

Connecting
our communities

Road Occupation Charge



The Victorian Government is introducing a major initiative to reduce traffic congestion in inner-city Melbourne.

The Road Occupation Charge applies to private parties that occupy arterial roads for private use.

When and where will the Road Occupation Charge apply?

The Road Occupation Charge will apply to arterial roads in the following council areas.

- City of Yarra
- City of Stonnington
- City of Glen Eira
- City of Port Phillip
- City of Moreland
- City of Boroondara
- City of Darebin
- City of Bayside
- City of Melbourne
- City of Moonee Valley
- City of Maribyrnong

To find a full breakdown of suburbs and postcodes, visit vicroads.vic.gov.au/roadoccupationcharge

What is an arterial road?

An arterial road is a road in Victoria for which VicRoads is the responsible road authority. These roads provide the principal routes for moving people and goods between major regions and population centres.

Most other roads are either municipal roads, managed by local councils, or privately operated roads – for example, Eastlink and CityLink.

The best way of finding out whether a road is affected by the Road Occupation Charge is to visit the 'map of declared roads' page on the VicRoads website (vicroads.vic.gov.au/traffic-and-road-use/road-network-and-performance/maps-of-declared-roads).

Are private parties required to pay a charge for occupying a municipal road?

Councils may have an operating model or application process that could be applicable for private parties occupying a municipal road. We recommend that private parties contact the relevant council if they're not sure about work they're undertaking that affects a municipal road.

Why is VicRoads introducing the Road Occupation Charge?

When private parties occupy arterial roads it can have a negative effect on our road network. It contributes to traffic congestion, reduces community access to amenities, adversely affects the reliability of public transport and compromises the safety of pedestrians, cyclists, workers and the community.

The aim of the Road Occupation Charge is to create a financial incentive to encourage private parties to occupy roads in a more efficient way, minimising disruption to traffic and the community.

Why is it so important to introduce the Road Occupation Charge in Victoria now?

The state of Victoria is changing more rapidly than at any point in its history.

Significant population growth is leading to pressure on the road network to support the movement of people and goods. In Melbourne and regional Victoria, record numbers of trucks and cars are on the roads, in fact, traffic volumes have grown by 20 per cent in the past 10 years. These roads also carry buses and trams, cyclists and pedestrians, as well as taxis and rideshare services.

At the moment, 13 million trips are taken each day in Melbourne across all forms of transport. The Victorian Department of Transport estimates that by 2050 this number could increase to more than 23 million.

With this in mind, it's crucial that congestion is managed to reduce delays to travel times and make sure members of the community remain safe.

Who will need to pay the Road Occupation Charge?

The charge will apply to private parties occupying arterial roads for private use.

An example might be where a property developer needs to block off an arterial road lane during construction of an apartment building. The Road Occupation Charge would also apply to a company using an advertising sign on private land next to an arterial road that needs to close a lane of traffic to change the advertising content. Or to a demolition company that needs to close a lane of traffic to safely raze a building.

There are many other circumstances under which the Road Occupation Charge might also apply.

What is a private party for the purpose of the Road Occupation Charge?

A private party is a company or individual that wants to occupy an arterial road for private benefit.

This doesn't include road occupations for MTIA projects such as level crossing removal.

If the occupation goes over two councils (i.e. the border between two council areas is within the occupation zone), does the charge apply?

Yes, as long as the occupation affects an arterial road lane the charge will apply.

Who pays the license fee and bond?

While the traffic management company will initially apply for the occupation on behalf of the private party, the license fee and bond will be paid by the private party responsible for the occupation.

Who is a party to the license?

The private party responsible for the occupation is the party to the license.

Who is excluded from paying the Road Occupation Charge?

Members of the public temporarily occupying a road while moving house or conducting renovations will not have to pay the Road Occupation Charge. Emergency services are also excluded from paying the charge.

What does the Road Occupation Charge cost?

The Road Occupation Charge is between \$173 and \$252 per lane, per day.

How is the Road Occupation Charge calculated?

The Road Occupation Charge is calculated based on these factors:

- How many lanes are being occupied
- How long the occupation will last for
- The importance of the road
- The value of the location to the community.

What is considered a lane, for the purposes of the Road Occupation Charge?

In addition to what might be considered 'standard' vehicle lanes, the Road Occupation Charge takes into consideration bicycle lanes and the area between a parking lane and road lane that is used by cyclists and motorcyclists.

Are there other charges associated with the Road Occupation Charge?

Private parties are required to pay a compulsory bond of \$10,000. This is an incentive to ensure the roads are restored to their original condition in the case that damage occurs during occupation.

If a private party needs to make an application that will be affected by the Road Occupation Charge, when should they submit it?

Applicants should allow 20 working days prior to start of works to process a standard application.

How will the Road Occupation Charge be monitored?

The Department of Transport will provide surveillance of road occupations to ensure compliance with the Road Occupation Charge.

How do we know the Road Occupation Charge will help reduce congestion?

A trial of the Road Occupation Charge took place from 1 June 2018 to 31 December 2018 in Melbourne's inner north and east.

During the trial, 26 road occupations were identified in the trial area. The application of a Road Occupation Charge during the trial resulted in a reduction of road occupation application periods by up to 75 per cent.

The recommendation from the trial was to roll out road occupation charges throughout inner metropolitan Melbourne.

Legal note: VicRoads' power to charge for the occupation of arterial roads exists under Schedule 5 clause 9(1) of the Road Management Act 2004.

Find out more

W: vicroads.vic.gov.au and search for 'Road Occupation Charge'

E: roadocc@roads.vic.gov.au

Information provided is correct at the time of printing and may be subject to change.