or on exit after seven years service on a pro-rata basis.

Assumptions: An allowance has been determined for each relevant on-cost separately to the long service leave liability, as their accounting treatment and the adoption of liability is different to the long service leave liability. The on-costs to long service leave present value liabilities are:

Payroll tax	5.45%
Superannuation	11.00%
Superannuation accruing while on long service leave	4.4%

As workers' compensation is determined without direct reference to salary, and does not accrue while an employee is on long service leave, there is no future workers' compensation expense that will be incurred when currently accrued long service leave is taken during future service, and hence there is no attaching on-cost. It has been assumed that six days of long service leave will be taken per year by employees who are eligible.

General salary increases of 2.5 per cent per annum have been assumed for all future years, consistent with NSW Treasury expectations for the NSW public sector in the medium-term. Promotional salary increases have been assumed at rates based on Roads and Maritime and NSW public sector promotional salary experience.

The rates of resignation, death, age retirement and ill-health retirement assumed have been adopted from superannuation valuations of NSW public servants. Withdrawal rates for those with less than 10 years of service are based on experience from NSW and other superannuation schemes.

The discount rate is based on the 10 year bond rate at 30 June 2013 but adjusted from a semi-annual rate to an annual rate.

17. Current/non-current liabilities – other

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Current				
Statutory creditors	9,372	20,698	9,372	20,698
Unearned rent on M5 Motorway	709	680	709	680
Sydney Harbour Tunnel tax liabilities	1,963	1,919	1,963	1,919
Income received in advance	9,471	11,068	9,471	11,068
Holding accounts	99,157	94,463	99,157	94,463
Lease incentive	497	497	497	497
Deferred revenue – reimbursement on private sector provided infrastructure	12,065	12,179	12,065	12,179
Customer advances and deposits	98	714	98	714
Priority list on moorings	604	601	604	601
Wetland lease security deposits ^(a)	1,464	1,293	1,464	1,293
Rent in advance	4,668	2,959	4,668	2,959
Long-term channel fees unearned income	1,914	3,447	1,914	3,447
Boating fees in advance ^(b)	30,515	29,638	30,515	29,638
	172,497	180,156	172,497	180,156
Non-current				
Unearned rent on M5 Motorways	6,487	6,898	6,487	6,898
Sydney Harbour Tunnel tax liabilities	23,146	23,688	23,146	23,688
Income received in advance	11,250	12,250	11,250	12,250
Lease incentive	1,036	1,534	1,036	1,534
Deferred revenue – reimbursement on private sector provided infrastructure	269,822	283,756	269,822	283,756
Boating fees in advance	20,881	14,237	20,881	14,237
Long-term channel fees unearned income	61,163	210,974	61,163	210,974
	393,785	553,337	393,785	553,337
Current				
Sydney Harbour Tunnel past tax liability	1,625	1,581	1,625	1,581
Sydney Harbour Tunnel future tax liability	338	338	338	338
	1,963	1,919	1,963	1,919
Non-current				
Sydney Harbour Tunnel past tax liability	11,151	12,059	11,151	12,059
Sydney Harbour Tunnel future tax liability	11,995	11,629	11,995	11,629
	23,146	23,688	23,146	23,688

(a) This amount mainly represents cash deposits, in lieu of bank guarantees, received from the developer of King Street Wharf, as security over the completion of specific stages of the construction project.

(b) Boating fees in advance comprises prepayments by customers for licences, registrations and moorings for the service component which will be provided by NSW Maritime in the future.

Unearned rent and deferred revenue on motorways

The land acquisition loan of \$22,000 million (2012: \$22,000 million), based on the cost of land under the M5 Motorway originally purchased by Roads and Maritime, was repaid in June 1997 by the concession holder. The repayment of the loan is considered to be a prepayment of the remaining rental over the period of the concession agreement. In accordance with AASB 117 Leases, this revenue is brought to account over the period of the lease.

In consideration for the concession holder undertaking construction of an interchange at Moorebank (M5 Motorway Improvements) on the M5 Motorway, the original concession period (to 14 August 2022) has been extended to 22 August 2023.

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Rent earned in prior period	14,422	13,969	14,422	13,969
Rent earned in current period	383	453	383	453
Unearned rent as at period end	7,195	7,578	7,195	7,578
	22,000	22,000	22,000	22,000

Under the various Private Sector Provided Infrastructure, \$369.915 million (2012: \$369.915 million) was received following the letting of the Lane Cove Tunnel, Cross City Tunnel and Western M7 Motorway contracts as reimbursement of development costs. NSW Treasury has mandated the adoption of TPP 06-08 "Accounting for Privately Funded Projects", which requires revenue to be brought to account over the period of the concessions. The treatment is summarised as follows:

Amortisation of deferred revenue in prior period	73,980	65,861	73,980	65,861
Amortisation of deferred revenue in current period	14,048	8,119	14,048	8,119
Unearned reimbursement as at period end	281,887	295,935	281,887	295,935
	369,915	369,915	369,915	369,915

18. Commitments for expenditure

a. Capital commitments

Aggregate capital expenditure for the roadworks contracted for at balance date and not provided for:

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not later than 1 year	605,887	1,058,382	605,887	1,058,382
Later than 1 year and not later than 5 years	1,426,865	1,686,729	1,426,865	1,686,729
Later than 5 years	-	-	-	-
Total (including GST)	2,032,752	2,745,111	2,032,752	2,745,111

b. Operating lease commitments

Operating lease commitments relate to property, and light and heavy motor vehicles. Operating lease commitments are not recognised in the financial statements as liabilities. Total operating lease commitments are as follows:

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not later than 1 year	73,482	77,386	73,482	77,386
Later than 1 year and not later than 5 years	154,213	138,960	154,213	138,960
Later than 5 years	29,122	44,954	29,122	44,954
Total (including GST)	256,817	261,300	256,817	261,300

The property operating lease commitments are as follows:

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not later than 1 year	42,753	43,698	42,753	43,698
Later than 1 year and not later than 5 years	107,483	103,210	107,483	103,210
Later than 5 years	29,122	44,954	29,122	44,954
Total (including GST)	179,358	191,862	179,358	191,862

In respect of property leases, Roads and Maritime has various lessors with leases that have specific lease periods ranging from one year to 20 years.

The light motor vehicle operating lease commitments are as follows:

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not later than 1 year	19,833	20,556	19,833	20,556
Later than 1 year and not later than 5 years	25,506	19,337	25,506	19,337
Total (including GST)	45,339	39,893	45,339	39,893

The light motor vehicle lease is with State Fleet Services and is financed through the Department of Service, Technology and Administration by the NSW Treasury.

The heavy motor vehicle and heavy plant vehicle operating lease commitments are as follows:

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not later than 1 year	10,897	6,352	10,897	6,352
Later than 1 year and not later than 5 years	21,224	12,339	21,224	12,339
Total (including GST)	32,121	18,691	32,121	18,691

The heavy motor vehicle lease is held and financed with Orix and Esanda.

The total commitments detailed above include GST input tax credits of \$208.143 million (2012: \$366.590 million) that are expected to be recoverable from the ATO.

c. Sydney Harbour Tunnel – finance lease liability

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Minimum lease payment commitments in relation to tunnel finance lease payable as follows:				
Not later than 1 year	86,753	83,662	86,753	83,662
Later than 1 year and not later than 5 years	318,886	250,222	318,886	250,222
Later than 5 years	359,407	514,824	359,407	514,824
Minimum lease payments	765,046	848,708	765,046	848,708
Less: future finance charges	(217,257)	(260,295)	(217,257)	(260,295)
Present value of minimum lease payments	547,789	588,413	547,789	588,413

The present value of finance lease commitments is as follows:

Not later than 1 year	46,935	40,623	46,935	40,623
Later than 1 year and not later than 5 years	142,042	141,860	142,042	141,860
Later than 5 years	358,813	405,930	358,813	405,930
	547,790	588,413	547,790	588,413

Classified as:

Current (Note 14)	46,935	40,623	46,935	40,623
Non-current (Note 14)	500,855	547,790	500,855	547,790
Total (including GST)	547,790	588,413	547,790	588,413

In June 1987, Roads and Maritime and Sydney Harbour Tunnel Corporation (SHTC) entered into an Ensured Revenue Stream (ERS) Agreement, whereby Roads and Maritime agreed to make payments to SHTC to enable it to meet its financial obligations arising from the operation and maintenance of the tunnel and repayment of principal and interest on the funds it borrowed for the design and construction of the tunnel.

Following the guidelines set out in NSW Treasury Policy Paper O6-08 Accounting for Privately Financed Projects, Roads and Maritime has accounted for the Sydney Harbour Tunnel and related ERS Agreement as a finance lease arrangement in accordance with the requirements of AASB 117 Leases.

The carrying amount of the Sydney Harbour Tunnel finance lease liability has been calculated based on the present value of the minimum lease liability, discounted at the interest rate implicit in the ERS Agreement.

Contingent lease payments include increases in the ERS liability resulting from fluctuations in the weighted index component of the ERS Agreement (eg CPI fluctuations) and adjustments to the amount payable resulting from ERS clause 4.1(a) renegotiations such as GST on the tunnel tolls. Contingent lease payments are charged as expenses in the period they are incurred and amounted to \$3.403 million for the year ending 30 June 2013 (2012: \$3.748 million).

d. Maritime Trade Tower – finance lease liability

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not later than 1 year	-	28,396	-	28,396
Minimum lease payments	-	28,396	-	28,396
Less: future finance charges	-	(3,266)	-	(3,266)
Present value of minimum lease payments	-	25,130	-	25,130

The present value of finance lease commitments is as follows:

Not later than 1 year	-	25,130	-	25,130
Total (including GST) (Note 14)	-	25,130	-	25,130

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above borrowings are disclosed in Note 15.

The borrowings in 2012 relate to Roads and Maritime's interest in the Maritime Trade Tower. Roads and Maritime owns the land and has granted a head-lease to the four companies. Roads and Maritime subleases part of the property at 207 Kent Street from the head lessee.

19. Increase in net assets from equity transfer

Transfer of net assets

Non-current assets of \$1.430 million were transferred to other government agency as an equity transfer for the year ended 30 June 2013.

The *Transport Legislation Amendment Act 2011* abolished the RTA and its Division on 31 October 2011. It established two new entities: Roads and Maritime and Roads and Maritime Division.

Assets and liabilities of the former RTA and NSW Maritime were transferred to Roads and Maritime during the prior period except for those assets and liabilities attributable to functions either transferred from or to other agencies as part of the establishment of Roads and Maritime. The amount of these agency transfers included \$21.7 million from the Department of Planning and Infrastructure, \$1.6 million from Sydney Harbour Foreshore Authority, \$0.2 million to National Parks and Wildlife and \$1.0 million to Sydney Ports Corporation.

	2013	2012
	\$'000	\$'000
Net assets transferred were		
Cash	-	302,060
Other current assets	-	294,467
Non-current assets	1,430	62,443,969
Current liabilities	-	(1,187,278)
Non-current liabilities	-	(2,513,692)
	1,430	59,339,526

20. Events after the reporting period

No events have occurred after the reporting date that would have a material impact on the financial statements.

21. Contingent assets and contingent liabilities

AASB 137 Provisions, Contingent Liabilities and Contingent Assets adopts a “prudent” approach and requires disclosure of each class of contingent liabilities and contingent assets.

There are several significant contractual disputes with an estimated total contingent liability of \$26.220 million (2012: \$34.679 million). Compulsory property acquisition matters under litigation have an estimated contingent liability of \$128.456 million (2012: 52.223 million).

Roads and Maritime has certain obligations under contracts with private sector parties with the performance of these obligations guaranteed by the State. The current guarantees outstanding are for the Sydney Harbour Tunnel, the M2 Motorway, the Eastern Distributor, the Cross City Tunnel, the Western Orbital and the Lane Cove Tunnel. There is no reason to believe that these guarantees are ever to be exercised.

22. Budget review

Net result

The actual net result was lower than budget by \$1,139.264 million. This unfavourable variance to the budget was primarily due to increases in other losses of \$1,078.577 million arising from de-recognition of dredging asset of \$400.351 million, higher than budget infrastructure asset disposals of \$297.187 million, and asset write-down due to change in valuation technique of land and building acquired for future road work assets of \$312.191 million.

In addition, unfavourable variance to the budget was due to distribution of disposal proceeds of Maritime Trade Towers of \$124.833 million to NSW Treasury, and increase in the depreciation of infrastructure assets of \$291.410 million due to changes to road assets useful lives. This was offset by favourable variance on reclassification of maintenance expense to capital of \$186.255 million, and favourable revenue variances relating to \$77.199 million for personnel service revenue for staff assigned to TfNSW, \$31.172 million for first time recognition of assets not budgeted and \$61.092 million more than budgeted grants received from TfNSW.

Assets and liabilities

Total current assets are higher than budget by \$39.482 million largely due to higher receivables of \$62.071 million offset by lower than budgeted assets held for sale of \$21.349 million.

Total non-current assets are higher than budget by \$4,449.039 million primarily due to current year revaluation of infrastructure assets.

Total liabilities are lower than budget by \$81.941 million. This is due to decreases in other liabilities (current and non-current) of \$160.239 million mainly due to the de-recognition of unearned long-term channel fees of \$148.664 million of dredging assets transferred to Port Kembla and Sydney Ports Corporation. This is offset by lower than budgeted repayment of borrowings of \$84.497 million.

Cash flows

Actual Cash position at 30 June 2013 shows a \$1.616 million favourable variance and is generally in line with the budget. Net cash inflows from operating activities was \$25.772 million lower than budget. Net cash flows from investing activities of \$58.091 million comprised higher cash outlays on capital spending than budgeted of \$201.863 million being offset by higher than budgeted property disposals proceeds of \$148.932 million. Net cash flows used in financing activities were \$88.364 million lower than budget due to rollover of debt repayment to next financial year.

23. Native Title

The Commonwealth's legislation (Native Title Act) and the New South Wales statute (Native Title (New South Wales) Act) have financial implications for NSW Government agencies generally. Roads and Maritime has undertaken an assessment of the impact of this legislation on its financial position. This assessment indicates that as at 30 June 2013, there were no Native Title claims which had been initiated against Roads and Maritime (2012: none).

24. Administered income and expenses

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Administered income				
Transfer receipts				
- Taxes, fees and fines	522,298	347,420	522,298	347,420
- Stamp duty	637,109	402,560	637,109	402,560
- Motor vehicle weight tax and fines	1,675,591	1,040,798	1,675,591	1,040,798
- Other	43,803	21,667	43,803	21,667
Total administered income	2,878,801	1,812,445	2,878,801	1,812,445
Total administered expenses	-	-	-	-
Administered income less expenses	2,878,801	1,812,445	2,878,801	1,812,445

25. Administered assets and liabilities

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Administered assets				
Remitting account, cash in transit and cash on hand	35,289	26,377	35,289	26,377
Total administered assets	35,289	26,377	35,289	26,377
Administered liabilities				
Holding accounts (current/non-current liabilities other)	35,289	26,377	35,289	26,377
Other*	257,166	279,061	257,166	279,061
Total administered liabilities	292,455	305,438	292,455	305,438

* The amount of multiple licence fees issued in the current year is approximately \$104.392 million (2012: \$124.498 million). The maximum period of licence is five years. First year licences are not deemed to be a liability. The outstanding liability above represents the remaining four years. Refer to Note 1(f) for further details.

The holding accounts and remitting account balances above represent fees collected by Roads and Maritime motor registries that have not been remitted to the third party they are being administered for (generally NSW Treasury).

26. Reconciliation of cash from operating activities to surplus

Reconciliation of cash flows from operating activities to the Statement of Comprehensive Income.

	Consolidated	Consolidated	Parent	Parent
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Net cash from operating activities	2,825,603	2,042,697	2,825,603	2,042,697
Adjustments for revenues and expenses not involving cash:				
Net gain on disposal of plant and equipment	13,652	(8,856)	13,652	(8,856)
Right to receive on PSPI	171,818	102,276	171,818	102,276
Roads and bridges transferred from councils	44,820	7,279	44,820	7,279
Roads and bridges transferred to councils	(20,683)	(73,590)	(20,683)	(73,590)
Assets written down (Note 5)	(696,678)	(172,903)	(696,678)	(172,903)
Assets written down - infrastructure assets	(378,688)	(111,020)	(378,688)	(111,020)
Depreciation/amortisation	(1,207,563)	(618,077)	(1,207,563)	(618,077)
Other non-cash items	50,845	18,490	50,845	18,490
Non cash personnel services	-	-	218,874	(368,654)
	(2,022,477)	(856,401)	(1,803,603)	(1,225,055)
Adjustments for cash movement in operating assets and liabilities				
Increase/(decrease) in receivables	(18,400)	104,357	(18,400)	104,357
Increase/(decrease) in inventories	(1,452)	338	(1,452)	338
(Increase)/decrease in creditors	96,451	(193,035)	96,451	(193,035)
(Increase)/decrease in provisions*	26,574	(21,206)	26,574	(21,206)
	103,173	(109,546)	103,173	(109,546)
Net result for the period	906,299	1,076,750	1,125,173	708,096

* Excludes non-cash adjustments of \$218.874 million (2012: (\$368.654) million) relating to superannuation actuarial gains/(losses) against employee provisions.

27. Non-cash financing and investing activities

Asset transfers and movements in asset valuations result in non-cash revenue and expense transactions. The financial effects of these transactions are listed below:

Non-cash revenue and expenses				
Transfers from councils	44,820	7,279	44,820	7,279
Transfers to councils	(20,683)	(73,590)	(20,683)	(73,590)
Assets written off	(696,678)	(172,903)	(696,678)	(172,903)
Assets written down - infrastructure assets	(378,688)	(111,020)	(378,688)	(111,020)
Assets recognised for the first time	31,172	12,682	31,172	12,682
Right to receive on PSPI	171,818	102,276	171,818	102,276

End of audited financial statements.

Independent Audit Report (page 1)



INDEPENDENT AUDITOR'S REPORT

Roads and Maritime Services Division

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Roads and Maritime Services Division (the Division), which comprise the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Division as at 30 June 2013, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010

My opinion should be read in conjunction with the rest of this report.

The Chief Executive's responsibility for the Financial Statements

The Chief Executive is responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Chief Executive determines is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Division's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Division's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chief Executive, as well as evaluating the overall presentation of the financial statements.

Independent Audit Report (page 2)

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Division
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



A T Whitfield
Deputy Auditor-General

18 September 2013
SYDNEY

Chief Executive Statement

ROADS AND MARITIME SERVICES DIVISION

FOR THE YEAR ENDED 30 JUNE 2013

Pursuant to Section 41C (1B) and (1C) of the Public Finance and Audit Act 1983, we declare that in our opinion:

1. The accompanying financial statements and notes thereto exhibit a true and fair view of Roads and Maritime Services financial position as at 30 June 2013 and financial performance for the year ended 30 June 2013
2. The statements have been prepared in accordance with the provisions of applicable Accounting Standards (which include Australian Accounting Interpretations), the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010, and the Treasurer's Directions.

Further we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.


Peter Duncan
Chief Executive
18 September 2013


Paul Hesford
Director, Corporate
18 September 2013

**Statement of Comprehensive Income
for the year ended 30 June 2013**

	Notes	2013 12 months \$'000	2012 8 months \$'000
Expenses excluding losses			
Employee related expenses	6	772,536	629,892
Total expenses excluding losses		772,536	629,892
Revenue			
Personnel services		553,662	998,546
Total revenue		553,662	998,546
Net result		(218,874)	368,654
Other comprehensive income			
<i>Items that will not be reclassified to net result</i>			
Superannuation actuarial gains/(losses)		218,874	(368,654)
Total other comprehensive income		218,874	(368,654)
Total comprehensive income		-	-

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2013

	Notes	2013 \$'000	2012 \$'000
Assets			
Current assets			
Receivables	2	1,427,051	1,696,144
Total current assets		1,427,051	1,696,144
Total assets		1,427,051	1,696,144
Liabilities			
Current liabilities			
Payables	3a	145,695	165,373
Employee benefits provisions	3b	301,085	325,008
Total current liabilities		446,780	490,381
Non-current liabilities			
Employee benefits provisions	3c	980,271	1,205,763
Total non-current liabilities		980,271	1,205,763
Total liabilities		1,427,051	1,696,144
Net assets		-	-
Equity			
Accumulated funds		-	-
Total equity		-	-

The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the year ended 30 June 2013

	Accumulated funds \$'000	Total equity \$'000
Balance at 1 November 2011	-	-
Surplus/(deficit) for the period	368,654	368,654
Other comprehensive income		
Superannuation actuarial gains/(losses)	(368,654)	(368,654)
Total comprehensive income for the period	-	-
Increase/(decrease) in net assets from equity transfers	-	-
Balance at 30 June 2012	-	-
Balance at 1 July 2012	-	-
Surplus/(deficit) for the year	(218,874)	(218,874)
Other comprehensive income		
Superannuation actuarial gains/(losses)	218,874	218,874
Total comprehensive income for the year	-	-
Increase/(decrease) in net assets from equity transfers	-	-
Balance at 30 June 2013	-	-

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the year ended 30 June 2013

	2013 12 months \$'000	2012 8 months \$'000
Cash flows from operating activities		
Payments		
Payments to suppliers and employees	-	-
Total payments	-	-
Receipts		
Receipts from customers	-	-
Total receipts	-	-
Net cash flows from operating activities	-	-
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net increase (decrease) in cash	-	-
Opening cash and cash equivalents	-	-
Closing cash and cash equivalents	-	-

The accompanying notes form part of these financial statements.

Notes to and forming part of the financial statements for the year ended 30 June 2013

1. Summary of Significant Accounting Policies

a. Reporting entity

The Roads and Maritime Services Division (The Division) is a division of the Government Service of NSW, established pursuant to Part 2 of Schedule 1 of the *Public Sector Employment and Management Act 2002* as amended. It is a not-for-profit entity as profit is not its principal objective. It is consolidated as part of the NSW Total State Sector Accounts and also the TfNSW and Roads and Maritime Services accounts. It is domiciled in Australia and its principal office is at 101 Miller Street North Sydney NSW.

Roads and Maritime Division's objective is to provide personnel services to Roads and Maritime.

These financial statements have been authorised for issue by the Chief Executive of Roads and Maritime on 18 September 2013, the date when the accompanying statement under s.41C(1C) of the *Public Finance and Audit Act 1983* was signed.

b. Basis of preparation

The Division's financial statements are general purpose financial statements which have been prepared in accordance with:

- Applicable Australian Accounting Standards (including Australian Accounting Interpretations).
- The requirements of the *Public Finance and Audit Act 1983* (PFAA).
- The Public Finance and Audit Regulation 2010.
- Specific directions issued by the NSW Treasurer.

In the event of any inconsistency between accounting standards and legislative requirements, the latter are given precedence.

Generally, the historical cost basis of accounting has been adopted and the financial report does not take into account changing money values or current valuations. However, certain provisions are measured at fair value. See Note 1(i).

Judgements, estimates and associated assumptions about carrying values of assets and liabilities that are not readily apparent from other sources are based on historical experience and various other factors that are believed to be reasonable under the circumstance. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. Judgements, estimates and assumptions made by management are disclosed in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability.

Unless otherwise stated, all amounts are rounded to the nearest one thousand dollars (\$'000) and are expressed in Australian currency.

c. Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretation.

d. New and revised Australian Accounting Standards and Interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective, have not been adopted for the financial year ended 30 June 2013. Management's assessment of the impact of these new standards and interpretations is set out below:

Standard	Summary of key requirements/changes	Applicable to annual reporting periods beginning on or after	Impact of reporting entity's financial statements
AASB 9 Financial Instruments and AASB 2010-7 & 2012-6 Amendments to Australian Accounting Standards arising from AASB 9	AASB 9 introduces new requirements for the classification, measurement and derecognition of financial assets and financial liabilities. It was further amended by AASB 2010-7 to reflect amendments to accounting for financial liabilities. Financial assets and financial liabilities can be designated and measured at fair value. The existing four category approach to measurement after initial recognition will be reduced to two categories – either amortised cost or fair value. AASB 2012-6 amended AASB 9 to defer the mandatory effective date to annual periods beginning on or after 1 January 2015.	The IASB has deferred the effective date of this standard to 1 January 2015. It is expected that AASB will also make a similar amendment.	On initial application of AASB 9, all existing financial instruments will need to be classified according to the AASB 9 criteria and transitional requirements. The impact on the reporting entity's accounting for financial assets and liabilities is not expected to be significant.
AASB 10 Consolidated Financial Statements	AASB 10 supersedes AASB 127. It introduces a new principles-based control model that focuses on both power and rights or exposure to variable returns. The Standard requires the parent entity to present consolidated financial statements as those of a single economic entity, replacing the requirements of AASB 127 Consolidated and Separate Financial Statements.	1 July 2013	The new definition of control is not expected to impact on the reporting entity. The concept of "single economic entity" may impact on the format of the consolidated financial statements unless modifications are made for public sector entities.
AASB 11 Joint Arrangements	Under AASB 11, the focus is no longer on the legal structure of joint arrangements (which determined the accounting) but rather on how rights and obligations are shared by the joint venture parties (the underlying economics). A joint venture will be classified as either a joint operation or joint venture. The Standard also replaces and alters the existing method of accounting for joint ventures under AASB 131 Interests in Joint Ventures.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant due to the absence of material joint arrangements.
AASB 12 Disclosure of Interests in other Entities	AASB 12 focuses on disclosures that would help users better assess the nature and financial effects of an entity's involvement with other entities and particularly enhances disclosures about consolidated entities and unconsolidated (off balance sheet) structured entities. The Standard sets out the required disclosures for entities reporting under AASB 10 and AASB 11 and replaces the disclosure requirements of AASB 128 Investment in Associates.	1 July 2013	Application of the standard will not affect any of the amounts recognised in the consolidated financial statements. However, it may impact on the type of information disclosed. The AASB may modify the standard "for application by not-for-profit entities".

Standard	Summary of key requirements/changes	Applicable to annual reporting periods beginning on or after	Impact of reporting entity's financial statements
AASB 13, AASB 2011-8 and AASB 2012-1 regarding fair value measurement	The Standard defines fair value, establishes a single framework or guidance for the measuring of fair value, and requires enhanced disclosures about fair value measurements. AASB 13 applies when another standard requires or permits fair value measurements or disclosures. The Standard establishes a three tier "fair value hierarchy".	1 January 2013	The reporting entity's major assets – property, plant and equipment, and investment properties, are recognised at fair value. It is not possible at this stage to determine the impact, if any, of the new rules on any of the amounts recognised in the consolidated financial statements.
AASB 119 Employee Benefits AASB 2011-10 and AASB 2011-11	This Standard will mainly impact the accounting for defined benefit pension schemes. The corridor approach for the recognition of actuarial gains and losses has been removed, as has the option to recognise actuarial gains and losses in profit or loss. The impact of this is that all actuarial gains and losses will be recognised in other comprehensive income in the period in which they arise. In addition, the calculation of net interest cost has changed. There will no longer be separate calculations of the expected return on plan assets and the interest cost of funding the defined benefit obligation. Instead, a single rate is applied to the net of the defined benefit obligation and plan assets.	1 January 2013 with retrospective implementation as per AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.	The requirements for measurement of employer liabilities and assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities and assets, are substantially different under the revised AASB 119. It is not possible at this stage to determine the impact of this new Standard on the consolidated financial statements.
AASB 127 Separate Financial Statements	AASB 127 Consolidated and Separate Financial Statements has been renamed Separate Financial Statements. The objective of this Standard is to prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements (in addition to consolidated financial statements). The Standard requires that when an entity prepares separate financial statements, investments in subsidiaries, associates and jointly controlled entities are accounted for either at cost or in accordance with AASB 9 Financial Instruments. The Standard also deals with the recognition of dividends, certain group reorganisations and includes a number of disclosure requirements.	1 July 2013	The AASB may modify the application of this standard to the not-for-profit entities. As such it is not practical to assess the impact of its application on the reporting entity's consolidated financial statements.
AASB 128 Investments in Associates and Joint ventures	This Standard supersedes AASB 128 Investments in Associates and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Standard defines "significant influence" and provides guidance on how the equity method of accounting is to be applied. It also prescribes how investments in associates and joint ventures should be tested for impairment.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.

Standard	Summary of key requirements/changes	Applicable to annual reporting periods beginning on or after	Impact of reporting entity's financial statements
AASB 1053 and AASB 2010-2 regarding differential reporting	AASB 1053 establishes a two tier differential reporting framework for those entities that prepare general purpose financial statements: Tier 1 or full compliance with AASB and Tier 2 or Reduced Disclosure Requirements. Tier 2, therefore requires fewer disclosures than Tier 1.	1 July 2013	This Standard will not impact on the reporting entity's financial statements which will continue to be prepared in accordance with Financial Reporting Code for NSW General Government Sector Entities (Tier 1).
AASB 2010-10 regarding removal of fixed dates for first time adopters	AASB 2010-10 amendments affect AASB 1 First Time Adoption of Australian Accounting Standards and provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their transition to Australian Accounting Standards.	1 July 2013	The Standard has no impact on the reporting entity's consolidated financial statements as the group entities made the transition to AEIFRS in 2005-06.
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	Amends AASB 124 Related Party Disclosures to remove the individual key management personnel (KMP) disclosures required by Australian specific paragraphs. Such disclosures are more in the nature of governance disclosures that are better dealt with as part of the Corporations Act 2001.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities	This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 2012-3 Amendments To Australian Accounting Standards - Offsetting Financial Assets And Financial Liabilities	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 2012-4 Amendments to Australian Accounting Standards - Government Loans	This Standard adds an exception to the retrospective application of Australian Accounting Standards to require that first-time adopters apply the requirements in AASB 139 Financial Instruments: Recognition and Measurement (or AASB 9 Financial Instruments) and AASB 120 Accounting for Government Grants and Disclosure of Government Assistance prospectively to government loans existing at the date of transition to Australian Accounting Standards.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.

Standard	Summary of key requirements/changes	Applicable to annual reporting periods beginning on or after	Impact of reporting entity's financial statements
AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle	This Standard makes amendments to the Australian Accounting Standards and Interpretation listed in paragraph 1 of the Standard. These amendments are a consequence of the annual improvements process, which provides a vehicle for making non-urgent but necessary amendments to Standards. These amendments result from proposals that were included in Exposure Draft ED 213 Improvements to IFRSs published in July 2011 and follow the issuance of Annual Improvements to IFRSs 2009-2011 Cycle issued by the International Accounting Standards Board in May 2012.	1 July 2013	The Standard makes minor changes, primarily further clarifications and descriptions, to a number of other Australian Accounting Standards. The impact on the reporting entity's financial statements is expected to be minor.
AASB 2012-10 regarding transition guidance and other amendments	The transition guidance amendments to AASB 10 'Consolidated Financial Statements' and related Standards and interpretations clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 2013-1	This Standard removes the requirements relating to the disclosure of budgetary information from AASB 1049 (without substantive amendment). All budgetary reporting requirements applicable to public sector entities are now located in a single, topic-based, Standard AASB 1055 Budgetary Reporting.	1 July 2013	The impact on the reporting entity's financial statements is expected to be insignificant.
AASB 1055 Budgetary reporting	This Standard specifies budgetary disclosure requirements for the whole of government, General Government Sector (GGS) and not-for-profit entities with the GGS of each government.	1 July 2014	The impact on the reporting entity's financial statements is expected to be insignificant.

Roads and Maritime Division has also reviewed the following accounting standards and interpretations and concluded that they are not applicable to Roads and Maritime Division financial statements:

- AASB 2010-10 Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters
- AASB 2011-6 Amendments to Australian Accounting Standards - Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation - Reduced Disclosure Requirements

- AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards
- AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project - Reduced Disclosure Requirements
- AASB 2011-12 Amendments to AASB 119 arising from Reduced Disclosure Requirements
- AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039

- AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements
- AASB 2012-11 Amendments to Australian Accounting Standards - Reduced Disclosure Requirements and Other Amendments
- AASB 2013-2 Amendments to AASB 1038 - Regulatory Capital.

e. Income recognition

Income is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

f. Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand, cash at bank and short-term deposits and include deposits in the NSW TCorp Hour-Glass cash facility, Treasury Corporation deposits (with maturities of less than 30 days) and other at-call deposits that are not quoted in an active market. These are considered to have an insignificant risk of changes in value. Bank overdrafts are included within liabilities.

In accordance with AASB139 Financial Instruments: Recognition and Measurement, cash and cash equivalents are measured at fair value with interest revenue accrued as earned such that fair value is reflected at no less than the amount payable on demand.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

g. Receivables

A receivable is recognised when it is probable that the future cash inflows associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other rights to future cash flows from it expire or are transferred.

Receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the Division will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

h. Payables

Payables include accrued wages, salaries, and related on costs (such as payroll tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted.

Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Payable includes a notional Goods and Services Tax liability for personnel services rendered to Roads and Maritime.

i. Employee benefits provisions and expenses

i. Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date, are recognised and measured in respect of employees' services up to the reporting date where it is probable that settlement will be required and where they are capable of being measured reliably on an undiscounted basis on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within 12 months is measured at present value in accordance with AASB 119 Employee Benefits. Market yields on 10 year government bonds are used to discount long-term annual leave.

Sick leave accrued by employees of the Division is all non-vesting and does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. Workers' compensation that may be applicable to leave entitlements has not been recognised as this expense is based on actual premiums paid, determined from past claims history, and not as a general percentage increase on salaries and wages.

ii. Long service leave and superannuation

The Division assumes the long service leave liability for all employees and all superannuation liabilities. These liabilities are recognised in the Statement of Financial Position. Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. The long service leave liability is based on an actuarial assessment applicable for the period 2011 to 2013.

In accordance with AASB 101 Presentation of Financial Statements, all annual leave and unconditional long service leave are classified as current liabilities, even where the authority does not expect to settle the liability within 12 months. This does not necessarily align with the distinction between short-term and long-term employee benefits under AASB 119 Employee Benefits.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit plans

For defined benefit plans, actuarial valuations are carried out at each reporting date by Pillar Administration and the actuarial superannuation gains and losses are recognised outside operating surplus in the Statement of Changes in Equity in the period in which they occur.

The defined benefit position recognised in the Statement of Financial Position represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, net of the fair value of the plan assets.

j. Comparative information

This is Roads and Maritime's first full year of operation. The comparative figures provided for the prior year relate to a part year of trading only, being from the creation of Roads and Maritime on 1 November 2011 to the end of the prior financial period ended 30 June 2012.

k. Critical accounting estimates, judgements and assumptions

In the application of accounting standards, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the current set of circumstances. Actual results may differ from these estimates.

Management evaluates these judgements, estimates and assumptions on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision effects both current and future periods.

Significant judgements, estimates and assumptions made by management in the preparation of the consolidated financial statements are outlined below:

Employee benefits	Note 1 (i) and Note 3
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2. Current assets

	2013 \$'000	2012 \$'000
Receivables – current		
Personnel services receivable	1,427,051	1,696,144

3. Current liabilities/non-current liabilities

a. Payables – current

Accrued expenses	15,963	11,178
GST payable	129,732	154,195
	145,695	165,373

b. Provisions – current

Annual leave and related on-costs (i)	71,838	73,207
Long service leave and related on-costs (ii)	229,084	247,403
Provision for workers' compensation (iii)	163	4,398
	301,085	325,008

c. Provisions – non-current

Superannuation – provision	955,694	1,186,520
Superannuation – accrued	711	726
Long service leave and related on-costs (ii)	17,573	15,792
Provision for workers' compensation (iii)	6,293	2,725
	980,271	1,205,763

d. Aggregate employee benefits and related on-costs

Provisions – current	301,085	325,008
Provisions – non-current	980,271	1,205,763
Accrued salaries, wages and on-costs	15,963	11,178
	1,297,319	1,541,949

(i) The value of annual leave, including on-costs, expected to be taken within 12 months is \$49.265 million (2012: \$49.233 million) and \$22.643 million (2012: \$23.974 million) after 12 months.

(ii) The value of long service leave expected to be taken within 12 months \$28.363 million (2012: \$27.320 million) and \$218.655 million (2012: \$235.876 million) after 12 months.

(iii) Workers' compensation provision includes \$1.113 million (2012: \$1.219 million) for dust diseases of which \$0.163 million (2012: \$0.410 million) is current. This provision is for claims from former Maritime Services Board (MSB) staff for dust related diseases that can be attributed to their service during the period 1 July 1989 – 30 June 1995 when the MSB was a self insurer.

Provision for superannuation

Superannuation statements include both employer and employee superannuation assets and liabilities as prescribed by AASB 119 Employee Benefits.

General description of the plan

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the schemes are closed to new members.

Actuarial gains and losses are recognised in other comprehensive income in the year they occur.

The following information has been prepared by the scheme actuary.

Superannuation position for AASB 119 purposes				
	SASS	SANCS	SSS	
	Financial Year	Financial Year	Financial Year	Total
	June 2013	June 2013	June 2013	\$'000
	\$'000	\$'000	\$'000	
Accrued liability	613,926	83,550	1,355,025	2,052,501
Estimated reserve account balance	(446,252)	(66,746)	(583,809)	(1,096,807)
	167,674	16,804	771,216	955,694
Future service liability	(37,825)	(20,742)	(21,190)	(79,757)
Net (asset)/liability recognised in Statement of Financial Position	167,674	16,804	771,216	955,694
	SASS	SANCS	SSS	
	8 months to	8 months to	8 months to	Total
	June 2012	June 2012	June 2012	\$'000
	\$'000	\$'000	\$'000	
Accrued liability	638,096	94,825	1,467,891	2,200,812
Estimated reserve account balance	(414,170)	(61,375)	(538,747)	(1,014,292)
	223,926	33,450	929,144	1,186,520
Future service liability	(48,321)	(20,454)	(34,386)	(103,161)
Net (asset)/liability recognised in Statement of Financial Position	223,926	33,450	929,144	1,186,520

Reconciliation of the present value of the defined benefit obligation				
	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Present value of partly funded defined benefit obligation at part of net assets received from equity transfer	638,096	94,825	1,467,891	2,200,812
Current service cost	11,549	3,731	1,240	16,520
Interest cost	18,350	2,650	44,114	65,114
Contributions by fund participants	6,558	-	5,724	12,282
Actuarial gains)/(losses)	(11,289)	(9,927)	(108,384)	(129,600)
Benefits paid	(49,338)	(7,729)	(55,560)	(112,627)
Present value of partly funded defined benefit obligation at the end of the period	613,926	83,550	1,355,025	2,052,501
	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Present value of partly funded defined benefit obligation at part of net assets received from equity transfer	590,312	91,509	1,195,232	1,877,053
Current service cost	7,279	2,536	3,007	12,822
Interest cost	18,801	2,862	37,069	58,732
Contributions by fund participants	4,655	-	4,263	8,918
Actuarial (gains)/losses	62,929	6,324	269,791	339,044
Benefits paid	(45,880)	(8,406)	(41,471)	(95,757)
Present value of partly funded defined benefit obligation at the end of the period	638,096	94,825	1,467,891	2,200,812

Reconciliation of the fair value of fund assets

	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Fair value of fund assets at the beginning of the period	414,170	61,375	538,747	1,014,292
Expected return on fund assets	32,642	4,714	44,127	81,483
Actuarial (gains)/losses	34,578	5,131	49,565	89,274
Employer contributions	7,642	3,255	1,206	12,103
Contributions by fund participants	6,558	-	5,724	12,282
Benefits paid	(49,338)	(7,729)	(55,560)	(112,627)
Fair value of fund assets at the end of the period	446,252	66,746	583,809	1,096,807

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Fair value of fund assets at the beginning of the period	439,808	65,361	558,593	1,063,762
Expected return on fund assets	24,248	3,728	31,833	59,809
Actuarial gains/(losses)	(14,061)	(1,662)	(14,806)	(30,529)
Employer contributions	5,400	2,354	335	8,089
Contributions by fund participants	4,655	-	4,263	8,918
Benefits paid	(45,880)	(8,406)	(41,471)	(95,757)
Fair value of fund assets at the end of the period	414,170	61,375	538,747	1,014,292

Reconciliation of the assets and liabilities recognised in the Statement of Financial Position

	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Present value of partly funded defined benefits at the end of the year	613,926	83,550	1,355,025	2,052,501
Fair value of fund assets at end of the year	(446,252)	(66,746)	(583,809)	(1,096,807)
Net (asset)/liability recognised in Statement of Financial Position at the end of the period	167,674	16,804	771,216	955,694

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Present value of partly funded defined benefits at the end of the year	638,096	94,825	1,467,891	2,200,812
Fair value of fund assets at end of the year	(414,170)	(61,375)	(538,747)	(1,014,292)
Net (asset)/liability recognised in Statement of Financial Position at the end of the period	223,926	33,450	929,144	1,186,520

Expense recognised				
	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Current service cost	11,549	3,731	1,240	16,520
Interest on obligation	18,350	2,650	44,114	65,114
Expected return on fund assets (net of expenses)	(32,642)	(4,714)	(44,127)	(81,483)
Expenses/(income) recognised*	(2,743)	1,667	1,227	151

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Current service cost	7,278	2,536	3,008	12,822
Interest on obligation	18,801	2,862	37,069	58,732
Expected return on fund assets (net of expenses)	(24,248)	(3,728)	(31,833)	(59,809)
Expenses/(income) recognised*	1,831	1,670	8,244	11,745

* A portion of this expense has been capitalised

Amount recognised in other comprehensive income

	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Actuarial (gains)/losses	(45,867)	(15,058)	(157,949)	(218,874)

	SASS 8 months to June 2012 \$'000	SANCS 8 months to June 2012 \$'000	SSS 8 months to June 2012 \$'000	Total \$'000
Actuarial (gains)/losses	76,990	7,986	284,597	369,573

Cumulative amount recognised in other comprehensive income

	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Actuarial (gains)/losses	192,806	18,006	507,226	718,038

	SASS Financial Year June 2012 \$'000	SANCS Financial Year June 2012 \$'000	SSS Financial Year June 2012 \$'000	Total \$'000
Actuarial (gains)/losses	238,673	33,064	665,175	936,912

Actual return on fund assets				
	SASS	SANCS	SSS	
	Financial Year	Financial Year	Financial Year	Total
	June 2013	June 2013	June 2013	\$'000
	\$'000	\$'000	\$'000	
Actual return on fund assets	66,940	9,845	87,768	164,553

	SASS	SANCS	SSS	
	8 months to	8 months to	8 months to	Total
	June 2012	June 2012	June 2012	\$'000
	\$'000	\$'000	\$'000	
Actual return on fund assets	13,253	2,066	16,403	31,722

Fund assets				
The percentage invested in each asset class at the balance date:				
		June 2013	June 2012	
Australian equities		30%	28.0%	
Overseas equities		26%	23.7%	
Australian fixed interest securities		7%	4.9%	
Overseas fixed interest securities		2%	2.4%	
Property		8%	8.6%	
Cash		13%	19.5%	
Other		13%	12.9%	

Fair value of fund assets

All fund assets are invested by STC at arm's length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Valuation method and principal actuarial assumptions at the reporting date

a. Valuation method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b. Economic assumptions

	June 2013	June 2012
Salary increase rate (excluding promotional increases)		
2013-2014 (SASS, SSS and SANCS)	2.25% p.a.	2.5% p.a.
2014-2015	2.25% p.a.	-
2015-2016 to 2019-2020	2.0% p.a.	-
2020 onwards	2.5% p.a.	-
Rate of CPI increase	2.5% p.a.	2.5% p.a.
Expected rate of return on assets	8.6%	8.6%
Discount rate	3.80% p.a.	3.06% p.a.

c. Demographic assumptions

The demographic assumptions at 30 June 2013 are those that were used in the 2012 triennial actuarial valuation. The triennial review report is available from the NSW Treasury website.

Historical information				
	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Present value of defined benefit obligation	613,926	83,550	1,355,025	2,052,501
Fair value of fund assets	(446,252)	(66,746)	(583,809)	(1,096,807)
(Surplus)/Deficit in fund	167,674	16,804	771,216	955,694
Experience adjustments – Fund liabilities	(11,289)	(9,927)	(108,384)	(129,600)
Experience adjustments – Fund assets	(34,578)	(5,131)	(49,565)	(89,274)

	SASS Financial Year June 2012 \$'000	SANCS Financial Year June 2012 \$'000	SSS Financial Year June 2012 \$'000	Total \$'000
Present value of defined benefit obligation	638,096	94,825	1,467,891	2,200,812
Fair value of fund assets	(414,170)	(61,375)	(538,747)	(1,014,292)
(Surplus)/Deficit in fund	223,926	33,450	929,144	1,186,520
Experience adjustments – Fund liabilities	62,929	6,324	269,791	339,044
Experience adjustments – Fund assets	14,061	1,662	14,806	30,529

Expected contributions				
	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Expected employer contributions to be paid in the next reporting period	7,193	2,988	1,147	11,328

	SASS Financial Year June 2012 \$'000	SANCS Financial Year June 2012 \$'000	SSS Financial Year June 2012 \$'000	Total \$'000
Expected employer contributions to be paid in the next reporting period	7,724	3,276	1,293	12,293

Funding arrangements for employer contributions

The following is a summary of the 30 June 2013 financial position of the fund calculated in accordance with AAS 25 – *Financial Reporting by Superannuation Plans*.

	SASS Financial Year June 2013 \$'000	SANCS Financial Year June 2013 \$'000	SSS Financial Year June 2013 \$'000	Total \$'000
Accrued benefits	508,280	72,856	821,470	1,402,606
Net market value of fund assets	(446,252)	(66,746)	(583,809)	(1,096,807)
Net (surplus)/deficit	62,028	6,110	237,661	305,799
	SASS 8 months to June 2012 \$'000	SASS 8 months to June 2012 \$'000	SASS 8 months to June 2012 \$'000	Total \$'000
Accrued benefits	509,138	81,202	803,334	1,393,674
Net market value of fund assets	(414,170)	(61,375)	(538,747)	(1,014,292)
Net (surplus)/deficit	94,968	19,827	264,587	379,382

Recommended contribution rates for the entity are:

SASS	SANCS	SSS
Multiple of member contributions	% Member salary	Multiple of member contributions
1.90	2.50	0.93

Funded method

Contributions are set after discussion between the employer, STC and NSW Treasury.

Economic assumptions

The economic assumptions adopted for 2012 actuarial review of the fund are:

Weighted-average assumptions	June 2013	June 2012
Expected rate of return on fund assets backing current pension liabilities	8.3% p.a.	8.3% p.a.
Expected rate of return on fund assets backing other liabilities	7.3% p.a.	7.3% p.a.
Expected salary increase rate	SASS, SANCS, SSS 2.7% p.a. for 6 years then 4.0% p.a.	4.0% p.a.
Expected rate of CPI increase	2.5% p.a.	2.5% p.a.

Nature of asset/liability

If a surplus exists in the employer's interest in the fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

Provision for long service leave

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is based on the application of the valuation ratio at the Commonwealth Government bond rate at the reporting date to all employees using current rates of pay. This ratio is determined based on an actuarial review to approximate present value.

The actuarial assessment is based on the accrued long service leave liabilities and employee data of Roads and Maritime as at 31 March 2011. Long service leave is accrued at the rate of 4.4 days per annum for the first 10 years of service and then at the rate of 11 days per annum.

Employees who exit with less than five years service receive no benefits. Those who leave with between five and seven years service have been assumed to only receive benefits if exiting due to death, disability or age retirement.

Benefits are paid in service or on exit after seven years service on a pro-rata basis.

Assumptions: An allowance has been determined for each relevant on-cost separately to the long service leave liability, as their accounting treatment and the adoption of liability is different to the long service leave liability. The on-costs to long service leave present value liabilities are:

Payroll tax	5.45%
Superannuation	11.00%
Superannuation accruing while on long service leave	4.40%

As workers' compensation is determined without direct reference to salary, and does not accrue while an employee is on long service leave, there is no future workers' compensation expense that will be incurred when currently accrued long service leave is taken during future service, and hence there is

no attaching on-cost. It has been assumed that six days of long service leave will be taken per year by employees who are eligible.

General salary increases of 2.5 per cent per annum have been assumed for all future years, consistent with NSW Treasury expectations for the NSW public sector in the medium-term. Promotional salary increases have been assumed at rates based on Roads and Maritime and NSW public sector promotional salary experience.

The rates of resignation, death, age retirement and ill-health retirement assumed have been adopted from superannuation valuations of NSW public servants. Withdrawal rates for those with less than 10-years of service are based on experience from NSW and other superannuation schemes.

The discount rate is based on the 10-year bond rate at 30 June 2013 but adjusted from a semi-annual rate to an annual rate.

4. Audit fee

During the year to June 2013 an expense of \$15,000 excluding GST (2012: \$15,000 excluding GST) was incurred by the Division for the audit of the financial statements by The Audit Office of NSW which was fully paid for by Roads and Maritime.

5. Related party transactions

a. Relationship between the Division and Roads and Maritime

The Division is a controlled entity of Roads and Maritime and provides personnel services to Roads and Maritime. Information relating to personnel services is as follows:

	2013 \$'000	2012 \$'000
Personnel services provided	553,662	998,546
Receivable due from Roads and Maritime	1,427,051	1,696,144

The receivable is unsecured. No provision for doubtful debts relating to the receivable has been raised (2012: none) nor has an expense been recognised during the period in respect of bad or doubtful debts due from Roads and Maritime (2012: none).

6. Employee related expenses

	2013 \$'000	2012 \$'000
Salaries and wages (including recreation leave)	660,443	524,844
Long service leave	13,347	28,404
Superannuation – defined benefit plan	151	11,471
Superannuation – defined contribution plan	38,522	28,548
Workers' compensation insurance	11,719	10,989
Payroll tax and fringe benefit tax	39,218	25,097
Redundancy	9,136	539
	772,536	629,892

7. Contingent assets and contingent liabilities

The Division has no contingent assets and contingent liabilities (2012: none).

8. Financial instruments

Market risk

Market risk is the risk that changes in factors such as interest rates will affect revenue or the value of financial instruments. Market value is accepted on financial instruments. As the Division recovers all its costs from Roads and Maritime, a change in market prices will have no effect on the Division's result or net assets.

Credit risk

Credit (or counterparty) risk is the risk that a counterparty will fall to perform contractual obligations to a financial instrument and cause the Division to experience a financial loss. In respect of the Division's financial assets, its only counterparty is its parent entity, Roads and Maritime. As Roads and Maritime makes good its obligations to the Division on demand, the Division is exposed to minimal credit risk. The Division's maximum credit risk exposure is the balance of the receivable from Roads and Maritime.

Liquidity risk

Liquidity risk is the risk that the Division will not be able to meet its financial obligations as they fall due. The Division does not have a bank account. All transactions are transacted through the bank account of Roads and Maritime. Roads and Maritime manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows. Consequently the Division is exposed to negligible liquidity

9. Events after the reporting period

No events have occurred after the reporting date that would have a material impact on the financial statements.

End of audited financial statements.

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Appendix 1: Consumer response

Table A1.1 Number of complaints

Subject	Total
Customer service	34
Digital Services	69
Licence or registration	258
Road projects and conditions	1025
Signage	241
Rubbish/Litter	52
Graffiti	67
Safety	474
Noise	67
Other	191
Road rules	62
Speed cameras	68
Traffic lights	127
Traffic incidents, closures, clearways	46
Maritime property	14
Maritime assets and infrastructure (incl. wharves, grants, and harbour cleaning)	22
Commercial vessels	8
Recreational boating (general, incl. moorings)	106
Recreational boating compliance	30
Other	39
Total	1908

Complaints statistics are based on submissions made on the Roads and Maritime website. Complaints or other forms of feedback provided orally or in written correspondence are not included.

Maritime Division Statistics include submissions made on the Roads and Maritime website as well as through other sources, including correspondence. The Maritime Division captures customer feedback (including complaints) in an internal complaints handling database.

As detailed throughout this report, Roads and Maritime takes the role of stakeholder engagement seriously. All complaints are reviewed to ensure services are improved appropriately. Details of improved services can be found in the main body of this Annual Report.

Appendix 2: Media enquiries

The Roads and Maritime Media Unit provides support for internal and external event management and major campaigns.

Roads and Maritime media statistics 2012-13

Media enquiries	1500
Proactive media releases	2100
Proactive media events	80
Ministerial house folder notes	150
High level issue notes for critical incidents	50

Appendix 3: Major works

Table A3.1 Major works 2012-13

Project description	Location	Status* (as at 30 June 2013)	Announced completion date	Announced estimated total cost (\$'000)	2012-13 exp (\$'000)	Expenditure in previous years (\$'000)
HUNTER						
Hunter Expressway F3 Branxton (State and Federal)	Seahampton - Branxton	Construction	2013	1,700,000	532,572	920,675
Hunter Expressway, ancillary works F3 to Broadmeadow (planning and preconstruction)	Wallsend - Broadmeadow	Construction	2013	61,000	31,953	16,642
Limeburners Creek Road, upgrade of Williams River Bridge	Clarence Town	Planning	2014	N/A (Planning costs only)	237	4150
Newcastle Inner Bypass, Shortland to Sandgate	Sandgate	Construction	2013	143,000	44,164	59,929
New England Highway, Scone Level Crossing Study (planning, Federal funded)	Scone	Planning	N/A	N/A (Planning costs only)	618	796
Patterson Road upgrade of Dunmore Bridge	Woodville	Construction	2013	14,500 (Infrastructure costs only)	7061	7089
CENTRAL COAST						
Central Coast Highway, Brisbane Water Drive, Manns Road Intersection	West Gosford	Construction	2016	180,000	13,182	62,207
Central Coast Highway Wisemans Ferry Road Intersection	Kariong	Completed	2013	13,000	8270	3584

Project description	Location	Status* (as at 30 June 2013)	Announced completion date	Announced estimated total cost (\$'000)	2012-13 exp (\$'000)	Expenditure in previous years (\$'000)
Central Coast Highway Carlton Road to Matcham Road	Erina Heights	Completed	2012	75,000	9677	70,349
Central Coast Highway Matcham Road to Ocean View Drive	Wamberal	Construction	2013	85,000	24,438	52,367
M1 Pacific Motorway Wyong Road Interchange	Tuggerah	Completed	2013	18,000	8150	2867
Pacific Highway Wyong Road Intersection	Tuggerah	Planning	N/A	N/A	1,742	1552
Pacific Highway, Ourimbah Street Lisarow to Glen Road Ourimbah	Lisarow	Planning	N/a	N/A	3519	11,322
Terrigal Drive Improvements	Erina-Terrigal	Planning and Construction	N/A	N/A	675	7691
Sparks Road Warnervale Town Centre Intersection	Woongarrah	Planning and Construction	2015	N/A	1929	Nil
WESTERN						
Kelso, Ashworth Drive to Stockland Drive, widen to four lanes	Kelso	Planning	2016	N/A	6609	4594
Katoomba to Lithgow	Mount Victoria to Katoomba, Hartley	Planning / Construction	N/A	N/A	17,173	36352
SYDNEY						
Alfords Point Road, Brushwood Drive to Georges River	Alfords Point	Planning	N/A	N/A	592	1040
ANZAC Bridge structural upgrades	Pyrmont	Construction	2014	60,000	26,435	31,212
M4 Managed Motorway, Parramatta to Lapstone	Various	Planning	N/A	N/A	5742	3935
Werrington Arterial Stage One, M4 Motorway to Great Western Highway	Claremont Meadows	Planning	N/A	N/A	1242	491
Windsor Bridge over Hawkesbury River replacement	Windsor	Planning	N/A	N/A	7146	5341
Narellan Road, Camden Valley Way to Blaxland Road	Narellan - Campbelltown	Planning	N/A	N/A	2542	905
Old Wallgrove Road, M7 to Erskine Park Link Road	Eastern Creek	Planning	2016	N/A	3705	1729
Bringelly Road, Camden Valley Way to King Street	Bringelly	Planning	N/A	N/A	3960	2916

Project description	Location	Status* (as at 30 June 2013)	Announced completion date	Announced estimated total cost (\$'000)	2012-13 exp (\$'000)	Expenditure in previous years (\$'000)
Camden Valley Way, Bringelly Road to Ingleburn Road	Leppington	Construction	2015	95,000	2794	9134
Camden Valley Way, Ingleburn Road to Raby Road	Leppington	Construction	2015	110,000	17,104	18,920
Camden Valley Way, Raby Road to Oran Park Drive	Harrington Park	Construction	2015	75,000	6270	11,791
Erskine Park Link Road, Old Wallgrove Road to Lenore Lane	Eastern Creek	Construction	2013	43,000	29,400	13,475
Richmond Road, Bells Creek to Townson Road, widen to four lanes	Marsden Park	Construction	2014	46,000	9243	1678
Richmond Road, Townson Road to Grange Ave, widen to four lanes	Marsden Park	Planning	2016	N/A	2206	2135
Schofields Road, Windsor Road to Tallawong Road	Rouse Hill	Construction	2014	65,000	24,526	7155
Schofields Road, Tallawong Road to Veron Road	Schofields	Planning	2017	N/A	Nil	7155
GREAT WESTERN HIGHWAY						
Woodford to Hazelbrook (State and Federal funded)	Woodford, Hazelbrook	Construction	2014	205,000	40,395	118,016
Lawson, Ferguson Avenue to Ridge Street, widen to four lanes	Lawson	Completed	2012	220,000	13,756	203,933
Bullaburra, Ridge St to Genevieve Road, widen to four lanes	Bullaburra	Construction	2015	75,000	7808	11,398
Bullaburra to Wentworth Falls, Genevieve Road to Tableland Road, widen to four lanes	Bullaburra to Wentworth Falls	Construction	2014	85,000	20,634	26,493
Wentworth Falls East, Tableland Road to Station Street, widen to four lanes (State and Federal funded)	Wentworth Falls	Completed	2012	118,000	7852	109,187

Project description	Location	Status* (as at 30 June 2013)	Announced completion date	Announced estimated total cost (\$'000)	2012-13 exp (\$'000)	Expenditure in previous years (\$'000)
PRINCES HIGHWAY						
Gerringong Upgrade	Gerringong	Construction	2015	\$329,000	87,691	43,043
Foxground and Berry Bypass	Berry	Planning	2018	NA	18,334	45,097
Berry to Bomaderry	Berry, Bomaderry	Planning	NA	NA	4507	1591
South Nowra	Nowra	Construction	2014	62,000	27,192	16,161
Victoria Creek realignment	Central Tilba	Completed	2013	32,000	12,154	18,175
Dignams Creek realignment	Dignams Creek	Planning	NA	NA	1466	3925
Bega Bypass	Bega	Construction	2013	55,000	28,746	9521
HUME HIGHWAY						
Holbrook Bypass	Holbrook	Construction	2013	237,000	96,496	107,093
PACIFIC HIGHWAY						
Bulahdelah Upgrade	Bulahdelah	Completed	2013	315,000	85,067	206,144
Hérons Creek to Stills Road	Hérons Creek	Construction	2013	60,000	21,301	24,791
Oxley Highway to Kempsey	Port Macquarie, Kempsey	Planning	NA	NA	38,014	43,137
Oxley Highway to Kundabung	Kundabung, Thrumster	Planning	NA	NA	968	0
Kundabung to Kempsey	Kempsey, Kundabung	Planning	2016	NA	86	0
Kempsey Bypass	Kempsey	Completed	2013	618,000	134,481	480,419
Frederickton to Eungai	Clybucca	Construction	2016	675,000	73,442	16,955
Warrell Creek to Urunga	Nambucca Heads	Planning	NA	NA	13,445	61,617
Warrell Creek to Nambucca Heads	Macksville	Planning	NA	NA	5,136	0
Nambucca Heads to Urunga	Urunga	Planning	2016	780,000	37,837	691
Coffs Harbour Bypass	Coffs Harbour	Planning	NA	NA	1,608	43,940
Coffs Harbour (Sapphire) to Woolgoolga	Woolgoolga	Construction	2014	850,000	219,880	407,645
Woolgoolga to Ballina	Grafton, Maclean	Planning	NA	NA	66,986	130,581
Devils Pulpit Upgrade	Tabbimoble	Construction	2014	80,000	32,104	22,330
Tintenbar to Ewingsdale	Bangalow	Construction	2014	862,000	158,020	170,618

Project description	Location	Status* (as at 30 June 2013)	Announced completion date	Announced estimated total cost (\$'000)	2012-13 exp (\$'000)	Expenditure in previous years (\$'000)
MARITIME						
Commuter Wharf Upgrade Program	Various	Upgrade works on Rose Bay, Neutral Bay, Balmain and Huntleys Point Ferry Wharves completed.	2015	89.5M	15.4 m	29.5 m
Rozelle Bay Precinct Works – Fire Main Replacement	Rozelle Bay	Works commenced in June 2012 and are ongoing.	2013	1.010M	0.672 m	0

Appendix 4: Driver, vehicle and maritime statistics

Table A4.1 Number of vehicles registered in NSW as at 30 June 2013 by year of manufacture

Year of manufacture	Number of vehicles
1900-1959	9304
1960-1964	7620
1965-1969	15,528
1970-1974	42,396
1975-1979	78,385
1980-1984	117,920
1985-1989	244,447
1990-1994	348,536
1995-1999	800,996
2000	230,218
2001	230,242
2002	256,468
2003	288,858
2004	303,083
2005	318,497
2006	311,675
2007	343,515
2008	338,441
2009	318,721
2010	362,071
2011	350,566
2012	383,436
2013	138,975
Total⁽ⁱ⁾	5,839,960

(i) 62 unknown

Table A4.2 Number of vehicles registered in NSW as at 30 June 2013 by vehicle type

Vehicle type	Number of vehicles
Passenger Vehicles	2,959,519
Off-road Vehicles	1,075,788
Small Buses	16,654
Buses	15,088
Mobile Homes	7813
Motor cycles	197,671
Light Trucks	576,697
Heavy Trucks	81,175
Prime Movers	23,877
Light Plants	2585
Heavy Plants	6379
Small Trailers	528,337
Trailers	348,265
Other Vehicles	112
Total	5,839,960

Table A4.3 Number of vehicles registered in NSW as at 30 June 2013 by vehicle usage

Vehicle usage	Number of vehicles
Private	4,068,238
Pensioner concession	771,312
Primary producer concession	105,529
Business general	825,969
Taxi	6953
Public bus and coach	7481
FIRS	4055
Other vehicle usages	50,423
Total	5,839,960

Table A4.4 NSW licensed drivers and riders as at 30 June 2013

By sex	No. of licence holders	% of total
Female	2,460,091	48.6%
Male	2,600,671	51.4%
Total	5,060,762	100%

Table A4.5 Licence Holders by Age

Age	No. of licence holders
16-19	283,613
20-24	401,075
25-29	430,358
30-34	467,243
35-39	467,928
40-44	496,813

Age	No. of licence holders
45-49	458,324
50-54	468,962
55-59	416,544
60-64	368,792
65-69	314,708
70-74	212,640
75-79	140,606
80-84	86,951
85+	46,205
Total	5,060,762

Table A4.6 NSW driver and rider licences on issue as at 30 June 2013

By licence class	No. of licences	% of total
C	4,505,840	80.5%
LR	89,757	1.6%
MR	128,751	2.3%
HR	201,319	3.6%
HC	108,849	1.9%
MC	22,073	0.4%
R	540,000	9.6%
Total	5,596,589	100%

Table A4.7 Boat licences, registrations and safety indicators

Outputs	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
General boat driving licences (not including personal watercraft licences)	419,080	447,253	452,803	447,194	445,436	443,596
Personalised watercraft driving licences	32,616	36,396	38,718	40,247	41,369	42,202
Recreational vessel registrations (not including personal watercraft registrations)	209,767	214,614	218,161	214,705	217,511	218,950
Personalised watercraft registrations	7307	7708	8354	8623	9123	9666
Aquatic licences issued	675	637	655	697	711	722
Environmental assessments for mooring and aquatic licences	2734	2797	2800	2331	3153	2784
Boating fatalities per 100,000 registered vessels (recreational and commercial)	9.3	5.2	9.7	4.3	8.1	11.3
Safety compliance rate: recreational vessels, including personalised watercraft (percentage)	87.1	88.3	89	92.8	90.8	91.0
Safety compliance rate: commercial vessels (percentage)	93.4	91	88.3	91.6	93.9	93.1

Appendix 5: Research and development

Roads and Maritime has a research and development (R&D) program which identifies and develops innovative solutions to materials, products, equipment, systems and processes to achieve business improvements as well as a range of research projects focusing on road safety.

Specialist Roads and Maritime staff carry out the work, with some projects being conducted in collaboration with universities or outsourced to specialist research groups. Over the last number of years, research has been focused on the performance of roads and bridges to assist planning of long-term maintenance needs and programs with a view to minimise whole of life cycle cost.

In early 2013, Roads and Maritime and the University of Technology Sydney completed the successful commissioning and training of staff for the operation of two (2) Grit Blasting Assistive Devices for blast cleaning of steel on the Sydney Harbour Bridge.

Roads and Maritime also contributes to R&D work funded by Austroads in conjunction with other road agencies to apply new technologies at a national level or assist with improving knowledge of the impact of increasing freight loads on road infrastructure.

Other projects carried out in 2012-13 include the following:

Pavements

- Study completed on the useable life of stockpiled foamed bitumen materials to improve the performance of road maintenance materials

- Improvements to the methods used to establish the assessment of the suitability of non-complying marginal materials for pavement materials in Western Region
- Final report released documenting monitoring the application of expansion joints as an effective solution to transverse heaving in blended slag pavements in the Hunter Region
- Continued monitoring of the no fines concrete surface trial on the Hume Highway Bypass Project at Tarcutta to assess the viability and durability of the surface
- With the technical support of the Cement Concrete Aggregates Australia a revised acceptance criteria for the use of manufactured sands in concrete pavements
- Fatigue test results on steel fibre concrete pavements has resulted in a new specification criteria which allows more types of steel fibres to be effectively used in the specification
- Publication of a comprehensive guide on technical assessment of concrete pavements subject to differential settlement
- Analysis of how Roads and Maritime maintains its rigid pavements has resulted in a new Roads and Maritime Rigid Pavement Strategy. Preliminary recommendations were integrated with Asset Management Pavement System in August 2012
- Monitored closely international literature on concrete jointing technology and developed two new test methods

for incorporation into the revised Roads and Maritime specification R83

- Researched triggers for intervention in seals, the effect of heavy vehicles on sprayed seal life, and reviewed the effect of extreme hot weather on sprayed seals
- Provided comments and assisted on 14 Austroads projects including: Road Design Part 4B – Roundabouts, Dandenong Accelerated Loading Facility trial report, Laboratory compaction of Stone Mastic Asphalt and High Modulus High Fatigue asphalt.

Bridges

- Conducted trials using sacrificial cathodic protection systems to assess the success of chloride ingress prevention.
- Trials on Concrete Culverts using passive re-alkalisation as a means to prevent further corrosion
- Refined mixes for generic steel fibre reinforced reactive powder concrete (ultrahigh performance fibre reinforced concrete)
- Development work on the crawling robot focused on environment scanning and adhesion systems to enable the robot to move in a confined space
- Development of seismic design rules for inclusion into the revision of AS5100 Bridge Design Code.

Geotechnical

- Remote wireless monitoring of critical geotechnical sites continued during the year and new protocols have been established

- Cost and effective design for low strength rock project has commenced with a post graduate from UNSW commencing study
- Successfully completion of the Management of Acid Rock in Earthworks project. This project has established Roads and Maritime as a leader in the acid sulphate rock area
- Completed initial literature study and preparation on Cut Batter Design and Performance.

Road design engineering

- Ongoing work on longitudinal line marking mobile retroreflectometer analysis
- Continued development of new and innovative paint application systems on linemarking machines to deliver improved performance and durability at the minimised whole-of-life cost
- Commissioning has commenced on an automated double angled spray gun and static bead drop Speedbeader applicator system on an existing Roads and Maritime linemarking truck. The hydraulically run system has been fitted as the right side carriage and is based on proven technology to apply high performance painted longitudinal markings for better road safety and durability.

Transport planning

- Completed studies on traffic generation and parking demand data for three land use types – high density residential developments and service stations and a desktop review of Major Hospital survey data.

Materials technology

- Research continued on development of a Light Emitting Diode (LED) in-pavement light
- Evaluation trials of a radar-based vehicle detector were carried out on the M4 motorway, to assess suitability as an alternative to existing in-road loop detectors.

Transport Shared Services support

Pursuant to Schedule 1 of the *Transport Administration Act 1988*, TfNSW is responsible for the provision of Corporate and Shared Services to public transport agencies

Transport Shared Services is in the first phase of a two stage transformation program. Shared services areas from RailCorp, Roads and Maritime, State Transit Authority and TfNSW are merging to form a single shared services provider for the entire transport cluster. The Transport Shared Service Transition Plan encompasses:

- Establishing an approved Service Catalogue, Service Level Agreements and Pricing Model
- Review and implementation of a contemporary service operating model
- Developing an organisational structure based on functions, in consultation with staff and unions
- Transition from agency specific structures to functional streams for Human Resources Service Delivery, Financial Services, Procurement and Asset Management and Workplace Services

- A program of standardisation, optimisation and business process improvement for the efficient delivery of shared services
- Knowledge transfer and cross-training of staff
- Support for the delivery and implementation of a single Enterprise Resource Planning System for the Transport Cluster.

Appendix 6: Threatened Species Recovery Plans

In accordance with Section 70(1) of the *NSW Threatened Species Conservation Act 1995*, where Roads and Maritime is identified in a recovery plan as responsible for the implementation of measures included in the plan, Roads and Maritime must report on the actions taken to implement those measures in the Annual Report.

Table A6.1 Threatened Species Recovery Plans

Measures	Action taken by Roads and Maritime	Status in 2012-13
<i>Acacia pubescens</i> (Downy Wattle) Recovery Plan (February 2003)		
(12.3) Identify existing and potential threats (for example, weed invasion, hybridisation and reducing access to sites) to the population at Beverly Hills/Narwee (adjacent to the M5, North of Windarra Street).	Roads and Maritime staff visited the site and mapped the area of the population in 2000.	No further action required.
(12.3) Develop and implement threat and habitat management programs for the population at Beverly Hills/ Narwee (adjacent to the M5, North of Windarra Street).	The population was included in the relevant roadside corridor management plan.	No action required.
(12.3) Monitor populations on a regular basis to assess the effectiveness of threat and habitat management programs for the population at Beverly Hills/Narwee (adjacent to the M5, North of Windarra Street).	Roads and Maritime conducts regular inspections of the population. The last inspection was in September 2010. No corrective action was required.	There were no inspections in 2012-13.
(12.3.2) Developments and activities are assessed with reference to this recovery plan, environmental assessment guidelines and any future advice from the NPWS ¹ regarding the distribution, threats, biology and ecology of <i>A. pubescens</i> .	Developments and activities in the vicinity of <i>A. pubescens</i> are assessed with reference to the recovery plan, environmental assessment guidelines and any advice from the OEH regarding the distribution, threats, biology and ecology of <i>A. pubescens</i> .	All projects with the potential to impact on <i>A. pubescens</i> referred to the recovery plan and environmental assessment guidelines.
(15.3.2) When planning decisions are made which affect populations of <i>A. pubescens</i> , this information will be forwarded to the NPWS ¹ . This includes information on decisions that protect habitat, as well as those that lead to reduction of habitat and/or individuals.	OEH is informed of projects that Roads and Maritime determines to proceed where there are impacts to <i>A. pubescens</i> .	OEH was informed of all projects determined by Roads and Maritime that impacted on <i>A. pubescens</i> .

Measures	Action taken by Roads and Maritime	Status in 2012-13
National Recovery Plan for Angus's Onion Orchid <i>Microtis angusii</i> (2010)		
<p>(5.1) Roads and Maritime² will ensure that roadworks and road maintenance at the known location at Ingleside, in potential habitat and in any newly discovered sites, will not cause the destruction or degradation of any part of a <i>M. angusii</i> population, its habitat or potential habitat.</p> <p>The Roads and Maritime² will achieve this by: (a) assessing and carrying out all activities with reference to the recovery plan and any future advice regarding the distribution and ecology of <i>M. angusii</i>, (b) ensuring that all relevant environmental and site personnel are familiar with the location of known <i>M. angusii</i> and potential habitat.</p>	<p>All activities by Roads and Maritime are carried out with reference to the recovery plan and any advice regarding the distribution, ecology, and potential habitat of <i>M. angusii</i>.</p>	<p>During 2012-13 Roads and Maritime started investigating potential impacts to <i>M. angusii</i> due to a proposed upgrade of Mona Vale Road. Roads and Maritime is liaising with Warringah Council, OEH and the Botanic Gardens to ensure the proposal would avoid or minimise destruction or degradation to the known location at Ingleside, or in potential habitat and/or newly discovered sites identified during investigations.</p>
<p>(6.3) Roads and Maritime will notify DECCW¹ of any new sites and populations of <i>M. angusii</i> located through both targeted survey (for example, for environmental assessment purposes) and other sightings.</p>	<p>Roads and Maritime has located no new sites and/or populations of <i>M. angusii</i> through targeted survey (for example, for environmental assessment purposes) or other sightings.</p>	
Cumberland Plain Threatened Species Recovery Plan (January 2011)		
<p>(1.5) In circumstances where impacts on the threatened biodiversity listed in Table 1 are unavoidable, as part of any consent, approval or license that is issued, ensure that offset measures are undertaken within the priority conservation lands where practicable (Note that offsets for impacts within the Growth Centres will continue to be provided in accordance with the Growth Centres Biodiversity Certification Order.)</p>	<p>Roads and Maritime provides offsets for unavoidable impacts to species listed in the recovery plan. Offsets provided to date have been within the priority conservation lands where practicable.</p>	<p>Two Roads and Maritime projects required offsets in 2012-13. Offsets were undertaken within the priority conservation lands.</p> <p>Roads and Maritime has identified a number of projects in or adjacent to the Growth Centres that will require offsetting in accordance with the Growth Centres Biodiversity Certification Order.</p>

Measures	Action taken by Roads and Maritime	Status in 2012-13
<p>(2.3) State and Australian Government agencies will manage, to best practice standards (as specified in Appendix 2³), any lands which are under their ownership or for which they have care control and management, which:</p> <ul style="list-style-type: none"> • contain any of the threatened biodiversity listed in Table 1. • are located within the priority conservation lands or, if located outside these lands, have conservation as a primary management objective. 	<p>Roads and Maritime has identified land under its ownership or control that contains species listed in the recovery plan and/or are located within the priority conservation lands.</p>	<p>Roads and Maritime will review management practices to meet best practice standards.</p>

1 The Office of Environment and Heritage is the current agency responsible for measures that refer to the National Parks and Wildlife Service (NPWS) and the Department of Environment, Climate Change and Water.

2 RTA was dissolved in 2011 and these measures are now the responsibility of Roads and Maritime.

3 Appendix 2 of the Cumberland Plain Threatened Species Recovery Plan.

Appendix 7: Waste reduction

Vessel waste recovery

To protect the marine environment from the impact of sewage pollution from vessels and encourage the responsible disposal of vessel waste, Roads and Maritime maintains pump-out facilities at King Street Wharf, and Blackwattle Bay. An additional three pump-out facilities are monitored at Wharf 6 White Bay, Cabarita and Birkenhead Point.

During 2012-13, a total of 11.47 million litres of untreated sewage waste was pumped out from vessels through these facilities. This represented a 5.4 per cent decrease on the previous financial year. Roads and Maritime also funds a mobile vessel pump out facility on Myall Lakes. During the year, 59,000 litres of untreated sewage waste was pumped out through these facilities, which is a decrease of 33.2 per cent per cent on the previous year.

Reducing our carbon footprint

Greenhouse gas emissions

Roads and Maritime annual greenhouse gas emissions are reported to the Office of Environment and Heritage annually. In 2011-12* the organisations' greenhouse gas emissions increased significantly due to Roads and Maritime assuming responsibility for the electricity used in the M5 East Tunnel and an increase in activity from the merger of the former RTA and NSW Maritime.

Prior to November 2011, electricity consumed by the M5 East was the responsibility of a private tunnel operator and was not included as part of Roads and Maritime's greenhouse gas emissions. Under the new tunnel operator's contract, which commenced in November 2011, Roads and

Maritime commenced paying the electricity bills and the associated greenhouse gas emissions have been included for the first time. Our total Greenhouse Gas Emissions for 2012-13 is shown in Figure 10.

Energy efficiency

In 2011-12, Roads and Maritime consumed 832,016 gigajoules of energy, which is 20 per cent more energy than was consumed in the previous year.

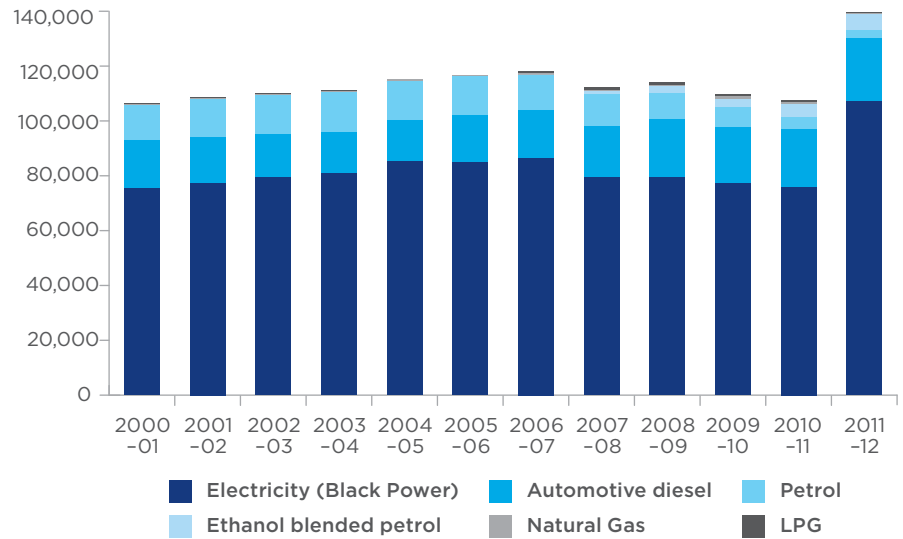
Roads and Maritime used electricity to operate road tunnels, traffic signals, street lights and buildings, and consumes diesel and petrol to operate road machinery and vehicles. Minor amounts of LPG and natural gas are also consumed to heat buildings, as fuel for some light vehicles and to manufacture asphalt. Our energy use profile for 2011-12 is shown in Figure 11.

Roads and Maritime undertakes energy audits of its highest energy consuming buildings and implements energy reduction measures such as installing energy efficient air conditioning and lighting systems to reduce greenhouse gas emissions.

Other measures include the continued upgrade of traffic signals by replacing quartz halogen lamps with LED lighting technology. (see Figure 12).

When purchasing light vehicles, Roads and Maritime considers environmental performance along with safety and costs. All light vehicles purchased are required to meet minimum CO2 grams per kilometre levels as specified by NSW Procurement.

Figure 10. Total greenhouse gas emissions (tonnes of carbon dioxide equivalent)



* The annual data is reported one year in arrears.

Figure 11. Electricity consumption 2011-2012

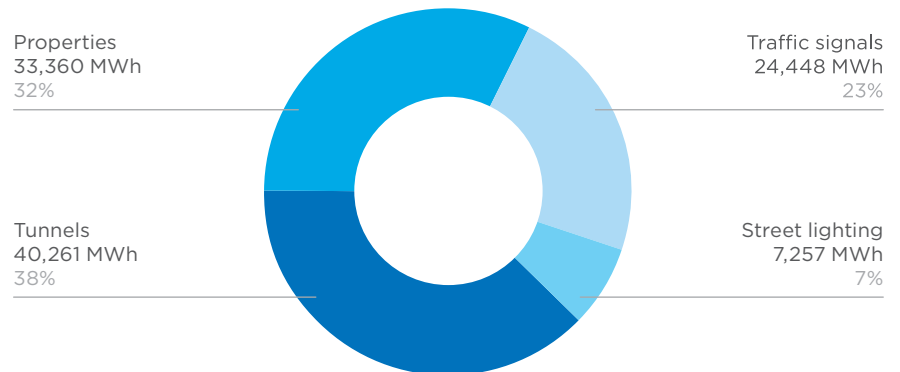
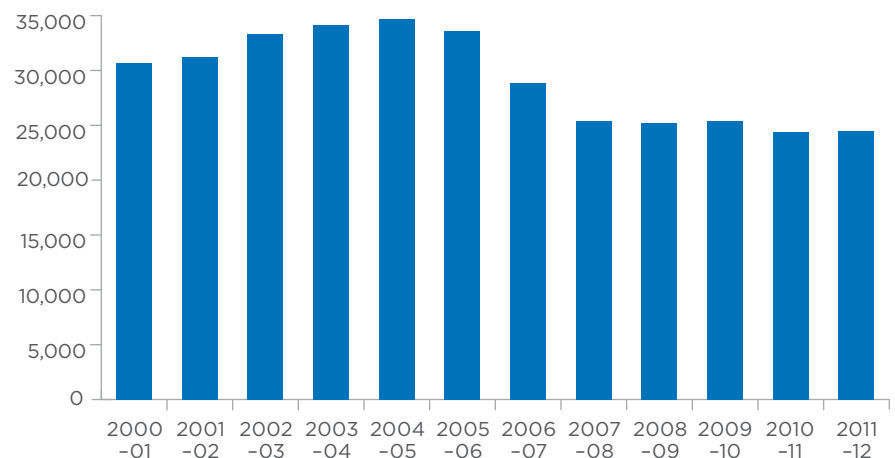


Figure 12. Electricity traffic signals



* The annual data is reported one year in arrears.

Waste reduction

Roads and Maritime is committed to reducing waste generation and resource consumption.

Significant quantities of construction materials are used to maintain and construct the State's roads.

Roads and Maritime reports every two years to the Office of Environment and Heritage on the progress made in implementing its

Waste Reduction and Purchasing Plan. The most recent progress report covers the 2012–13 financial year.

Construction waste recovery rates have improved since 2010–11. Roads and Maritime is currently exceeding the NSW Government's 2014 waste recovery targets (see Table A7.1 Waste recovery rates).

High rates of recycling can be attributed to the reduced construction costs associated with

re-using materials generated on-site compared to the high costs of transporting and disposing of wastes off-site and purchasing virgin materials. Additionally, over the past three years, Roads and Maritime has negotiated new resource recovery exemptions with the NSW Environment Protection Authority which helps facilitate the beneficial re-use of road construction materials.

Table A7.1 Waste recovery rates

Waste type	Roads and Maritime waste recovery rates (2010–11)	Roads and Maritime waste recovery rates (2012–13)	NSW Government waste recovery targets (by 2014)
Vegetation	85%	86%	76%
Concrete	92%	94%	76%
Steel	88%	96%	76%
Asphalt	90%	99%	95%
Virgin Excavated Natural Material	96%	99%	95%

Oil and pollution response

In March 2013, Roads and Maritime developed a plan to respond to maritime oil and chemical spills

and prepared pollution response contingency plans for the north and south coast.

The contingency plans were submitted to the Regional Emergency Management Committees for endorsement.

Pollution response training was delivered to 63 staff in 2012–13.

Appendix 8: Environmental planning and assessment

Environmental planning and assessment

The environmental framework

The *Environmental Planning and Assessment Act 1979* establishes the process for environmental impact assessment and approval. The *Environmental Impact Assessment Guidelines* provide a framework to ensure that Roads and Maritime

environmental assessments are of high quality and meet community expectations.

Managing environmental requirements for projects of State significance

During the reporting period, one environmental assessment under part 3A and two environmental impact statements under part 5.1 of the *Environmental Planning and Assessment Act 1979* were prepared

and submitted to the Department of Planning and Infrastructure. These were subsequently placed on public exhibition by the Department. These projects included:

- Foxground and Berry Bypass project (part 3A)
- Windsor Bridge replacement project (part 5.1)
- Woolgoolga to Ballina Pacific Highway upgrade project (part 5.1).

Following public exhibition Roads and Maritime prepared a response to submissions for the Foxground and Berry Bypass project and submitted the response to the Department of Planning and Infrastructure. Roads and Maritime also prepared and submitted a response to submissions and preferred infrastructure report for the Windsor Bridge replacement project. Roads and Maritime began preparation of a response to submissions and preferred infrastructure report for the Woolgoolga to Ballina Pacific Highway upgrade project.

A modification application to the approved part 3A Albury Wodonga National Highway project was lodged and a modification for the M2 upgrade project (Lane Cove Road on-ramp) was placed on public exhibition and approved.

A procedure with supporting templates and guidance notes dealing with State significant

infrastructure under Part 5.1 of the *Environmental Planning and Assessment Act 1979* has been developed.

Managing Part 5 reviews of environmental factors

Part 5 of the *Environmental Planning and Assessment Act 1979* applies to activities that do not require development consent under Part 4 or approval under Part 5.1 (or under the former Part 3A). Part 5 applies to the majority of Roads and Maritime projects. For these projects, Roads and Maritime is the proponent and prepares a Review of Environmental Factors report prior to determining whether or not the project should proceed.

The report examines the potential environmental impacts of activities, assesses whether or not the potential impacts would be significant, and identifies measures to avoid, minimise, mitigate and in some cases, offset impacts. As

part of the Environmental Impact Assessment Guidelines, Roads and Maritime has procedures with supporting templates and guidance notes to ensure quality assessment of works carried out under Part 5.

Roads and Maritime exhibited reviews for environmental factors for community input for a number of projects during the reporting period. Some of those placed on public exhibition included:

- Forty Bends upgrade
- Alfords Point Road upgrade
- Campbelltown Road upgrade
- Old Wallgrove Road upgrade
- Narellan Road upgrade
- Werrington Arterial Road – Stage 1.

Appendix 9: Heritage

Heritage and Conservation Register

Roads and Maritime is continuing to manage its Section 170 Heritage and Conservation Register, in accordance with S170 of the *Heritage Act 1977* (NSW).

The register documents state and locally significant heritage assets and currently lists 319 items including bridges, buildings, memorials and movable heritage items, among others. The 84 individual heritage assets managed by the former NSW Maritime were incorporated with the roads-related heritage into a revised Roads and Maritime Heritage Register.

In November 2012, Roads and Maritime began to catalogue, tag and re-house the significant movable heritage items associated with cash tolling on the Sydney Harbour Bridge, which ceased with the introduction of fully electronic tolling. Around 100 items and collections of items were catalogued and tagged, including 'toll paid' indicators, toll collectors' bags, uniforms and caps, cash boxes, toll signs and automatic coin counting machines. Also included is a large cash register dating from the 1960s with keys and mechanisms specifically adapted for the collection of tolls on the bridge. These items are now included within

the Roads and Maritime Movable Heritage collection, recorded in the S170 Register.

Aboriginal cultural heritage consultation

Aboriginal cultural heritage impacts on a range of projects from maintenance works to highway upgrades. The Roads and Maritime *Procedure for Aboriginal Cultural Heritage Consultation and Investigation* ensures that Aboriginal cultural heritage is assessed and managed in a responsible and appropriate manner with active engagement from the Aboriginal community.

Managing Aboriginal cultural heritage on projects

Roads and Maritime seeks to avoid or minimise its impact on Aboriginal cultural heritage and ensures impacts are managed in accordance with relevant legislation.

For many projects being assessed under the *Planning and Assessment Act 1979*, Roads and Maritime is required to seek an Aboriginal Heritage Impact Permit to allow for impacts on Aboriginal objects and places.

Permits were sought for the following projects:

- Entrance Bridge Catholic Protection – Hunter Region
- Nelson Bay Road upgrade (Bobs Farm to Anna Bay) – Hunter Region
- Pacific Highway (Woolgoolga to Ballina) – Northern Region

- Princes Highway (Foxground and Berry Bypass) – Southern Region
- Princes Highway upgrade (Gerringong) – Southern Region
- Schofields Road upgrade (Stage 2) – Sydney Region.

Variations to existing permits were also sought for:

- Dignams Creek upgrade – Southern Region
- Princes Highway (Foxground and Berry Bypass) – Southern Region
- Princes Highway upgrade (Gerringong) – Southern Region
- Nelson Bay Road (Bobs Farm to Anna Bay) – Hunter Region
- New Thornton Bridge – Hunter Region.

Roads and Maritime Heritage Committee

The Heritage Committee meets quarterly to discuss issues relating to the management of heritage assets and policy development for heritage conservation. The Committee includes representatives from:

- Engineers Australia
- Heritage Branch, Office of Environment and Heritage
- The National Trust of Australia (NSW)
- The Royal Australian Historical Society.

In its 33 years, the Committee has provided specialist guidance on the value of heritage resource for the people of NSW. The meetings also present projects with significant heritage issues and provide an opportunity for stakeholders to raise issues.

Appendix 10: Biodiversity projects

Table A10.1 Biodiversity projects 2012–13

Activity	Purpose	Progress
Biodiversity performance reviews	Identify key issues for the future development of policy, guidelines and training and as a method of promoting ways to minimise impacts on biodiversity	Ten biodiversity performance Reviews have been undertaken since 2010. A Biodiversity Performance Review was undertaken at South Nowra in May 2013. It found biodiversity was being managed in accordance with guidelines.
Contribution to the NSW Wildlife Council	Management of wildlife on roads	In 2012–13, Roads and Maritime provided \$25,000 to the NSW Wildlife Council which coordinates wildlife carer groups and advises carers on wildlife management policy.

Activity	Purpose	Progress
Study the effectiveness of fauna crossing structures at Bonville (Pacific Highway) by examining genetic variation in a Koala population	Minimise impacts on biodiversity	<p>Roads and Maritime supported a research project into studying the genetic variation of a Koala population at Bonville, NSW where a recent highway upgrade passes through a Koala population.</p> <p>The results showed that the Koalas in this area have relative high levels of genetic diversity and low levels of inbreeding.</p> <p>The study recommended that the genetic status of the population be monitored to ensure genetic diversity remains stable in the future.</p>
Biodiversity offsets	Offsetting for unavoidable biodiversity impacts	<p>A Biodiversity Offset Register was developed to keep a record of all Roads and Maritime offset properties. Maps of offset properties were also developed and will be made available on the Roads and Maritime website and intranet.</p> <p>Roads and Maritime continued to implement Biodiversity Offset Strategies for a range of projects including those associated with the Pacific Highway Upgrade and began developing a Biodiversity Offset Strategy for unavoidable biodiversity impacts within the North West and South West growth centres.</p>

Appendix 11: Funds granted to non-government community organisations

Table A11.1 Funds granted to non-government community organisations 1 July 2012 – 30 June 2013

Division	Grant recipient	Grant	Program area	Project description	Target audience
Maritime	Balmain Sailing Club	\$150,000	Better Boating Program	Balmain Sailing Club Pontoon Facility and Access Upgrade, Balmain	Recreational boating community
Maritime	Coomba Aquatic Club Inc.	\$50,250	Better Boating Program	Coomba Aquatic Gardens New Pontoon, Wallis Lake	Recreational boating community
Maritime	Sunset Strip Progress Association	\$15,555	Better Boating Program	Lake Menindee Boat Ramp Upgrade, Sunset Strip	Recreational boating community

Division	Grant recipient	Grant	Program area	Project description	Target audience
Maritime	Wentworth Angling Club Inc.	\$33,761	Better Boating Program	Fort Courage Boat Ramp Upgrade & New pontoons, Wentworth (Additional Funding)	Recreational boating community
Total		\$249,566			

Appendix 12: Access to government information

Program for the release of government information

Roads and Maritime releases a significant amount of information to members of the public and publishes brochures, information sheets and technical documentation about its various functions, including road and bridge engineering, road safety, environment protection and asset management.

Roads and Maritime is constantly preparing and reviewing information which it makes available to the public through these and other means. Details about the kinds of information held by Roads and Maritime, is contained within the Roads and Maritime Information Guide, updated annually.

The TfNSW Corporate and Shared Services Reform Program recently completed the redevelopment of the Information and Privacy service across the Transport Cluster. The new operating model has been designed to promote consistency in the way that the agencies in the transport cluster comply with the requirements of the Government Information (Public Access) Act (*GIPA Act*), including the identification of information for

proactive release. The development of the new model involved an analysis of the current agency programs for proactive release and the ways that decisions are made about the release of information.

As a result of this review, general categories of information were identified for possible release across all of the agencies. The new information and privacy service across the Transport Cluster is targeted at finding and creating opportunities to identify categories of information which are held by the transport cluster which may be suitable for proactive release and promoting business practices which lead to the ongoing identification of such information.

As part of its program for proactive release of information, Roads and Maritime makes the following information available on its website:

- The number and location of speed cameras
- Travel speeds in Sydney Metropolitan area
- Roads and Maritime sponsorships
- Safe-T Cam
- Safe-T-Cam offences - updated quarterly

- Heavy vehicle checking stations
- Major Projects - State Budget Paper
- Sydney Harbour Bridge upgrade
- Timber Bridge Partnership
- Fatal crash statistics - updated daily (preliminary)
- Crash statistics - monthly bulletin (preliminary)
- Traffic volume data
- Number of provisional licences cancelled and suspended
- Total licences cancelled and suspended
- Number of people who passed the Driver Knowledge Test
- Number of licence holders with 10 or more demerit points
- Number of people issued with penalty notices (State Debt Recovery Office website)
- Customer satisfaction survey results
- Registry waiting times
- Driving test waiting times.
-

Access applications

In 2012-13, Roads and Maritime received a total of 2984 access applications (including withdrawn applications but not invalid applications). At the end of the reporting year, a total of 284 access applications remained unfinished. An additional 190 applications, which were open at the beginning of the reporting period, were also completed.

Conclusive presumption against disclosure

Of the access applications dealt with under the *GIPA Act* during the reporting period, four applications resulted in access being refused because there was a conclusive presumption of overriding public interest against disclosure of the information. Documents within the terms of these applications fell within the categories of legal professional privilege and contempt.

Statistical information

Below is the statistical information as specified in Schedule 2 of the *Government Information (Public Access) Regulation 2009* for the reporting period for the applications which were complete within this period.

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Table A12.1 Number of applications by type of applicant and outcome*								
Media	16	4	1	1	1	0	0	4
Members of Parliament	6	2	0	1	0	0	0	1
Private sector business	1242	513	93	78	4	0	0	27
Not-for-profit organisations or community groups	6	0	63	35	0	0	0	5
Members of the public (application by legal representative)	109	12	34	25	6	8	0	10
Members of the public (other)	209	34	74	52	2	2	0	7

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table A12.2 Number of applications by type of application and outcome								
Personal information applications*	81	22	13	4	0	0	0	1
Access applications (other than personal information applications)	1507	542	252	188	13	10	0	53

Table A12.2 Number of applications by type of application and outcome (continued)

Access applications that are partly personal information applications and partly other	0	1	0	0	0	0	0	0
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* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table A12.3 Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	182
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	182
Invalid applications that subsequently became valid applications	86

Table A12.4 Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	4
Legal professional privilege	4
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table A12.5 Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	5
Law enforcement and security	1
Individual rights, judicial processes and natural justice	821
Business interests of agencies and other persons	14
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table A12.6 Timeliness	
	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	2585
Decided after 35 days (by agreement with applicant)	61
Not decided within time (deemed refusal)	112
Total	2758

Table A12.7 Number of applications reviewed under Part 5 of the Act (by type of review and outcome)			
	Decision varied	Decision upheld	Total
Internal review	1	3	4
Review by Information Commissioner*	0	4	4
Internal review following recommendation under section 93 of Act	0	0	0
Review by Administrative Decisions Tribunal	0	1	1
Total	1	8	9

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table A12.8 Applications for review under Part 5 of the Act (by type of applicant)	
	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Appendix 13: Senior Executive Service performance statements

Table A13.1 SES number 2011-12 to 2012-13

SES level	2011-12	2012-13
Chief Executive under S.11A*	1	1
Level 6	4	4
Level 5	2	1
Level 4	11	13
Level 3	17	11
Level 2	2	2
Level 1	0	0
Total	37	32

The number of SES positions occupied by women in 2012-13 was 10. The number of SES positions occupied by women in 2011-12 was six.

Individual statements

Name	Peter Duncan
Position	Chief Executive, Roads and Maritime Services
Level	8
Period	1 July 2012 - 30 June 2013
Total remuneration package	\$519,200

Significant achievements in 2012-13

- Developed a reform program to define a new operating model focused around core accountabilities of building infrastructure, managing journeys, maintaining assets, and the enabling functions to support these core responsibilities
- Met with nearly 1500 staff across NSW to share the agency's vision, purpose, Strategy and Delivery Plan, answer staff questions and outline the priorities of Roads and Maritime
- Ensured the effective management of the \$3 billion capital program and the \$2 billion operating expenditure
- Achieved the Roads and Maritime annual savings target of \$241.7 million. Delivered revenue in excess of target, and operated within the labour cap set by government. Delivered \$16 million of maintenance efficiency savings
- Supported staff in delivering customer focused solutions through the Key Behaviours Skills Training, as outlined in the Customer Charter
- Led the process toward establishing Sydney Maintenance Contestability Contracts to identify the preferred providers for procurement and delivery of road asset maintenance and upgrades in Sydney
- Oversaw the delivery of a minimum four lane divided highway between Sydney and Melbourne with the opening of the Holbrook Bypass on the Hume Highway
- Chaired the Sydney Motorways Project Steering Committee, which provides oversight and strategic direction to the WestConnex project, and established the WestConnex project office to develop the business case submitted to government for consideration
- Led the delivery of significant road network infrastructure, such as the opening of the Kempsey Bypass, upgrading the Dunmore Bridge and announced the preferred location of the second Clarence River crossing in Grafton
- Oversaw the management of the Wharf Maintenance Program delivering upgrades to Balmain East Darling Street Wharf, McMahons Point Henry Lawson Avenue Wharf, Mosman Bay Avenue Road Wharf
- Oversaw significant work on the Hunter Expressway, on track for completion by end 2013
- Championed Work Health and Safety accountability of all staff and supported the drafting of a new Roads and Maritime Work Health and Safety Strategic Plan
- Expanded the available travel time information services to customers through a trip planning page on the Roads and Maritime webpage and new live-traffic information services
- Integrated the operations of 29 maritime customer service centres with motor registries to deliver more convenient service delivery for customers
- Supported customer service delivery through working with Service NSW in developing new Service Centres, delivering face-to-face services for Roads and Maritime customers
- Supported public transport by delivering bus lanes, addressing pinch points and delivering the Public Transport Information Priority System Program
- Supported road safety activities through the delivery of Blackspot treatments, installation of 91 red light speed cameras, 21 new point-to-point cameras and new school zone flashing lights at 580 locations
- Led Roads and Maritime towards delivery of its goals and targets in NSW 2021 (the State Plan) and the Long Term Transport Masterplan
- Supported the move towards national harmonisation through the National Heavy Vehicle Regulator and National Maritime Safety Regulator
- Oversaw the allocation of the Better Boating Program to support local recreational boating infrastructure.

Name	Peter Wells
Position	Director Customer and Compliance
Level	6
Period	1 July 2012 – 30 June 2013
Total remuneration package	\$301,501

Significant achievements in 2012-13

- Led the Customer and Compliance Division to support NSW 2021: *A plan for making NSW number one* and the Roads and Maritime 2012-13 Corporate Delivery Plan
- Worked with staff to uphold the Division's commitment to Roads and Maritime values of collaboration, solutions, integrity, safety and customer focus
- Oversaw the commencement of the roll out of the new Roads and Maritime operating model within Customer and Compliance Division to align the business along functional lines
- Represented Roads and Maritime on a range of Executive committees and as a key member of the Service NSW (Whole of Government) Transformation Committee
- Worked closely with Service NSW to facilitate the rollout of the one-stop-shop Service NSW outlets
- Continued the management of the camera enforcement network, which at June 2013 included the operation of red-light speed cameras at 108 intersections and 21 lengths of point-to-point speed cameras with four lengths under construction
- Achieved 97 per cent of customers rating the overall quality of service as 'good' or 'very good' in the annual customer satisfaction survey of motor registries. This is the highest recorded result over the 15 years the survey has been conducted in its current form
- Increased the percentage of online transactions by 7.6 per cent in 2012-13 compared with 2011-12
- Delivered, jointly with NSW Police, a large drop in heavy vehicle speeding in 2012, seeing 79 per cent less speeding (greater than 105 km/h) by trucks and buses over 12 tonnes
- Completed the National pilot of Electronic Work Diaries for heavy vehicles, with the National Heavy Vehicle Regulator and National Transport Commission agreeing to progress its adoption
- Removed the requirement to issue and display registration labels on for light vehicles (including motorcycles and trailers) on 1 January 2013 to simplify the registration process and reduce costs for the community, businesses and the NSW Government
- Introduced free NSW Photo Cards to eligible NSW Seniors Card Holders and Carer Allowance recipients to ease the cost of living on the state's seniors and carers
- Fostered relationships with key partners, including allowing NSW Police to access Safe-T-Cam sightings from Roads and Maritime systems, working with the National Heavy Vehicle Regulator, and working with Charles Sturt University to formally recognise Roads and Maritime training as Certificate IV.

Name	Greg Evans
Position	Acting Director Asset Maintenance
Level	6
Period	11 June 2013 – 30 June 2013
Total remuneration package	\$292,451 pro rata

* Acted in Director, Asset Maintenance role.

Significant achievements in 2012-13

- Delivered the program of works for 2012-2013 to address the impacts of previous natural disasters throughout NSW in an amount of \$243.3 million
- Completed the upgrading of Dunmore Bridge under the 'Bridges for the Bush' program - cost of \$15 million
- Intersection Upgrade works on the Newcastle Link Road, MR82 - cost of \$7.7 million
- Replacement of the Wymah Ferry - cost of \$1.4 million
- Delivered the 'workers on foot' safety program to improve the safety of Roads and Maritime workers and contractors
- Supplied and installed VMS signs on M4 - cost of \$4.35 million
- Installed 545 flashing lights units at 283 school zones - cost of \$5.6 million
- Built three new overtaking lanes on the Newell Highway north of Narrabri - cost of \$3.1 million
- Upgraded roads in the Bathurst area - cost of \$565,000
- Upgraded Macquarie Road between the Great Western Highway and Hawkesbury Road, Springwood (Western Sydney) - cost of \$610,000
- Delivered the 2012-13 Pavement Rebuilding Program - cost of \$168.4 million
- Completed the rehabilitation of Farlows Flat on the Pacific Highway north of Grafton using an innovative foamed bitumen process - cost of \$4 million
- Exceeded the target for improved road maintenance delivery practices to achieve a \$10 million efficiency savings target
- Completed the upgrade of the intersection of Wisemans Ferry Road and the Central Coast Highway - project cost of \$13 million
- Completed Tallimba Road and Newell Highway upgrade works near West Wyalong - project cost of \$4.92 million
- Intersection Upgrade works at Figtree. Cost \$5.4 million
- Completed Bus Lane improvement project at Church Street, Parramatta - cost of \$10 million.

Name	Geoff Fogarty
Position	Director Infrastructure Development
Level	6
Period	1 July 2012 – 30 June 2013
Total remuneration package	\$310,551

Significant achievements in 2012-13

Delivered Program of works of \$2.2 billion for the 2012-13 financial year. Management of infrastructure development works with delivery of several key projects and milestones, including:

- Pacific Highway Upgrade Program:

- Kempsey Bypass opened to traffic in March 2013, ahead of schedule
- Bulahdelah Upgrade opened to traffic in June 2013
- Coffs Harbour (Sapphire) to Woolgoolga - traffic diverted to service road, Emerald Beach to Cunninghams Creek in May 2013
- Commencement of major construction on Tintenbar to Ewingsdale in September 2012
- Frederickton to Eungai contract for construction awarded in December 2012
- Nambucca Heads to Urunga contract for construction awarded in June 2013

- Woolgoolga to Ballina Environmental Impact Statement displayed for community comment in December 2012.
- M2 Upgrade – Windsor Road Ramps opened to traffic in July 2012 and Windsor Road to Lane Cove Road – section between Pennant Hills Road and Windsor Road opened in April 2013.
- M5 West Widening, King Georges Road to Camden Valley Way – commencement of major construction in August 2012.
- Great Western Highway:
 - Lawson upgrade opened to traffic in November 2012.
 - Wentworth Falls East opened to traffic in August 2012
 - Woodford to Hazelbrook stage opened to traffic in January 2013
 - Bullaburra to Wentworth Falls traffic switch in February 2013
 - Commencement of major construction on Bullaburra upgrade in February 2013
 - Environmental impact assessment of Forty Bends upgrade determined in March 2013
- Princes Highway:
 - Victoria Creek realignment opened to traffic ahead of schedule in January 2013
 - Bega Bypass – High Street bridge was completed in April 2013
 - South Nowra duplication traffic switch in June 2013
- Central Coast Highway, Carlton Road to Matcham Road opened to traffic in November 2012
- Pacific Motorway / Wyong Road interchange upgrade opened to traffic in February 2013
- Thornton Railway Bridge opened to traffic in October 2012
- Hunter Expressway:
 - Excellent progress in the year with substantial paving, bridge and viaduct works completed in 2012-13. Project on track for opening by the end of 2013
- Sydney Growth Centres – commencement of major construction on:
 - Camden Valley Way, Ingleburn Road to Raby Road in September 2012
 - Camden Valley Way, Raby Road to Oran Park Drive in March 2013
 - Richmond Road, Bells Creek to Townson Road in February 2013
 - Schofields Road, Windsor Road to Tallawong Road in September 2012
- Hume Highway:
 - Holbrook Bypass – completion of major works to ensure opening to traffic in August 2013
- Environmental impact assessment determination achieved for eleven major projects across Sydney, the Central Coast, Hunter, Princes Highway and Great Western Highway
- Preferred route confirmed for Pacific Highway, Narara to Lisarow and Wyong Town Centre, on the Central Coast and the second crossing of the Clarence River at Grafton
- Total of 100 properties with a management value of \$22.4 million transferred to Property Sales and Leasing Section, and acquisitions for projects achieved to suit project progress
- Improved procurement process to encourage and increase tenderer involvement through industry briefings, workshops, positive guidance sessions and Early Contractor Involvement form of contract on selected projects thereby reducing tenderer costs and improving quality of bids for Roads and Maritime
- All major projects designed and delivered in accordance with Roads and Maritime urban design policy and procedures
- Several key achievements in environmental management including endorsement from the Heritage Council for the Roads and Maritime Timber Truss Bridge Strategy to upgrade and replace heritage bridges for freight transport and community accessibility
- Infrastructure Development Division secured several awards in the period including:
 - Ballina Bypass Alliance won an award at the Alliancing Association of Australia's (AAA's) Excellence Awards in October
 - Kempsey Bypass Alliance was recognised for its work on the Pacific Highway upgrade. The project won the 2013 United Nations Association of Australia World Environment Day Awards, the Engineering Excellence award and a Civil Contractors Federation (CCF) Earth Award.

Name	Michael Wright
Position	Acting Director Maritime
Level	4
Period	18 March 2013 – 30 June 2013
Total remuneration package	\$243,001 pro rata

* Acted in Director, Maritime role.

Significant achievements in 2012–13

- Completed Roads and Maritime customer service integration to consolidate registries and former maritime service centres
 - Contributed to the on-water cross jurisdictional compliance review, announcement of key reforms and establishment of the Marine Compliance Taskforce
 - Completed major wharf upgrades at Neutral Bay, Rose Bay, Balmain (Thames Street) and Huntleys Point
 - Completed preparations for the implementation of the National System for Domestic Commercial Vessel Safety on 1 July 2013
 - Delivered year one initiatives under the Safe Boating Education and Communications Strategy
- 2012–15, including seven safety campaigns across the 2012–13 boating season
 - Allocated \$4.93 million of the available \$5 million in Better Boating Program grants for 2012–13
 - Established tenure arrangements between Roads and Maritime and Sydney Ports, and Port Kembla related to port refinancing
 - Finalised the Agreement for Lease for Berrys Bay maritime precinct development
 - Completed roll out of deeds of variation to implement the Independent Pricing and Regulatory Tribunal Private Waterfront Occupations Determination
- Enhanced the Maritime Division's capability to respond to marine pollution incidents through preparation of contingency plans and including training for 99 employees
 - Implemented the 2012 Maritime Division Realignment
 - Worked with the Department of Planning and Infrastructure to progress rezoning of Roads and Maritime land at Wentworth Port for residential, commercial, community and maritime purposes.

Name	Jim Peachman
Position	Acting Director Journey Management
Level	6
Period	26 February 2013 – June 2013
Total remuneration package	\$292,451 pro rata

* Acted in Director Journey Management role.

Significant achievements in 2012–13

- Championed the development of the Journey Management Division structure to align with the new Roads and Maritime operating model
 - Led a program of work to improve access and reduce congestion on the NSW road network
- Continued to deliver the Pinch Point Program to improve traffic flow and congestion. The following projects have been delivered in the 2012–13 financial year:
 - Hume Highway and Campbelltown Road (Casula) intersection improvements
- Parramatta Road, Concord Variable Message Sign
 - Parramatta Road and Frederick Street, extension of right turn bay
 - Cumberland and Hume Highways, Liverpool localised road widening of Cumberland

Highway to extend the left turn slip lane and to provide three right turn lanes

- Hume Highway and Liverpool Street, widening the Hume Highway to provide right turn bay into Liverpool Street
 - Hume Highway and The Horsley Drive, improvements to the left turn lane to allow safer turning of heavy vehicles
 - Old Windsor and Powers Roads, widening of Powers Road to provide additional dedicated left turn lane
 - Parramatta and Concord Roads, extended eastbound right turn bay into Parramatta Road
 - F3 Motorway and Pacific Highway, widening of the southbound exit ramp to provide triple left turn into Pacific Highway
 - Princes Highway, Forest Road and Wickham Street, tidal flow
 - Cumberland Highway, widening of the southbound carriageway between Great Western Highway and M4 Motorway to provide increased capacity in Cumberland Highway at the M4 Motorway
 - Hume Highway and Hoxton Park Road, Liverpool extension of right turn bay into Hoxton Park Road
 - Pennant Hills Road and Cardinal Avenue, commenced extension of southbound right turn bay from Pennant Hills Road into Cardinal Avenue
- Oversaw rollout of Public Transport Information and Priority System (PTIPS) to all private bus operators. PTIPS is now installed on 4880 buses, giving them priority at 1470 traffic

lights when they are running late, to improve punctuality and schedule adherence

- Oversaw delivery of \$17.5 million bus priority program improvements on the Sydney road network including:
 - Pittwater Road bus lane maintenance
 - Pittwater Road and Warriewood Road, Warriewood intersection improvements
 - Epping Road and Balaclava Road, Marsfield intersection improvements
 - Balaclava Road, Agincourt Road to Epping Road, Marsfield bus lane
 - Church Street, By Street to Pennant Hills Road, North Parramatta bus lane
 - Windsor Road, Hammers Road to Thomas Street, Northmead Northbound bus lane and bus bay
 - Victoria Road, Marsden Road to Moira Avenue, West Ryde eastbound bus lane
 - Victoria Road, westbound, Station Street to Riverview Street, West Ryde westbound PM bus lane
 - Bullecourt Avenue, Bankstown, Mid-block pedestrian crossing
- Led a program of work to improve NSW road safety performance:
 - In 2012-13 flashing lights were installed at 280 school zone sites
 - Continued to deliver against the Black Spot Program:
 - Completed 90 Federal Black Spot Projects
 - Completed 68 State funded Road Safety Projects
 - Completed road safety improvements to Picton Road. The total cost of improvements is \$53 million. Improvements

include significant realignment work, a safety barrier including 14km of central median to address a history of head on crashes, wider clear zones and shoulders to improve sight distance and forgiveness of the road environment

- Expanded the Travel Time Information Service to include:
 - Sydney - Newcastle Freeway (M1)
 - Westlink M7
 - Western Motorway (M4).

Name	Paul Hesford
Position	Director, Corporate
Level	6
Period	1 July 2012 – 30 June 2013
Total remuneration package	\$319,600

Significant achievements in 2012-13

- Participated as a member of the Executive Reform Committee to develop the new operating model for OneRMS
- Developed and finalised the functional model and divisional design for the newly formed Corporate Division as part of OneRMS
- Sponsored the delivery of the Customer Focus Program across Roads and Maritime through the delivery of the Key Behaviours program to 2850 staff
- Worked in partnership with TfNSW to deliver and support the TfNSW Corporate and Shared Services Reform, through the recruitment of positions, implementation of delegations and the operating model
- In line with TfNSW Corporate Services Reforms, participated as a member of the Transport ERP Steering Committee to develop the whole of cluster ERP strategy
- Established the Roads and Maritime non-infrastructure project management office and the development of the non-infrastructure portfolio
- Established the Roads and Maritime Chief Procurement Office and commenced the accreditation with Finance and Services
- Sponsored the review of the accounting for infrastructure and property accounting to ensure compliance with accounting standards
- Coordinated the finalisation of 17 'roadmaps' to drive savings and efficiency targets, in partnership with the Roads and Maritime Executive, TfNSW and the Fiscal and Effectiveness Office within the NSW Treasury
- Ensured Roads and Maritime operated within budget and delivered on its savings targets for 2012-13
- Directed the 2012-13 Budget negotiations with TfNSW and NSW Treasury
- Implemented NSW Treasury-mandated early hard close arrangements including Internal Control and Accounting Systems Certification
- Represented Roads and Maritime at the Finance Management Committee chaired by TfNSW which provides governance over the transport budget
- Sponsored the delivery of Human Resource services to the newly formed Roads and Maritime through the new HR operating model
- Implemented the review of WHS services for the newly formed Roads and Maritime, including a refocus of priorities
- Oversaw the development of a Roads and Maritime five-year strategy for WHS which has been consulted with staff and 2,500 industry members
- Sponsored the finalisation of the remaining two of the seven WHS High Risk Working Parties
- Sponsored the delivery of IM&IT services for the newly formed Roads and Maritime through the new IT operating model
- Supported TfNSW in the development of the Transport Cluster Information and Communications Technology (ICT) Strategy
- Continued to chair the ICT Executive Committee which provided governance and leadership over the Roads and Maritime ICT
- Continued to support the Review and Advisory Panel to work with the ICT Executive Committee to prioritise the ICT requests
- Sponsored the implementation of Objective, the Electronic Document Management System with the roll out and training to 5,500 staff
- Provided leadership in the effective commercial management and development of the RMS property portfolio, generating \$75.2 million from rental income and sales of surplus property
- Expanded the outdoor advertising portfolio to 70 outdoor advertising sites, generating \$21 million of revenue.

Name	Neil Dickson
Position	Director, Reform and Transformation
Level	5
Period	November 2012 – 30 June 2013
Total remuneration package	\$272,976 pro rata

Significant achievements 2012-13

- Participated as a member of the Executive Reform Committee to develop the new operating model for OneRMS
- Developed the 'case for change' presentations for use with Ministers and the TfNSW Director General
- Built relationships and partnerships within the transport cluster and with external parties to facilitate the provision of advice and the exchange of information regarding the reform program
- Supported the development of the large scale change program impacting all areas of Roads and Maritime and leading to improved service delivery
- Engaged with external consultancies and advisers to assist with Roads and Maritime's development of the new operating model
- Worked within Roads and Maritime to obtain support for detailed design of the new model in each Division
- Supported the development of strategies and initiatives and led the overall change program
- Sponsored reform projects to improve service delivery within Roads and Maritime in line with the reform agenda
- Worked to develop savings roadmaps and change plans across business units
- Guided the allocation, reallocation and development of resources and plans to prepare for current and future needs and act flexibly to achieve the best possible outcomes
- Encouraged a customer-centric ethos throughout the organisation to ensure continuous connection with customer, community and business goals and priorities
- Supported the reform team and Divisions in preparation of proposals to the business regarding structural changes required by OneRMS.

Name	Maryanne Graham
Position	Director, Strategy and Engagement
Level	4
Period	October 2012 – to 30 June 2013
Total remuneration package	\$248,250 pro rata

Significant achievements 2012-13

- Led the development of annual delivery plans and detailed agency deliverables for 2013-14. In addition, devised and implemented a new, improved strategic planning and reporting process to ensure Roads and Maritime is held accountable for meeting the commitments made in the 2013 Strategy and Deliver Plan
- Active member of the Executive Reform Committee and instrumental in the development and implementation of the new OneRMS operating model.
- Sponsored cost saving, change management and efficiency programs across the agency
- Developed the operating model and structure for the newly formed Strategy and Engagement Division as part of OneRMS. This included embedding business partnering agency-wide to enable more effective and efficient business processes and customer centric ways of working while operating within approved budget
- Implemented the Roads and Maritime digital strategy which delivered a number of customer focused digital services through a range of channels, including launching a new smart phone application and providing web-based interactive road information and trip planning services. In addition, revised the Roads and Maritime website to deliver a benchmark class A in accessibility, so information is more readily available to all customers

- Established industry-wide engagement in relation to key reform initiatives, including Road Maintenance Contestability and WestConnex. Implemented an ongoing program of industry and interagency engagement for key Roads and Maritime executives
- Developed a collaborative cross-government strategy and supporting processes for the planning and sequencing of public works within the Sydney Harbour Bridge precinct
- Supported the delivery of key infrastructure build and maintenance programs and improved information sharing to our community around these significant programs. For example, initiated a successful pilot for a number of infrastructure programs to engage and communicate with impacted members of the community and provided streaming of Dunmore Bridge maintenance works through the Roads and Maritime website
- Delivered over 124 community-based events across the year, including successful high-profile events, such as New Year's Eve on the Cahill Expressway and the community day at Holbrook Bypass to celebrate the duplication of the Hume Highway
- Implemented new and improved ways to work with customers in relation to their complaints, compliments and feedback and aligned our processes with TfNSW. Developed a Customer Liaison Team to focus on the management of escalated customer issues. The team collaborated across Roads and Maritime, our customers and local communities to determine root causes and develop effective solutions
- Managed the development of a Roads and Maritime Privacy Management Plan to ensure Roads and Maritime complies with its obligations under the *Privacy and Personal Information Protection Act 1998* (PPIP Act)
- Sponsored the delivery of the Customer Focus Program across Roads and Maritime through the delivery of the Key Behaviours program to 2850 staff.

Appendix 14: Overseas travel by Roads and Maritime officers

Table 14.1 Overseas travel by Roads and Maritime officers 2012-13

Position	Countries/Cities visited	Purpose of visit
At no cost to Roads and Maritime		
Executive Manager, Transport Strategy and Systems	Singapore	To undertake the post commissioning trip and thus finalise the SCATS VAX Services Migration Agreement
Manager, Initial Survey and Ship Surveyor, Maritime	Holyhead, UK	To survey a commercial vessel being built for Sydney Ports
Part or all costs met by Roads and Maritime		
Acting Senior Bridge Engineer, Polity, Specifications and Durability	Austria	To present a paper at the Third International Symposium on Life-Cycle Civil Engineering conference
Bitumen Inspectors (two)	Papua New Guinea	To test and calibrate bitumen sprayers
General Manager, Infrastructure Asset Management	Virginia, America	To represent Australia on the World Road Association's Technical Committee
Executive Manager, Transport Strategy and Systems & Manager, Traffic Systems Configurations	Moscow, Russia and Vienna, Austria	To represent Roads and Maritime at the ISI TC204 meeting in Moscow and at the 19th World Transport Systems Congress
General Manager, Infrastructure Asset Management	Kuala Lumpur, Malaysia	To attend the World Road Associations technical committee meeting and attend the 14th REAAA Roads conference

Position	Countries/Cities visited	Purpose of visit
Chief Executive	London, England	To attend meetings in relation to road maintenance outsourcing and witness first hand how the UK road maintenance model is operating in practice
Manager, Traffic Policy, Guidelines and Legislation	Christchurch, New Zealand	To attend an Austroads Network Task Force meeting
Manager, Project Services, Northern	Wellington and Auckland, New Zealand	To attend a compulsory two day course requirement for Australian and New Zealand School of Government Executive Master of Public Administration
Manager, Traffic Systems Configurations	Auckland, New Zealand	To attend the Signals New Zealand User Group Meeting
Principal Systems Analyst	Auckland, New Zealand	To attend meetings at the New Zealand Transport Agency and to conduct field visits at the motorway ramp metering installation in Auckland
Group General Manager, Engineering Technology Services	Wellington, New Zealand	To attend the Austroads Road Design Task Force meeting
Executive Manager, Transport Strategy and Systems & Manager, Traffic Systems Configurations	Seattle, America	To represent Roads and Maritime at the ISO TC204 meeting

Appendix 15: Ombudsman complaints

Roads and Maritime welcomes customer feedback, including compliments, complaints and suggestions. In 2012-13, 42 complaints from the NSW Ombudsman were recorded. This was a decrease from the 43 referrals made by the NSW Ombudsman in the period November 2011 to June 2012, when Roads and Maritime was established.

Table A15.1 Complaints received by subject

Subject	Number of complaints
Licensing	18
Registration	8
Tolling	7
Number plates	2
Claims	2
Parking	1
Customer service	2
Misrepresentation of information	2

Appendix 16: Legal change

Legislation administered by the Minister for Roads and Ports

(Act then Regulation)	(Port Authority – Land Traffic Control Regulations – NSW)	Road Transport (Vehicle Registration) Act 1997
City of Sydney Act 1988 (Part 4A and Schedule 2, jointly with the Minister for Transport (remainder, the Minister for Local Government)) from 5 October 2012	Motor Vehicles Taxation Act 1988 (Motor Vehicles Taxation Regulation 2008)	(Road Transport (Vehicles Registration) Regulation 2007)
Driving Instructors Act 1992 (Driving Instructors Regulation 2009)	Navigation Act 1901	Roads Act 1993 (except parts, the Minister for Primary Industries, parts, the Minister for the Environment, and parts, the Minister for Local Government) (Roads Regulation 2008)
Marine Pollution Act 1987 (Marine Pollution Regulation 2006)	Photo Card Act 2005 (Photo Card Regulation 2005)	Sydney Harbour Tunnel (Private Joint Venture) Act 1987 Tow Truck Industry Act 1998 (Tow Truck Industry Regulation 2008)
Marine Pollution Act 2012 (uncommenced)	Ports and Maritime Administration Act 1995 (Ports and Maritime Administration Regulation 2012)	Transport Administration Act 1988, Part 4A, Divisions 1 to 3, so far as it relates to Roads and Maritime Services, Part 6, and so much of the Act as relates to Roads and Maritime Services (remainder, the Minister for Transport) (Transport Administration (General) Regulation 2005 (provisions relating to the parts of the Act administered by the Minister for Roads and Ports))
Marine Safety Act 1998 (Marine Safety (Commercial Vessels) Exemption Order 2011)	Recreation Vehicles Act 1983, Parts 4 and 6 (remainder, the Minister for the Environment) Road Transport (Driver Licensing) Act 1998 (Road Transport (Driver Licensing) Regulation 2008)	(Transport Administration (Staff) Regulation 2012 (provisions relating to the parts of the Act administered by the Minister for Roads and Ports))
(Marine Safety (Commercial Vessels) Regulation 2010)	Road Transport (General) Act 2005 (Road Transport (General) Regulation 2005)	
(Marine Safety (General) Exemption Order 2009)	(Road Transport (Mass, Loading and Access) Regulation 2005)	
(Marine Safety (General) Regulation 2009)	Road Transport (Safety and Traffic Management) Act 1999 (Road Rules 2008)	
Marine Safety Legislation (Lakes Hume and Mulwala) Act 2001	(Road Transport (Safety and Traffic Management) Regulation 1999)	
Maritime Services Act 1935 (Management of Waters and Waterside Lands Regulations – NSW)		

Table A16.1 Changes to Acts and subordinate legislation administered by the Minister for Roads and Ports 2012–2013

Legislation name	Commencement	Description of change
<i>Driving Instructors Amendment (Fees) Regulation 2012</i> (2012 No 243)	Commenced on 1 July 2012	Amended the <i>Driving Instructors Regulation 2009</i> to increase the fees payable in connection with the administration of the <i>Driving Instructors Act 1992</i> . The fee increases were generally in line with movements in the Consumer Price Index.

Legislation name	Commencement	Description of change
<i>Photo Card Amendment (Fee and Penalty Notice Offences) Regulation 2012</i> (2012 No 244)	Commenced on 1 July 2012	Amended the <i>Photo Card Regulation 2005</i> to: (a) increase the fee for the issue and replacement of a new Photo Card, (b) increase the penalties for certain offences dealt with by way of a penalty notice issued under the <i>Photo Card Act 2005</i> . The fee and penalty increases were generally in line with movements in the Consumer Price Index.
<i>Road Transport (Driver Licensing) Amendment (Fees) Regulation 2012</i> (2012 No 245)	Commenced on 1 July 2012	Amended the <i>Road Transport (Driver Licensing) Regulation 2008</i> to increase certain fees payable under the <i>Road Transport (Driver Licensing) Act 1998</i> . The increases were generally in line with movements in the Consumer Price Index.
<i>Road Transport (Safety and Traffic Management) Amendment (Tow-away Charge) Regulation 2012</i> (2012 No 246)	Commenced on 1 July 2012	Amended the <i>Road Transport (Safety and Traffic Management) Regulation 1999</i> to increase the tow-away charge for removal of unattended motor vehicles or trailers. The increase was generally in line with movements in the Consumer Price Index.
<i>Road Transport (Vehicle Registration) Amendment (Fees and Heavy Vehicle Registration Charges) Regulation 2012</i> (2012 No 247)	Commenced on 1 July 2012	Amended the <i>Road Transport (Vehicle Registration) Regulation 2007</i> to: (a) increase certain registration fees and renewal of registration fees for motor vehicles and trailers, (b) increase certain fees payable for inspection and other services provided by Roads and Maritime Services, and (c) provide for annual registration charges for chargeable heavy vehicles for the 2012–2013 financial year. The fee increases were generally in line with movements in the Consumer Price Index. The registration charges were consistent with those set for 2012–2013 by the National Transport Commission.
<i>Road Amendment (Penalty Notice Offences) Regulation 2012</i> (2012 No 248)	Commenced on 1 July 2012	Amended the <i>Roads Regulation 2008</i> to increase the penalty for offences dealt with by way of a penalty notice issued under section 243 the <i>Roads Act 2008</i> . The increases were generally in line with movements in the Consumer Price Index.
<i>Tow Truck Industry Amendment (Maximum Fees) Regulation 2012</i> (2012 No 249)	Commenced on 1 July 2012	Amended the <i>Tow Truck Industry Regulation 2008</i> to increase certain maximum fees that can be charged by the holder of a tow truck operators licence or a tow truck drivers certificate for the towing, salvage or storage of a motor vehicle that has been involved in an accident or that has been stolen, or for any service that is related to the towing, salvage or storage of such a motor vehicle. The fee increases were generally in line with movements in the Consumer Price Index.

Legislation name	Commencement	Description of change
<i>State Revenue and Other Legislation Amendment (Budget Measures) Act 2012</i> (2012 No 46)	Commenced on 1 July 2012	This Act was cognate with other Budget Bills. It amended Road related legislation to increase traffic and parking fines by 12.5% effective 1 July 2012 Schedule 3 Amendments to increase traffic and parking fines 3.1 Amendment of Road Transport (General) Regulation 2005 3.2 Amendment of <i>Motor Vehicles Taxation Act 1988</i> 3.3 Amendment of Road Rules 2008 3.4 Amendment of <i>Road Transport (Safety and Traffic Management) Act 1999</i> .
<i>Road Transport Legislation Amendment (Offender Nomination) Act 2012</i> (2012 No 17)	Commenced on 1 July 2012	Assent on 11.04.2012. Parts commenced on Assent. Schedules 1[3], 2.1 and 2.2, proclaimed to commence on 1 July 2012 (Proclamation 2012 No 307) The Act amended the <i>Road Transport (General) Act 2005</i> to make further provision with respect to the nomination of offenders for certain camera recorded and parking offences and consequential and minor amendments.
<i>Road Transport (General) Amendment (Vehicle Sanctions) Act 2012</i> (2012 No 23)	Commenced on 1 July 2012	Assent on 03.05.2012. Parts commenced on Assent. The remaining uncommenced provisions of the Act were proclaimed to commence on 1 July 2012 (Proclamation 2012 No 276) The Act amended the <i>Road Transport (General) Act 2005</i> in relation to sanctions for offences involving police pursuits, high range speeding and certain other driving offences.
<i>Road Transport Legislation Amendment (Fees) Regulation 2012</i> (2012 No 309)	Commenced on 1 July 2012	Amended the <i>Road Transport (General) Regulation 2005</i> to increase the daily storage fee for an impounded vehicle. Amended the <i>Road Transport (Mass, Loading and Access) Regulation 2005</i> to increase the fees for: (i) the issue of Class 1, 2 or 3 permits, or a permit under Division 6 or 7 of Part 2 of that Regulation, (ii) the issue of a permit exempting a person from the operation of any of the provisions of clause 53(1) of that Regulation relating to the protection of loading or equipment of vehicles, and (iii) an application to be accredited under a Mass Management Accreditation Scheme. The fee increases were generally in line with movements in the Consumer Price Index.

Legislation name	Commencement	Description of change
<i>Roads Amendment (Authorised Officers) Regulation 2012</i> (2012 No 312)	Commenced on 6 July 2012	The object of this Regulation is to prescribe staff of TfNSW as a class of persons who may be authorised by Roads and Maritime Services or any other roads authority to exercise the functions of an authorised officer under the <i>Roads Act 1993</i> .
<i>Road Transport (Vehicle Registration) Amendment (Registration Charge Exemptions and Refunds) Regulation 2012</i> (2012 No 431)	Commenced on 1 September 2012	Amend the <i>Road Transport (Vehicle Registration) Regulation 2007</i> : (a) to provide exemptions from the requirement to pay registration charges for certain heavy vehicle trailers that are converter dollies or owned by small operators, and (b) to provide for the refund of registration charges that have already been paid for the 2012–2013 financial year in respect of such trailers. The exemptions did not affect any requirement to pay administrative fees with respect to the registration of such heavy vehicle trailers.
<i>Road Transport (Vehicle Registration) Amendment (Release of Information to Toll Operators) Regulation 2012</i> (2012 No 433)	Commenced on 31 August 2012	This Regulation enabled Roads and Maritime Services to enter into agreements with other toll operators that authorise the release to those toll operators of the name and address of a registered operator of a vehicle and the identification details of the vehicle. The Authority is required to consult with the Privacy Commissioner before entering into such an agreement.
<i>Management of Waters and Waterside Lands Amendment (Fees) Regulation 2012</i> (2012 No 441)	Commenced on 1 October 2012	Amended the <i>Management of Waters and Waterside Lands Regulation - N.S.W.</i> to adjust the fees relating to occupation licences payable under the <i>Maritime Services Act 1935</i> . Fee increases were generally in line with movements in the Consumer Price Index.
<i>Marine Safety Legislation Amendment (Fees) Regulation 2012</i> (2012 No 442)	Commenced on 1 October 2012	Amended the <i>Marine Safety (Commercial Vessels) Regulation 2010</i> and the <i>Marine Safety (General) Regulation 2009</i> to adjust certain fees payable under the <i>Marine Safety Act 1998</i> . Fee increases were generally in line with movements in the Consumer Price Index.

Legislation name	Commencement	Description of change
<p><i>Ports and Maritime Administration Regulation 2012</i></p> <p>(2012 No 407)</p>	<p>Commenced on 1 September 2012</p> <p>(except as provided in relation to staff director elections).</p>	<p>Regulation to replace the <i>Ports and Maritime Administration Regulation 2007</i> which was repealed on 01.09.2012 by section 10(2) of the <i>Subordinate Legislation Act 1989</i>.</p> <p>The regulation deals with:</p> <p>(a) port charges, including new provision to enable charges payable under the Act for the occupation of a wharf site by a vessel to be calculated by reference to the total number of passengers arriving on the vessel,</p> <p>(b) the Port Botany Landside Improvement Strategy,</p> <p>(c) prescribing the boundaries of specified ports,</p> <p>(d) the manner in which the staff director of a Port Corporation is to be elected,</p> <p>(e) the establishment of a Maritime Advisory Council,</p> <p>(f) prescribing certain legislation to be included in the definition of <i>marine legislation</i> in section 3(1) of the Act.</p>
<p><i>Road Transport (Safety and Traffic Management) Amendment (Removal of Unattended Vehicles) Regulation 2012</i></p> <p>(2012 No 469)</p>	<p>Commenced on 21 September 2012</p>	<p>The <i>Road Transport (Safety and Traffic Management) Act 1999</i> enables an authorised officer to remove an illegally parked vehicle from a prescribed place if the officer considers the vehicle is causing, or unless removed is likely to cause, danger to the public or undue traffic congestion.</p> <p>This Regulation amended the <i>Road Transport (Safety and Traffic Management) Regulation 1999</i> to prescribe a freeway as a prescribed place from which an illegally parked vehicle may be so removed</p>
<p><i>City of Sydney Act 1988</i></p> <p>Sections 51L, 51M and 51N containing notification and consultation requirements of new Part 4A commenced</p> <p>(as inserted by the <i>City of Sydney Amendment (Central Sydney Traffic and Transport Committee) Act 2012</i> (2012 No 47))</p>	<p>Commenced on 5 October 2012</p>	<p>The Amendment Act inserted a new Part in the <i>City of Sydney Act 1988</i> establishing a Central Sydney Traffic and Transport Committee consisting of representatives of the State government and the Sydney City Council to provide for effective co-ordination of transport and traffic management in the Sydney Central Business District.</p> <p>New sections 51L, 51M and 51N were not commenced with the other amendments which occurred on Assent to the Act.</p> <p>(Administered jointly with the Minister for Transport).</p>

Legislation name	Commencement	Description of change
<i>Road Amendment (Miscellaneous) Rules 2012</i> (2012 No 533)	Commenced on 1 November 2012	Amended the <i>Road Rules 2008</i> : (a) to implement (with some modifications) the amendments made to the <i>Australian Road Rules</i> by the <i>National Transport Commission (Model Amendments Regulations: Australian Road Rules—Package No. 7) Regulations 2008</i> and the <i>National Transport Commission (Model Amendments Regulations: Australian Road Rules—Package No. 8) Regulations 2009</i> of the Commonwealth and the <i>Model Amendments Regulations: Australian Road Rules—Package No. 9</i> published by the National Transport Commission, and (b) to make other miscellaneous amendments.
<i>Road Transport (Driver Licensing) Amendment (Miscellaneous) Regulation 2012</i> (2012 No 534)	Commenced on 1 November 2012	Amended the <i>Road Transport (Driver Licensing) Regulation 2008</i> in relation to demerit point offences that are consequential to amendments made to the <i>Road Rules 2008</i> .
<i>Road Transport (General) Amendment (Miscellaneous) Regulation 2012</i> (2012 No 535)	Commenced on 1 November 2012	Amended the <i>Road Transport (General) Regulation 2005</i> in relation to penalty notice offences that are consequential to amendments made to the <i>Road Rules 2008</i> .
<i>Road Transport (General) Amendment (Private Car Parks) Act 2012</i> (2012 No 86)	Commenced on 20 November 2012	Amended the <i>Road Transport (General) Act 2005</i> in relation to the disclosure of information by Roads and Maritime Services in connection with the recovery of car park fees.
<i>Statute Law (Miscellaneous Provisions) Act (No 2) 2012</i> (2012 No 95)	Relevant provisions commenced on 4 January 2013	Amendments effecting statute law revision (Schedule 2) to: 2.31 <i>Road Transport (General) Regulation 2005</i> – to correct cross-references in clause 78 2.32 <i>Road Transport (Safety and Traffic Management) Regulation 1999</i> – to correct the spelling of a street name in Schedule 3 2.38 <i>Tow Truck Industry Regulation 2008</i> – to update references to a body (“RTA” to “RMS”) 2.39 <i>Transport Administration Act 1988</i> – to remove references to the former Public Transport Ticketing Corporation and provisions relating to that body Repeals of redundant provisions (Schedule 3): Clause 2 <i>Ports and Maritime Administration Act 1995</i> Section 111 and Schedule 3 – which were the repeal provisions for certain earlier legislation

Legislation name	Commencement	Description of change
<i>Ports Assets (Authorised Transactions) Act 2012</i> (2012 No 101)	Commenced on 26 November 2012	<p>[The administration of this Act has been allocated to the Treasurer but certain provisions affect the Minister for Roads and Ports as “portfolio Minister” of a transaction SOC under the Act or of a port SOC.]</p> <p>In addition to its substantive provisions, the Act made the following amendments to legislation administered by the Minister for Roads and Ports:</p> <p><i>Marine Safety Act 1998</i></p> <p>Amended by Schedule 6.2 to specify officers, employees and agents of a private port operator of a private port as persons who may be appointed as authorised officers (new s.96(1)(f)).</p> <p><i>Ports and Maritime Administration Act 1995</i></p> <p>Amended by Schedule 6.3:</p> <ul style="list-style-type: none"> (i) to provide a special regulatory regime for private ports, including provision for the regulation of activities at private ports by means of directions given by the private port operator for the purpose of maintaining or improving safety and security at the port, and conferring information gathering powers on private port operators, and (ii) to institute a price monitoring scheme to monitor charges imposed by private port operators, and. (iii) to provide for certain existing port charges to be charged by private port operators, and (iv) to provide for a new port charge (a port infrastructure charge to fund investment in ports) to be charged at both public and private ports. <p><i>Ports and Maritime Administration Regulation 2012</i></p> <p>Amendments by Schedule 6.4 to Part 2 Port charges and Part 3 Port Botany Landside Improvement Strategy.</p> <p><i>Sydney Harbour Tunnel (Private Joint Venture) Act 1987</i></p> <p>Amendment by Schedule 6.7 to “Schedule 4 The ancillary sites” to insert mention of land subject of a lease under the <i>Ports Assets (Authorised Transactions) Act 2012</i> as land excluded from Schedule 4.</p>
<i>Photo Card Amendment (Seniors and Carers Fee Concessions) Regulation 2012</i> (2012 No 568)	Commenced on 26 November 2012	<p>Extended the categories of people who are not required to pay a fee for a Photo Card. The concession was extended to holders of NSW Seniors Cards and people in NSW who receive a carer allowance from the Commonwealth government.</p>

Legislation name	Commencement	Description of change
<i>Road Amendment (Electronic Parking Permits) Rules 2012</i> (2012 No 579)	Commenced on 23 November 2012	Amended the <i>Road Rules 2008</i> to allow holders of electronic parking permits to be exempt from certain parking restrictions which then applied only to holders of printed parking permits, including with respect to parking in special event parking areas, metered parking areas, ticket parking areas, coupon parking areas and areas which are the subject of permissive parking signs.
<i>Road Transport (Safety and Traffic Management) Amendment (Electronic Parking Permits) Regulation 2012</i> (2012 No 580)	Commenced on 23 November 2012	Amended the <i>Road Transport (Safety and Traffic Management) Regulation 1999</i> to provide that electronic parking permits may be issued by a parking authority in respect of a vehicle.
<i>Road Transport (Vehicle Registration) Amendment (Registration Labels) Regulation 2012</i> (2012 No 570)	Commenced on 1 January 2013 except transitional provision (Schedule 1[8]) which commenced on publication (23 November 2012).	Amended the <i>Road Transport (Vehicle Registration) Regulation 2007</i> to abolish the requirement that registration labels be issued and affixed to light motor vehicles and trailers (gross vehicle mass of up to 4.5 tonnes). Also made consequential amendments, including in relation to persons driving vehicles who are unaware of the registration status of the vehicle, and transitional provisions.
<i>Roads Amendment (Roads Authority) Regulation 2012</i> (2012 No 571)	Commenced on 23 November 2012	Amended the <i>Roads Regulation 2008</i> to declare Roads and Maritime Services to be the roads authority for certain (unclassified) public roads in the vicinity of the M5 West Motorway which are to be used for access in connection with the M5 West widening project.
<i>Marine Safety (General) Amendment (Miscellaneous) Regulation 2012</i> (2012 No 584)	Commenced on 30 November 2012	Amended the <i>Marine Safety (General) Regulation 2009</i> to extend lifejacket wear obligations and various other primarily safety related amendments. Amended the <i>Marine Safety (General) Regulation 2009</i> and the <i>Marine Safety (Commercial Vessels) Regulation 2010</i> to update references to the former Maritime Authority so that they refer to Roads and Maritime Services.
<i>Graffiti Legislation Amendment Act 2012</i> (2013 No 57) (Commencement Proclamation 2012 No 599)	Commenced on 10 December 2012	Amendments to the following legislation to support the graffiti licence order provisions of the amended <i>Graffiti Control Act 2008</i> : <i>Road Transport (Driver Licensing) Act 1998</i> <i>Road Transport (Driver Licensing) Regulation 2008</i>
<i>Road Amendment (Seatbelt Exemption) Rules 2012</i> (2012 No 604)	Commenced on 14 January 2013	Amended the <i>Road Rules 2008</i> to remove the exemption for taxi drivers from the requirement for drivers of motor vehicles to wear a seatbelt while driving.
<i>Road Amendment (Power-Assisted Pedal Cycles) Rules 2012</i> (2012 No 622)	Commenced on 14 December 2012	Amended the <i>Road Rules 2008</i> to include power-assisted pedal cycles (which include pedalecs) in the definition of bicycle .

Legislation name	Commencement	Description of change
<i>Road Transport (Driver Licensing) Amendment (Power-Assisted Pedal Cycles) Regulation 2012</i> (2012 No 623)	Commenced on 14 December 2012	Amended the <i>Road Transport (Driver Licensing) Regulation 2008</i> to extend the exemption of certain vehicles from the requirement to comply with certain driver licensing provisions under the <i>Road Transport (Driver Licensing) Act 1998</i> to include power-assisted pedal cycles.
<i>Road Transport (Vehicle Registration) Amendment (Power-Assisted Pedal Cycles) Regulation 2012</i> (2012 No 624)	Commenced on 14 December 2012	Amended the <i>Road Transport (Vehicle Registration) Regulation 2007</i> to extend the exemption of certain pedal cycles from the application of provisions of the Regulation concerning the registration of registrable vehicles to include power-assisted pedal cycles.
<i>Roads Amendment (Barangaroo) Regulation 2013</i> (2013 No 29)	Commenced on 30 January 2013	Amended the <i>Roads Regulation 2008</i> to continue in force, for a further 5 years, a provision declaring the Barangaroo Delivery Authority to be the roads authority for certain public roads in the vicinity of Barangaroo.
<i>Road Transport (Vehicle Registration) Amendment (M5 East Tunnel) Regulation 2013</i> (2013 No 62)	Commenced on 1 March 2013	Amended the <i>Road Transport (Vehicle Registration) Regulation 2007</i> to enable Roads and Maritime Services to suspend the registration of a heavy vehicle for up to 3 months if 3 or more offences are committed under clause 16(1) of the <i>Protection of the Environment Operations (Clean Air) Regulation 2010</i> involving the emission of excessive air impurities by the heavy vehicle while it is being used in the M5 East Tunnel.
<i>Transport Administration Amendment (Community Road Safety Fund) Act 2012</i> (2013 No 70) (Commencement Proclamation 2013 No 155)	Commenced on 1 May 2013	Amended the <i>Transport Administration Act 1988</i> to insert a new Division 3B Community Road Safety Fund in Part 8.
<i>Road Transport (Safety and Traffic Management) Amendment (NSW Forensic & Analytical Science Service) Regulation 2013</i> (2013 No 178)	Commenced on 3 May 2013	Replaced a reference in clause 129 of the <i>Road Transport (Safety and Traffic Management) Regulation 1999</i> to the Division of Analytical Laboratories, ICPMR, Health Reform Transitional Organisation Western with "NSW Forensic & Analytical Science Service" to reflect a change of name.
<i>State Owned Corporations Legislation Amendment (Staff Directors) Act 2013</i> (2013 No 36)	Commenced on 3 June 2013	<i>Ports and Maritime Administration Act 1995</i> Amended by Schedule 2.3 of the <i>State Owned Corporations Legislation Amendment (Staff Directors) Act 2013</i> . Section 18 Special provision for election of staff director - omitted.
<i>State Owned Corporations Legislation Amendment (Staff Directors) Act 2013</i> (2013 No 36)	Commenced on 3 June 2013	<i>Ports and Maritime Administration Regulation 2012</i> Amended by Schedule 2.4 of the <i>State Owned Corporations Legislation Amendment (Staff Directors) Act 2013</i> . Part 5 Staff director elections - omitted. Schedule 2 Forms - omitted.

Legislation name	Commencement	Description of change
<i>Marine Safety (General) Amendment (Exemptions Relating to Lifejackets) Regulation 2013</i> (2013 No 256)	Commenced on 7 June 2013	<p>The Regulation amended the <i>Marine Safety (General) Regulation 2009</i>:</p> <p>(a) to exempt persons on board canoes or kayaks from the requirement to wear an appropriate lifejacket when the vessel is being operated more than 100 metres from the shore on enclosed waters, and</p> <p>(b) to exempt the operators of canoes or kayaks from the obligation to ensure that each person on board the canoe or kayak complies with that requirement.</p> <p>The exemptions are subject to conditions, including conditions relating to the qualifications of canoeists and kayakers and their supervision by qualified persons.</p>

Significant judicial decisions

Endycott (Roads and Maritime) v Bulga Coal Management Pty Ltd [2012] NSWSC 1124; Endycott (Roads and Maritime) v Griffiths Garage Pty Ltd [2012] NSWSC 1131; Endycott (Roads and Maritime) v Rapid Access Australia Pty Ltd [2012] NSWSC 1132

On 5 March 2009, a heavy vehicle combination carrying an elevating work platform (EWP) struck a pedestrian overpass on the New England Highway at Maitland. The Bridge was dislodged and fell across four lanes of the Highway.

At the time of the Incident the heavy vehicle was travelling from a mine operated by Bulga Coal Management Pty Ltd at Singleton, where the EWP had been hired for use, to Rapid Access Australia Pty Ltd at Thornton. The operator of the heavy vehicle was Griffiths Garage Pty Ltd. The cost of the bridge repair works exceeded \$1.7 million.

Roads and Maritime (then the RTA) commenced criminal proceedings under the *Road Transport (General) Act 2005* (now the *Road Transport (Vehicle and Driver Management) Act 2005*) as follows:

- Rapid Access was charged as a consignee (under section 58) and Griffiths as an operator pursuant to section 56; and
- Bulga was charged as a loader (under section 55) and in the alternative as a consignor (under section 53)

Roads and Maritime made a separate application for a roads compensation order pursuant to section 210.

The Court was satisfied on the evidence that the EWP was loaded in such a way that the vehicle, together with its load, exceeded the maximum permissible height of 5 metres allowable under the permit issued and exceeded the height of the bridge.

Rapid Access and Griffiths both pleaded guilty were respectively fined \$8250 and \$16,500. In imposing these fines, the Court took into consideration that Rapid Access had agreed to make a compensation payment of \$300,000 and Griffiths agreed to pay \$1 million compensation.

Bulga pleaded not guilty, arguing it was neither a consignor nor a loader. The Court found that Bulga

did not perform either of these roles. In reaching its decision, the Court found:

- The Court is first required to determine whether any person is identified as the consignor in the transport documentation. The provision does not require a person to be named by the transport documentation and the Court may have regard to received evidence to determine who is a consignor
- Bulga had no role in the arrangements for collection and the contract was between Rapid Access and Griffiths. Since the prosecutor could not prove that the transport documentation did not identify the consignor, the Court found it was not necessary to consider whether any of the descriptions within section 53(1)(b) applied
- However, the Court also ruled out any basis for liability under section 53(1)(b). Bulga had no obligation to return the EWP or even initiate its return by road and had yielded possession to Griffiths in order for its return to Rapid Access. Bulga had not engaged Griffiths. Similarly, having yielded possession to Griffiths before the transport of the EWP by road

Bulga did not have possession or control of the EWP immediately before it was transported by road. The Court observed that any ambiguity as to the meaning of the word “immediately” had been resolved in favour of the accused

- In alleging the alternative offence against Bulga as a loader, Roads and Maritime relied upon

paragraphs (d) and (e) of the definition. The Court found that Bulga had no role in loading beyond observing Griffiths load the EWP. Accordingly, Bulga had not supervised, managed or controlled any relevant loading activity. It was not to the point that entry to, movement around and egress from the mine site

were inhibited. What was required was an active involvement by the person said to have been a loader

Roads and Maritime was not required to pay Bulga Coal’s costs of the criminal proceedings but was ordered to pay Bulga Coal’s costs in the roads compensation order, as agreed or assessed.

Appendix 17: Reporting of contracts with private sector entities

Under Part 3 of the *Government Information (Public Access) Act 2009* (GIPA Act), Roads and Maritime is required to maintain a register of government contracts that records information about each government contract to which Roads and Maritime is a party that has (or is likely to have) a value of \$150,000 or more.

The Premier’s Memorandum No 2007–01 mandates the disclosure of particular information about invitations to tender.

Roads and Maritime’s government contracts register and tender disclosure information was available on the Department of Services, Technology and Administration eTender website at tenders.nsw.gov.au.

Roads and Maritime also maintains a separate register of government contracts which is on its website and available for view by class of contract.

Any inquiries about Roads and Maritime’s tender of contract disclosure can be directed to the Manager, Information and Privacy on 02 8588 4990.

Appendix 18: Public interest disclosures report to Minister

In accordance with Section 31 of the *Public Interest Disclosures Act 1994*, the following information (as stipulated by Clause 4 of Public Interest Disclosures Regulation 2011) is being supplied by Roads and Maritime to the Minister for Roads and Ports and the Minister for Transport. The Act came into effect on 1 January 2012 and the reporting period for this report is 1 July 2012 to 30 June 2013.

The number of public officials who have made a public interest disclosure to Roads and Maritime	6
The number of public interest disclosures received by Roads and Maritime	6
The number of public interest disclosures (received since 1 July 2012) that have been finalised by Roads and Maritime in this reporting period	2

The number of public interest disclosures received by Roads and Maritime relating to each of the following categories:

Corrupt conduct	6
Maladministration	0
Serious and substantial waste of public money or local government money (as appropriate)	0
Government information contraventions	0
Local government pecuniary interest contraventions	0

In accordance with section 6D of the *Public Interest Disclosures Act 1994*, Roads and Maritime does have a Public Interest Disclosures internal reporting policy in place.

The Chief Executive of Roads and Maritime has taken action to meet staff awareness obligations under Section 6E (1) (b) of the *Public Interest Disclosures Act 1994*. The actions taken by the Chief Executive of Roads and maritime include:

- Policy briefing from senior managers.
- Training provided to new staff during induction.
- Links to policy on Roads and Maritime Intranet site.
- Statement of commitment by the Chief Executive.

Appendix 19: Privacy Management Plan

In compliance with section 33 of the *Privacy and Personal Information Protection Act (PIIP Act)*, Roads and Maritime has a Privacy Management Plan which includes: information about the development of policies and practices to ensure compliance by the agency with the requirements of the PIIP Act and the *Health Records and Information Privacy Act 2002 (HRIP Act)*, if applicable; the communication of those policies and practices to persons within Roads and Maritime; the procedures that the agency adopts in relation to any internal review under Part 5 of the PIIP Act; and such other matters as are considered relevant by Roads and Maritime in relation to privacy and the protection of personal information held by the agency. The Plan is available on the Roads and Maritime website.

As part of its Privacy Management Plan, Roads and Maritime recently provided privacy awareness training to senior customer service officers. The training involved discussion of a range of privacy related matters which have recently arisen through reviews of conduct under Part 5 of the PIIP Act. This training will be provided to Roads and Maritime staff as the need arises.

Roads and Maritime continues to do the following

- Identify and consider the requirements of the Act, such as principles, codes, public register provisions and internal reviews
- Identify collections of personal information for which Roads and Maritime is responsible
- Ensure measures are in place to provide an appropriate level of protection for personal information
- Establish mechanisms to ensure Roads and Maritime staff are aware of their obligations under the Act and are appropriately trained to apply the information protection principles

The TfNSW Corporate and Shared Services Reform Program recently completed the redevelopment of the Information and Privacy service across the Transport Cluster. The new operating model has been designed to ensure greater consistency in the management of personal information held by each of the agencies to achieve the best possible results for members of the public. Part of the function of the new model will be the review, revision or redevelopment of the privacy management plans of the transport agencies to ensure that they are best designed to provide the highest standard of information about the compliance with the

information protection and health records principles in the PIIP and HRIP Acts.

Privacy reviews

During 2012-13 Roads and Maritime received seven applications for the review of conduct relating to the agency's management of personal information.

In the first review of conduct, the applicant raised concerns about the tending of driving record during proceedings in relation to an offence under the Road Rules 2008. The use and disclosure of the driving record was found to have been permitted under the PIIP Act and the investigation concluded that there was no breach of the information protection principles.

The second review application was in relation to the disclosure of personal details to a local council for the enforcement of a parking offence. While the disclosure of personal information would have been permitted under the PIIP Act, Roads and Maritime records indicate that the customer's details had not been properly updated and as such, there was no reason for the information to have been disclosed to the local council. Accordingly,

Roads and Maritime apologised for the inconvenience caused to the applicant.

The third review concerned that the results of a driving test that had allegedly been disclosed to another person. There was no evidence to substantiate this claim that information about the applicant had been disclosed to another person.

The fourth review of conduct arose as a result of concern that the registration details for the applicant's vehicle had been mistakenly changed. The investigation confirmed that Roads and Maritime records were incorrect. However, the applicant had suffered no detriment as a result of the incorrect records as they had retained custody of the vehicle during the period that the records were incorrect. Roads and

Maritime apologised for any distress that the incorrect records may have caused the applicant.

The fifth review concerned claims that Roads and Maritime failed to verify the applicant's identity sufficiently before using their personal information. It was found that while the officer had verified the customer's identity in accordance with one of the operating procedures, Roads and Maritime had a second procedural document which covered the same type of transaction and the officer had not met the required standard of the second document. Accordingly, Roads and Maritime was found to have not taken such security safeguards as were reasonable in the circumstances in respect of the security of the applicant's personal information and apologised to the applicant.

The sixth review concerned information that is available on the free registration check through Roads and Maritime Online Services website. Specifically, the applicant was concerned about the reference to whether particular vehicles have a 'concession' on the registration (which results in there being no fee to register vehicles). While no breach of the information protection principles was discovered, Roads and Maritime is reviewing the text on Online Services to reduce the chance of this information being misunderstood by persons using this service.

The applicant in the final review was concerned about the reference to there being a 'concession' on the registration of their vehicle. No breach of the information protection principles was identified.

Appendix 20: Insurance

Principle arranged insurance

Roads and Maritime continues to provide principal arranged insurance via its broker AON. The program covers its contractors and sub-contractors for all construction and maintenance work on roads and bridges, for contract works and for third party liability. A new professional indemnity cover for roads and bridges construction was

initiated in February 2009. A similar program for real estate is now in place for all building construction, maintenance and repair contracts for contract works and third party liability.

Treasury Managed Fund

The Treasury Managed Fund (TMF) is a NSW Government arranged indemnity scheme (operated by

the NSW Treasury), which provides indemnity cover for workers compensation, motor vehicle, property damage, legal liability, fidelity guarantee and travel.

Premium details and claim performance on the major insurance categories for the period 1 July 2012 to 30 June 2013 are as follows:

Table A20.1 Premium details and claim performance on major insurance categories

Insurance type	Premium (\$0'm)	Claim performance
Workers compensation	\$8.4 million	4.8 claims per 100 employees
Motor vehicle	\$1.6 million	9.9 claims per 100 employees
Property	\$6.2 million	
Liability	\$15.6 million	

Appendix 21: Industrial relations and policy

Communication and consultation

Communication and consultation regarding industrial and employee related matters is incorporated through regular forums with unions and professional associations representing salaried and wages staff.

The Single Bargaining Unit (SBU) is the peak negotiation and consultation forum for wages staff. It includes representatives from five wages unions. The SBU meets on a quarterly basis.

The Peak Consultative Committee (PCC) is the primary point of consultation between Roads and Maritime and the salaried staff associations and unions. The PCC meet on a monthly basis and includes union officials and delegates from six unions. In addition to the above consultative forums, the Workplace Relations team works closely with unions and the business to consult and communicate with unions on various Roads and Maritime projects, for example, Reform and Maintenance Contestability.

Advice

The Workplace Relations team provides advice to the organisation on individual matters and projects

in compliance with the broader industrial relations strategy as defined by TfNSW and Roads and Maritime.

Human resources policies

With the further integration of Transport agencies, the Roads and Maritime Human Resources team worked closely with TfNSW and other cluster agencies to commence the development of a range of common HR policies to apply across the cluster. Policy development work also facilitated the implementation of Working with Children Checks for school crossing supervisors as a result of the proclamation of the *Child Protection (Working with Children) Act 2012*. Work continued on amalgamating HR policies and procedures following the merge of the former RTA and NSW Maritime.

Award negotiations and movements in salaries and wages

Many of the awards and agreements covering Roads and Maritime employee entitlements and conditions expired on 30 June 2013. The Workplace Relations team negotiates replacement industrial instruments with unions and professional associations. During the

recent round of negotiations with unions, Roads and Maritime advised relevant unions of the intention to rationalise and simplify the number of industrial instruments in the interests of equity, harmonisation, administrative efficiency, and to facilitate the amalgamation of our operating divisions, such as Maritime. The Workplace Relations team has met with relevant unions since February 2013 and have commenced discussions regarding new awards for salaried, wages, Traffic Signals and school crossing supervisors employees. A number of Roads and Maritime Awards have been varied to provide for a 2.25 per cent wage increase effective 1 July 2013.

Industrial Relations Commission

The Workplace Relations team represent Roads and Maritime before the NSW Industrial Relations Commission (IRC) on disputes, unfair dismissals and during award negotiations.

Lost time due to staff participation in industrial action

The number of days lost due to staff participation in industrial action for 2012-13 was 251.9 days.

Table A21.1 Total effective full-time employees by category

Year	Salaried staff	Waged staff	Casual staff	Total staff
As at 30 June 2013	5562	1703	206	7472
As at 30 June 2012	5810	1768	95	7673
As at 30 June 2011	5744	1762	17	7523

Table A21.2 Employment category groups

Salaried staff	Waged
Cadets	Apprentices
Graduates	School crossing
Salaried	Waged
Senior executive staff	Waged – trainees
Trainees	

Note: Category groups exclude casual employees

Appendix 22: Equal Employment Opportunity

Diversity and Equity

Equal Employment Opportunity (EEO) aims to ensure that all employees have equal access to the opportunities available at work. Roads and Maritime actively works to ensure the mix of staff within the organisation reflects that of the communities served. As part of the corporate and shared services reform, a cluster wide Diversity and Inclusion Strategy is being developed within TfNSW. Pending the finalisation of this Strategy, Roads and Maritime's Diversity and Equity Program focused on the following areas:

- Developing female employees for more senior management positions
- Encouraging women to pursue engineering and technical careers
- Increasing the employment and development of Aboriginal people at all levels of responsibility
- Increasing the employment of people with a disability
- Encouraging youth towards tertiary studies in engineering and related technical fields where there are skill shortages

- Continuing the inclusion of skilled migrant workers within Roads and Maritime project teams. In May 2012, Roads and Maritime was a finalist in two categories of the inaugural Australian Human Resource Institute Diversity Awards.

Towards gender equity

Improving female participation in the Roads and Maritime workforce is critical to ensure the continued growth of the future workforce. Women made up 35.4 per cent of the workforce (as at 30 June 2013), which is an increase of 0.9 per cent from the previous financial year. The organisation has a range of gender specific programs in place to develop and support women in middle management and non-traditional roles.

Professional skills development of female staff was facilitated by:

- Formal voice training to build confidence and clarity in verbal communication and influencing skills
- Multiple groups with strong gender and multicultural representation enrolled in

formal training and assessment towards the Diploma in Policy Management

- Seminars and training run by the Institute of Public Administration Australia
- Financial assistance and study leave provisions to support female employees in postgraduate study
- The Spokeswomen's calendar and newsletters promoting our annual information days and activities
- The Professional Women's Network lunch meetings for senior female employees.

Roads and Maritime is an active member of the NSW Equal Employment Opportunity Practitioners' Association, with regular presentations being delivered by the Roads and Maritime Human Resource team.

Roads and Maritime also has strategic partnerships with NSW universities, TAFE colleges, commercial training providers and other government agencies to remain informed and connected with best practice initiatives to build gender equity.

Increasing the number of women in non-traditional roles

In the profession of engineering, women represent 11 per cent of the total number of engineers. One per cent of women are represented in non-traditional road construction roles.

Roads and Maritime sponsors Women in Engineering events to actively increase female enrolments at NSW engineering faculties. Roads and Maritime female engineering graduates and paraprofessionals present interactive learning workshops at these events, building their own confidence, logistics and formal presentation skills and acting as role models.

Roads and Maritime sponsored the Women in Engineering Summit in January 2013 at the University of Wollongong, with 45 female participants. These events raise the awareness of senior high school students, their parents and teachers of the pathways into, and reward gained from, non-traditional roles.

Increasing the employment and development of Aboriginal people

The Aboriginal Employment Strategy sets a strategic framework for improving recruitment, development and retention of Aboriginal people across Roads and Maritime and is a response to central government requirements.

The strategy is supported by the 'Walk the road with our mob' DVD, which profiles current Aboriginal staff and their roles and the services they provide to the community.

Roads and Maritime participated in Indigenous career expos and sponsored the Indigenous Engineering Summer School in January 2013.

In partnership with the Aboriginal Education Consultative Group NSW, Roads and Maritime supported ten secondary scholarships for Aboriginal Year 11 and 12 students studying maths and science subjects (both engineering prerequisites). The recruitment campaign for the start of the 2013 school year has attracted a diverse pool of candidates. Of the three Roads and Maritime HSC scholars who graduated in December 2012, one has started in the Road and Maritime Cadetship Program.

Targeted recruitment campaigns and a dedicated email address reached NSW communities and helped to improve Aboriginal employment, career development and retention rates across salary levels at a rate similar to non-Aboriginal staff. Aboriginal.Jobs@rms.nsw.gov.au received regular enquiries from individuals and job service centres and acted as a distribution network for Aboriginal identified roles.

A female Aboriginal archaeology cadet has continued under the National Indigenous Cadetship Program and will carry out work placements within our Environment Branch throughout her degree studies where she will receive policy and operational experience.

Relationships with secondary and tertiary institutions and the Department of Premier and Cabinet were strengthened to help ensure the availability of suitable Aboriginal graduates, cadets and trainees. Increased numbers in target areas are evidence of the partnership's success.

The Roads and Maritime Aboriginal Cultural Education Training Program aims to build internal relationships provide support to managers and Aboriginal employees and improve service delivery to Aboriginal customers and stakeholders. The

program is available to Roads and Maritime employees, including managers and supervisors of Aboriginal employees as well as frontline customer service staff, policy officers and senior management. More than 330 employees attended the 22 workshops held across NSW.

Twenty Roads and Maritime Aboriginal employees completed an Aboriginal Mentoring Program to support Aboriginal employees and Roads and Maritime's commitment to improve the retention of Aboriginal employees.

Sponsorship has been provided to a senior Aboriginal employee to undertake the Executive Masters in Public Administration degree through the Australian New Zealand School of Government (ANZSOG) tertiary program.

Increasing employment and participation of people with a disability

Roads and Maritime sought to ensure it was supporting staff with disabilities equitably, building its 'disability confidence' as an employer and facilitating any workplace adjustments that may be required. Of the 3.3 per cent of staff identified as having a disability, 0.93 per cent are actively supported with workplace adjustments.

Roads and Maritime supported four Australian Paralympian staff members who balanced their training commitments and preliminary trials with part-time work. Entry level programs in 2012 have attracted candidates with a range of disability-related needs. Support included disability-specific training for supervisors and introduction of technological software tools to ensure accessibility to project work. Roads and Maritime ensures that new or renovated premises comply with

the National Access to Premises legislation and made Transport Access Guides available to the public for key Roads and Maritime locations.

Roads and Maritime has provided short-term work placement trials for several external people returning to work following injury or illness and Roads and Maritime is a Gold member of the Australian Network on Disability.

Please refer to Appendix 7 for details of the Disability Action Plan.

Increasing the integration and retention of young people

In total, 7.02 per cent (at 30 June 2013) of Road and Maritime employees were under 25 years of age. Employment Programs continued to manage more than

534 young people involved in entry level programs. Roles included student support, tertiary institution liaison and proactive participant placement for our range of targeted pathways.

An increasing number of engineering scholars and cadets transitioned into our Graduate Program with advanced knowledge of Roads and Maritime systems and processes. This provides a link between the entry level programs and greatly reduces advertising and recruitment costs.

Roads and Maritime's Young Professionals Network (YPN) is an active committee that provides staff under 35 years with an opportunity to broaden their professional networks across the

agency in Sydney and the Regions. In 2012-13 a total of 19 YPN events were organised.

Increasing the participation of staff members with a multicultural background

The Roads and Maritime workforce comes from a wide cross-section of cultural and ethnic backgrounds with more than 9.08 per cent speaking a first language other than English.

Roads and Maritime will continue to commit to increasing the participation of staff members with a multicultural background under the Multicultural Policies and Services Plan 2013-2015. Please refer to Appendix 6 for more information on the plan and Roads and Maritime achievements in the reporting period.

Table A22.1 Representation of EEO groups

EEO group	Benchmark	2011	2012	2013
Women	5.0%	35.6%	35.4%	35.4%
Aboriginal People and Torres Strait Islanders	2.6%	3.3%	1.6%	1.4%
People whose first language spoken as a child was not English	19.0%	18.4%	15.3%	9.08%
People with a disability	N/A	7.3%	6.2%	3.3%
People with a disability requiring work-related adjustment	15.0%	2.3%	1.9%	0.93%

Table A22.2 Trends in the distribution of EEO groups

EEO group	Benchmark	2011	2012	2013
Women	100	89	89	89
Aboriginal People and Torres Strait Islanders	100	67	84	89
People whose first language spoken as a child was not English	100	110	114	113
People with a disability	100	95	99	97
People with a disability requiring work-related adjustment	100	96	105	103

Appendix 23: Multicultural Policies and Services Plan

The Multicultural Policies and Services Plan (MPSP) is a requirement of key NSW agencies. Under the *Community Relations Commission and Principles of Multiculturalism Act 2000*, Roads and Maritime is required to deliver and report against current multicultural policies and services which address the Community Relations Commission (CRC) Multicultural Planning Framework.

Following the establishment of the transport cluster, Roads and Maritime collaborated with TfNSW on the cluster-wide Multicultural Policies and Services Plan. The Plan outlines how the transport cluster will respond to the Government's multicultural objectives and incorporate multicultural principles into processes and systems.

Five key objectives of the Plan that will enable multicultural commitments to be met include:

- **Able to confidently use transport services:** realised through taking actions to target Culturally and Linguistically Diverse (CALD) communications and programs aimed at improving understanding of how to use transport systems
- **Able to equitably access transport services and information:** realised through taking actions to ensure fair and accessible transport communications, services and programs that respond to the needs of people from CALD backgrounds
- **Satisfied with the quality of communications and cultural sensitivity of transport service and program delivery:** realised through taking actions to increase cultural competency across the

workforce in the provision of services to CALD customers and communities

- **Able to have their views and concerns heard on policy and program development, and service delivery:** realised through taking actions to ensure appropriate consultation, feedback and complaints mechanisms
- **Embedding multicultural activity as a core function of the transport agencies:** realised through ensuring that processes for corporate and business planning, and managing organisational performance demonstrate support for multicultural principles and objectives.

Key activities for the reporting period are identified against the seven outcomes identified in the CRC's planning framework:

Planning

Roads and Maritime has integrated multicultural performance into its corporate and business planning and established a framework for regular reporting. Roads and Maritime business areas recognise the need to use CALD data to inform corporate direction, business and communication planning and stakeholder mapping.

Consultation and feedback

Roads and Maritime is represented at the cluster-wide steering committee to develop clear strategic drivers for implementing the principles of multiculturalism in core business practices across the cluster. Roads and Maritime regularly monitors and reviews

the translation and in-language publications available for CALD communities.

Leadership

The Chief Executive has actively promoted Roads and Maritime's commitment to the principals of multiculturalism through the Chief Executive message and supports the development of Roads and Maritime's implementation plan. An executive sponsor has also been appointed.

Human Resources

Roads and Maritime values the skills of staff with cultural and linguistic skills. Under the Community Language Scheme, 25 staff offer 14 spoken languages to facilitate frontline customer services. Roads and Maritime will undertake a further review of CALD skills within the organisation under its implementation plan to broaden the services available to customers.

Roads and Maritime has implemented Human Resource policies to comply with and support equity and diversity principles and legislation. In the future Roads and Maritime will work with Corporate Shared Services on their cluster-wide Human Resources Strategy.

Access and equity

- Roads and Maritime has a strong commitment to reducing barriers for people from culturally and linguistically diverse backgrounds. During the reporting period, Roads and Maritime customers accessed the following CALD services:

-

- 1130 people received an interpreter to assist them in completing the computer driver/rider knowledge test

28,603 people used Roads and Maritime translated tests available in nine commonly used languages.

Communication

A number of Roads and Maritime publications are translated into commonly used languages.

A new policy was introduced in the reporting period to allow front-line staff to assist customers from CALD communities to complete standard forms. This has further reduced barriers for customers to access Roads and Maritime services. Roads and Maritime publications reflect a culturally diverse workforce.

Newsletters providing information about infrastructure projects include a panel in relevant community languages inviting readers to call a Translating and Interpreter Service when activity is planned in areas with a high proportion of CALD communities. The Interpreter Service then calls

the project information line and information about the project development process or changes which impact on community members can be translated.

Social and economic development

Roads and Maritime supports events such as NAIDOC Week and Harmony Day, as well as local community events throughout regional NSW.

Flexible work practices enable staff to observe religious obligations and space is made available for religious observance in the majority of work locations.

Appendix 24: Disability Action Plan

Disability action planning is underpinned by the *Disability Services Act 1993 (NSW)*, the *Disability Discrimination Act 1992 (Cwlth)* and the Australian standard AS1428 – Design for access and mobility.

Roads and Maritime, together with disability service providers and other transport agencies, has contributed to the TfNSW Disability Action Plan. Roads and Maritime is also an active participant on the Accessible Transport Action Group, led by TfNSW with broad representation from diverse advocates and representatives of the disability community.

Roads and Maritime diversity employment strategies contribute to the Employability program targets set by the NSW Public Service Commission and the Ready, Willing and Able program target set by TfNSW. Currently 3.3 per cent of Roads and Maritime staff

identify as having a disability with 0.93 per cent requiring workplace adjustment.

Roads and Maritime monitors and annually reviews employees who have disclosed disability and their workplace adjustments, to ensure the organisation is removing barriers and providing suitable support and practices for productive work.

Roads and Maritime attracts skilled applicants by offering support systems to trainees and by offering limited duration internships to university students with a disability. Two interns were placed in the last intake, with one transitioning in 2012 to permanent staff.

Roads and Maritime also supports a work placement program for Paralympic athletes, employing four athletes. One staff member was actively supported to prepare for and participate in the 2012 Paralympics.

Roads and Maritime builds capability and awareness in its staff through online subscription to Link Disability magazine, available to all staff via the Roads and Maritime Library. This resource profiles new technologies, practices and policy changes supporting the disability community.

The agency celebrated the inclusion of staff with disability at a range of well attended International Day of Disability events in Grafton, Newcastle and North Sydney.

Roads and Maritime holds a Gold membership with the Australian Network on Disability and, from May 2012, were scheduled to participate in the 2012 Australian trial of the Disability Standard. Based on the UK Employers' Forum on Disability audit format, this work will provide an Australian benchmark for improvements in performance of services to customers, clients, employees and stakeholders with disability.

Appendix 25: Waterways Fund – Financial overview 2012–13

The Waterways Fund is established under section 42 of the *Ports and Maritime Administration Act 1995* and is administered by Roads and Maritime. It accounts for all revenues and expenditures associated with the boating safety, property management and infrastructure functions delivered in accordance with NSW marine legislation. The Waterways Fund supports delivery of the NSW Government’s *Maritime Policy Agenda 2012–2015*.

During 2012–13, the Maritime Division of Roads and Maritime was responsible for the delivery of boating safety education, compliance and administration, administration of the maritime property portfolio, delivery of the commuter wharf upgrade program, wharf safety auditing and maintenance and infrastructure

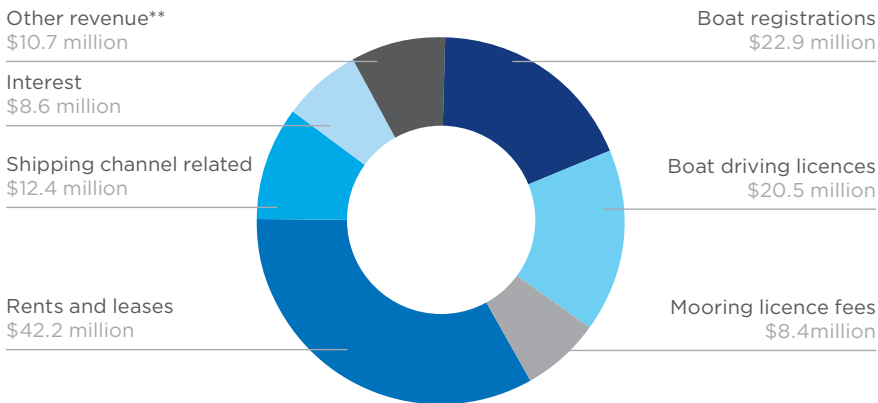
grants through the Better Boating Program. TfNSW led strategic policy relating to boating safety, property administration and infrastructure management through the Office of Boating Safety and Maritime Affairs, and strategic ports functions, including national plan responsibilities for oil and pollution response through the Freight and Regional Development Division.

The Waterways Fund is subject to financial controls and monitoring. This ensures the Fund receives all revenues payable from maritime property, licensing and registration functions and that Roads and Maritime and TfNSW expenses payable from the Fund accord with the governing legislation. The operation of the Waterways Fund enables efficiency savings gained as a result of the November 2011 Transport reforms (including

the abolition of the former NSW Maritime and establishment of Roads and Maritime) to be available for potential reinvestment in priority maritime infrastructure and services.

Information relating to the Waterways Fund is aggregated within the broader Roads and Maritime Financial Statements contained within this Annual Report. The following is intended to provide maritime stakeholders with summary information on Waterways Fund revenue and expenditures during 2012–13. The Maritime Policy Agenda Progress Report August 2013 provides detail on policy and service delivery actions implemented during 2012–13. This report is available on the Transport for NSW website.

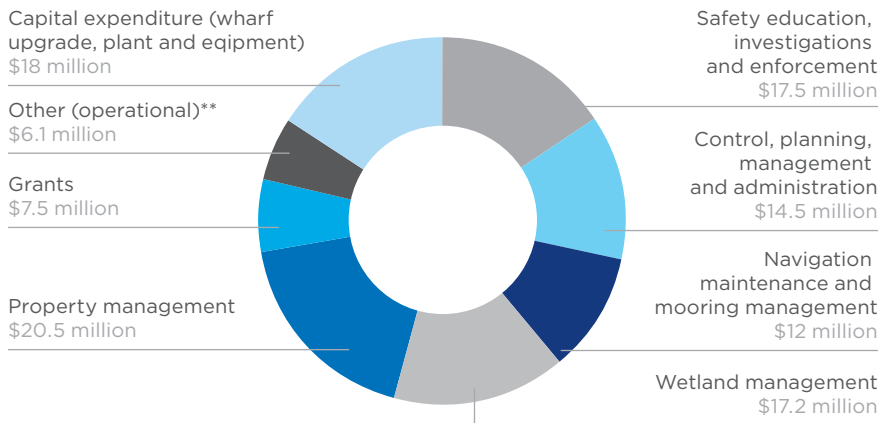
Figure 13. Waterways Fund revenue 2012–13 – \$125.7 million*



*Revenue only reflects cash items.

**Comprises revenue sources less than \$5 million, including survey fees, examination fees, sale of goods, and grants.

Figure 14. Waterways Fund expenditure 2012-13 - \$113.3 million*



*Expenditure only reflects cash items.

**Comprises expenditures less than \$5 million, including event management and coordination of environmental activities (for example, harbour cleaning, marine protection).

Other information

In 2012-13, there was a cash surplus of \$12.4 million which is available for future year reinvestment in priority maritime infrastructure and services.

Major capital works were completed in 2012-13 at:

- Neutral Bay Wharf (cost \$8.3 million)
- Rose Bay Wharf (cost \$6.3 million)
- Balmain (Thames Street) Wharf (cost \$4.9 million)

- Huntleys Point Wharf (cost \$4.9 million).

Maritime Trade Towers (Roads and Maritime lease and licence interests of 2 Maritime Plaza, 207 Kent Street Sydney) were sold during 2012-13 as part of the NSW Government's office accommodation divestment program (refer to page 121 for the related financial disclosure). NSW Treasury will provide \$7.88 million per annum (indexed) to the Waterways Fund to offset the loss of future lease revenue.

Waterways Fund grants of \$7.5 million in 2012-13 included:

- \$5.42 million for the Better Boating Program to support local councils deliver boat ramps and other boating infrastructure
- \$1.52 million to Marine Rescue NSW to support its operations
- \$0.45 million to the National Marine Safety Committee

Roads and Maritime also collected a contribution on behalf of Marine Rescue NSW during 2012-13. These monies (\$6.4 million) were forwarded to the Ministry of Police and Emergency Services for the funding of Marine Rescue NSW.

Appendix 26: Land disposal

Roads and Maritime owns property for administrative purposes and acquires property for road and maritime construction. Properties that are surplus to requirements are disposed of in accordance with NSW Government policy. Proceeds from property sales are used to support and improve the State's road network infrastructure.

In 2012-13, contracts were brought to account for the sale of 103 properties for a total value of \$50.707 million. Of these, 24 properties were valued at more than \$500,000 each, to a total value of \$37.244 million.

Table A26.1 Major sales in 2012-13

Property	Total (\$'m)
Birdwood Avenue, Lane Cove	5.030
Dudley Street, Whitebridge	4.501
Great Western Highway, Westmead	4.020
Edinburgh Road, Castlecrag	3.463
Barton Highway, Murrumbateman	2.200
Bourke Street, East Sydney	2.200
Liverpool Road, Ashfield	2.100
Insence Place, Prestons	1.462
Kembla and Glebe Streets, Wollongong	1.360
Bents Basin Road, Wallacia	1.100
Bligh Street, Dubbo	1.000
Malaleuca Place, Prestons	1.000

No properties were sold to people with a family or business connection to the person responsible for approving the disposal. All documents relating to the disposal of properties are available under the *Government Information (Public Access) Act 2009*.

Appendix 27: Payments to consultants

Details of the amounts paid to consultants in 2012-13 are provided in tables 14.1 and 14.2.

Roads and Maritime defines consultants in terms of the Department of the Premier

and Cabinet's 'Guidelines for the Engagement and Use of Consultants' issued in July 2004, where a consultant is defined as a person or organisation engaged under contract on a temporary

basis to provide recommendation or high level specialist or professional advice to assist decision-making by management.

Table A27.1 Consultants paid more than \$50,000

Project description	Consultant	Total expenditure 1 July 2012 - 30 June 2013
Maintenance Outsourcing Strategy	PwC	\$74,817
Review of Governance Arrangements for the Waterways Fund	Deloitte	\$149,000
Strategic Property Framework	Deloitte	\$64,917
Roads and Maritime RFS Outsourcing Future State Analysis	Evans and Peck	\$57,564
GLS-Drives System Gap Analysis	Capgemini Australia	\$121,072
Property Accounting Review	KPMG	\$358,520
Componentisation of Roads	KPMG	\$232,804
Customer Service Delivery Strategy advice on Service NSW	Deloitte	\$199,275
Strategy for the Management of Motor Registry Property Transition Plan	PwC	\$73,960
Total		\$1,331,929

Table A27.2 Consultants paid less than \$50,000

Total cost of engagements	\$ 276,731
Total number of engagements	22
Total cost of payments to consultants	\$ 1,608,660

Appendix 28: Accounts payment performance 2013

The main factor affecting timely payment of accounts is the tendency for most vendors to send their invoices to business units rather than Roads and Maritime's shared service provider. This causes a delay in processing invoices and is

the cause of late payments incurring an interest penalty to small business suppliers. Roads and Maritime instructed vendors in the Sydney region to send invoices directly to the shared service provider. The shared services provider introduced

an automated invoice scanning and management process, which provided the visibility needed to manage and pay invoices within 30 days of receipt of a correctly rendered invoice.

Table A28.1 Ageing of amounts unpaid at month end

Quarter	Current \$'000	<30 days overdue \$'000	Between 30 and 60 days overdue \$'000	Between 61 and 90 days overdue \$'000	More than 90 days overdue \$'000
All suppliers					
September	\$272,365	\$57,794	\$11,215	\$3,025	\$2,185
December	\$234,949	\$40,284	\$8,798	\$3,703	\$3,702
March	\$207,575	\$48,192	\$12,191	\$4,668	\$4,814
June	\$242,108	\$52,607	\$7,150	\$5,986	\$4,494
Small business suppliers					
September	\$4,255	\$820	\$131	\$44	\$36
December	\$3,205	\$601	\$130	\$105	\$69
March	\$2,281	\$586	\$161	\$56	\$59
June	\$3,012	\$269	\$32	\$25	\$36

Table A28.2 Accounts due or paid within each quarter

Measure	September \$'000	December \$'000	March \$'000	June \$'000
All suppliers				
Number of accounts due for payment	47,135	48,135	41,865	45,864
Number of accounts paid on time	43,931	45,126	36,987	42,513
Actual percentage of accounts paid on time (based on number of accounts)	93%	94%	88%	93%
Dollar amount of accounts due for payment	\$346,585	\$291,436	\$277,439	\$312,345
Dollar amount of accounts paid on time	\$272,365	\$234,949	\$207,575	\$242,108
Actual percentage of account paid on time (based on \$)	79%	81%	75%	78%
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	-	-	-	-
Small business suppliers				
Number of accounts due for payment to small businesses	1,629	1,725	1,317	1,312
Number of accounts due to small businesses paid on time	1,362	1,476	1,053	1,201
Actual percentage of small business accounts paid on time (based on number of accounts)	84%	86%	80%	92%
Dollar amount of accounts due for payment to small businesses	\$5,286	\$4,110	\$3,143	\$3,374
Dollar amount of accounts due to small businesses paid on time	\$4,255	\$3,205	\$2,281	\$3,012
Actual percentage of small business accounts paid on time (based on \$)	80%	78%	73%	89%
Number of payments to small business for interest on overdue accounts	40	42	23	11
Interest paid to small businesses on overdue accounts	\$4	\$3	\$3	\$0

Compliance index



Compliance index

This index lists the legislative requirements set out in the NSW Treasury checklist for public sector annual reporting and the pages on which the relevant information can be found. The checklist, including a detailed description of each requirement, is available at www.treasury.nsw.gov.au.

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Contact details

General enquiries

13 22 13
(8.30am–5pm Monday to Friday,
8.30am–noon Saturday)

Traffic enquiries

132 701 (24 hours)

To report traffic conditions, incidents and signal faults

131 700 (24 hours)

Maritime Contact Centre

13 12 56

Roads and Maritime Sydney and Regional Offices

131 782

International callers (outside Australia)

+61 2 4920 5500
(8.30am–5pm Monday to Friday, 8.30am–noon Saturday AEST)

www.rms.nsw.gov.au

Online services customers can conduct registration renewals and transfers, book licensing tests, change their address, check their demerit points, carry out vehicle history checks, contact us, and much more.

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To minimise environmental and financial impacts, Roads and Maritime only produces hard copies of its annual report for Parliament. The report is available on the Roads and Maritime website at www.rms.nsw.gov.au, under 'Publications, statistics and forms'.

The total external cost of producing this report will be around \$14,000 for design to ensure compliance with WCAG 2.0 standards.

Final invoices have not been received at time of publication so estimates have been based on revised quotes.

