



**XXIVth World
Road Congress
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Resource Allocation Decision Making in the New South Wales context

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Transport

Resource Allocation Decision Making

The Concept

- New Public Management
 - shift from **process** to **outcome** oriented decision-making
 - strategic and results oriented approach to decision-making
 - efficiency and effectiveness
- Intervention Logic
 - ‘theory-of-action’ – how to produce a desired result
 - structured approach to critical thinking



Resource Allocation Decision Making

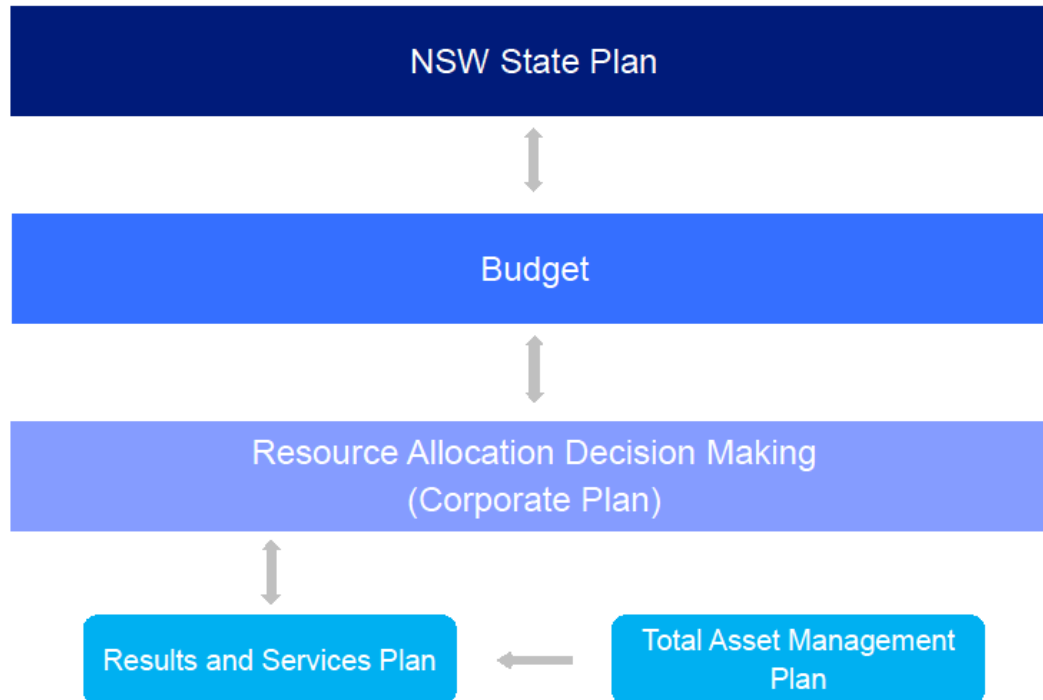
Resource Allocation in NSW

- NSW State Plan – *NSW 2021*
 - 10 year strategic plan outlining government priorities
- Results and Services Plan (RSP)
 - links agency funding with government priorities
- Total Asset Management approach (TAM)
 - strategic approach to asset management and planning



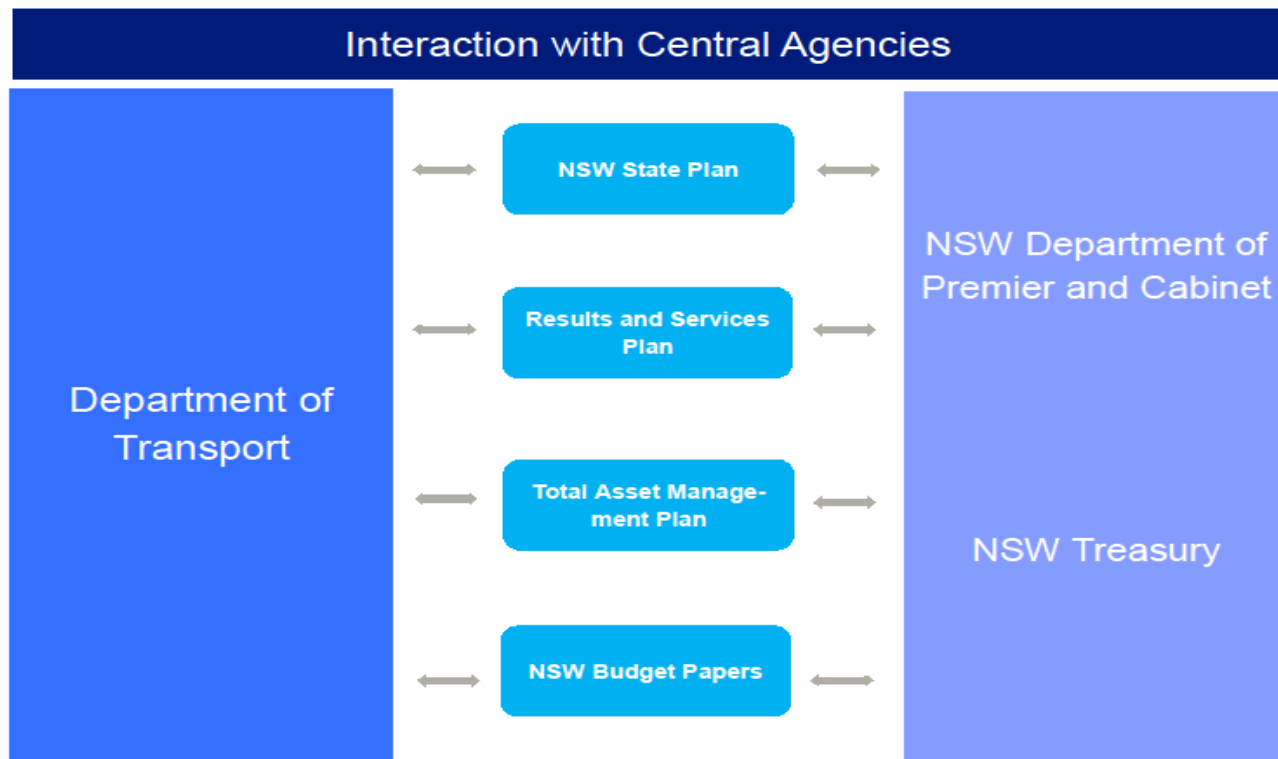
Resource Allocation Decision Making

Resource Allocation in NSW



Resource Allocation Decision Making

Resource Allocation in NSW



Resource Allocation Decision Making

Theory v Practice

- The **practice** of Resource Allocation Decision Making is very different to the **theory** ...
- Bid for funds that leads to central allocation
- Agencies then commit to delivery



Resource Allocation Decision Making

RTA Road Maintenance Program – Legacy approach

- No link between “what” and “why”
- Decision making **regionally decentralised**
- No empirical evidence to support resource decisions



Resource Allocation Decision Making

RTA Road Maintenance Program – New approach

- **Strategic Asset Management Plan (SAMP)**

Key Performance Indicator	Type of Indicator	Current Allocations	Proposed	Proposed	Sustainable	Sustainable
Plan Period		Current	Years 1-5	Years 1-5	Years 1-5	Years 1-5
Average Annual Funding <i>\$ Billion pa</i>		\$a	\$b	\$c	\$d	\$e
Bridges of Major Structural Concern	Risk	Yellow	Yellow	Red	Yellow	Green
Ride Quality: smoothness of State Roads	Service	Yellow	Green	Green	Green	Yellow
Average Roughness of Sealed State Roads	Service	Red	Red	Yellow	Green	Green
Carriageway km of high roughness	Service	Yellow	Yellow	Yellow	Green	Green
Pavement Durability: Cracking: State Roads	Risk	Green	Red	Yellow	Yellow	Green

*This is for illustration only



Resource Allocation Decision Making

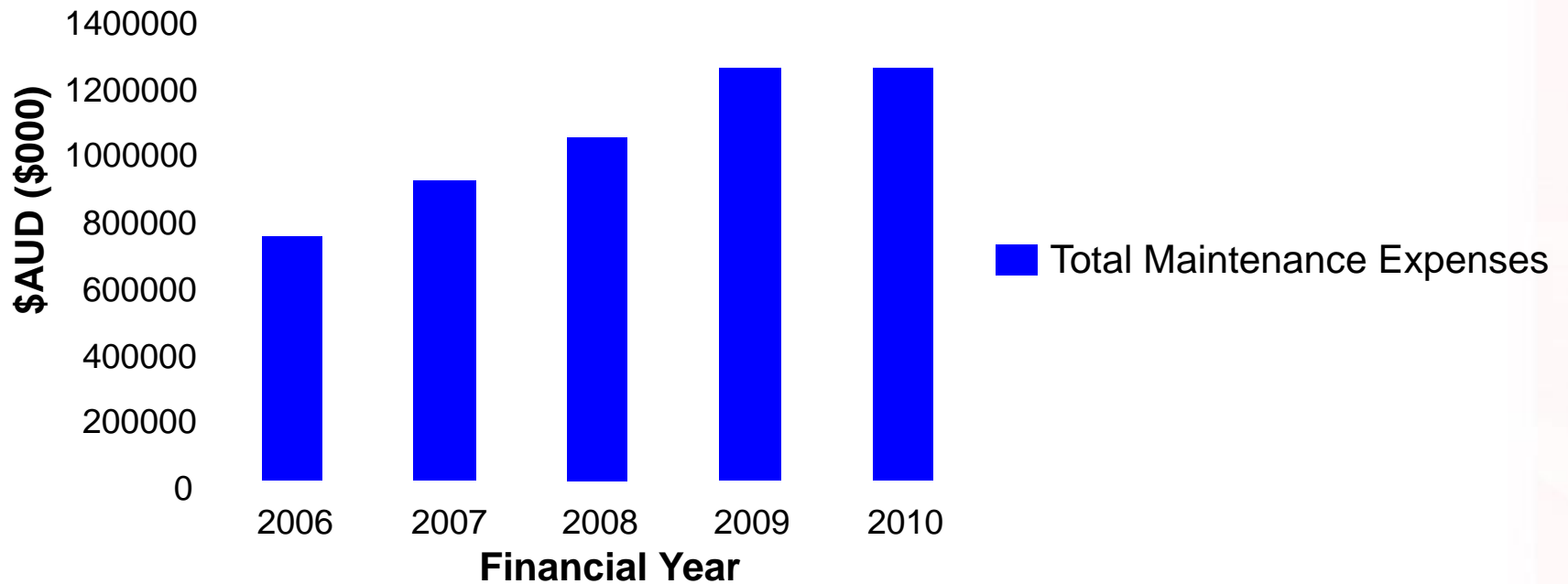
RTA Road Maintenance - Best Practice Management

- Establish clear strategic direction
- Align funding to vision/results/goals
- Provide rigour to internal decision making
- Allows for internal reallocation of resources



Resource Allocation Decision Making

RTA Road Maintenance Program – Results



Resource Allocation Decision Making

Conclusions – New Public Management:

- Informs dialogue with central agencies
- Supports achievement of government priorities
- Drives performance management
- Increases corporate accountability and governance
- Drives internal strategic thinking



Resource Allocation Decision Making

Thank you

- Questions?

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