



Office of the Auditor General Western Australia

Managing the Road Trauma Trust Account

Report 15 – November 2012

Background

Towards Zero is the WA Government's strategy to prevent 11 000 deaths and serious injuries on our roads by 2020. Forty-seven proposals have been funded under *Towards Zero* for 2012–13, including short and long term measures ranging in value from \$50 000 to \$21.6 million.

The Road Trauma Trust Account funds road safety measures using money from speed and red light camera fines. In 2011, legislation increased the proportion of fines paid into the Account from one-third to two-thirds in 2011–12 and 100 per cent thereafter. This has more than tripled the fine revenue paid into the Account to an estimated \$84 million in 2012–13.

The Road Safety Council is responsible for recommending to the Minister for Road Safety which measures to fund. The Office of Road Safety supports the Council and administers the Account. It also coordinates a number of projects funded from the Account. Cabinet makes the final decision on how the funds are spent.

In light of the increase in funding, this audit assessed whether management of the Account is effective, transparent and accountable in allocating funds from speed and red light camera fines to improve road safety and reduce road trauma.

Audit Conclusion

All speed and red light camera fines are paid into the Road Trauma Trust Account and only used on road safety measures as required by legislation.

The Road Safety Council uses the State's road safety strategy, *Towards Zero*, to guide its recommendations to the Minister on spending Account funds. However, the Council lacks a master action plan to implement *Towards Zero*, and it does not adequately monitor and evaluate the contribution of funded projects to implementing the strategy. This means the Council cannot demonstrate that it is making recommendations that maximise the chances of achieving the strategy's goals.

The role of the Office of Road Safety is poorly defined, reducing its effectiveness in administering the Account.

Key Findings

- All speed and red light camera fines are paid into an account held by Main Roads WA called the Road Trauma Trust Account.
- The Account can be accessed without the Road Safety Council's or the Office of Road Safety's approval or control. This creates a risk that funds could be applied to activities other than those approved for funding. However, we found no evidence that funds had been accessed inappropriately. Stronger controls are warranted given the increase in funds since 2011.
- A lack of policy and role definition for the Office of Road Safety as the Account administrator reduces its authority to require effective acquittal of project funding. One in five progress reports were not submitted and, where they were submitted, most contained limited information about progress other than money spent.
- Eighty-three per cent of project files held by the Office of Road Safety did not include executed agreements.
- The Road Safety Council cannot demonstrate that it has an effective process for making recommendations to maximise the chance of achieving the State's road safety goals. This is because the Council has no master action plan for the whole of the strategy, and no objective criteria for choosing projects.
- The Road Safety Council is not adequately addressing its responsibility to monitor and evaluate the effectiveness of road safety measures. This is because project reporting is patchy and often contains too little information to evaluate project performance and inform future recommendations.
- In August 2012, the Road Safety Council adopted a performance monitoring framework that could be used to assess the strategy's progress and inform planning priorities.

Recommendations

- The Road Safety Council and the Office of Road Safety should establish policy for the administration of the Road Trauma Trust Account that includes a clear definition of the role of the Office of Road Safety.
- The Office of Road Safety should ensure that agreements for all Road Trauma Trust Account expenditure are executed and take steps to improve compliance with them.
- The Road Safety Council should ensure that all payments from the Road Trauma Trust Account are authorised.
- To improve transparency and provide confidence in the quality of recommendations, the Road Safety Council should ensure that funding recommendations are supported by objective criteria and a master action plan for the whole of the strategy.
- The Office of Road Safety and Road Safety Council should take steps to improve the quality and consistency of project reporting.
- To better evaluate the impact of *Towards Zero* and make informed funding decisions, the Road Safety Council should systematically review the contributions of funded projects to *Towards Zero*.