

Frequently Asked Questions

Wolgan Road Reconstruction Project

November 2025

What is the Wolgan Road Reconstruction project?

The Wolgan Road Reconstruction project is an initiative led by Lithgow City Council, in partnership with the NSW Reconstruction Authority, TfNSW and the Commonwealth to restore Wolgan Road following significant landslides in November 2022. These landslides, triggered by heavy rainfall in 2022 on areas affected by the Black Summer bushfires, forced the closure of the road at Wolgan Gap.

How is the funding eligibility for the Wolgan Road Reconstruction project determined?

The 2022 rainfall event that led to landslides on Wolgan Road was considered part of an 'eligible disaster' under Disaster Relief Funding Arrangements (DRFA). Eligible disasters require a coordinated multi-agency response and are allocated an Australian Government Reference Number (AGRN). The Wolgan Road landslide was caused by AGRN 1034 which relates to rain event from September 2022 onwards.

What are the key funding requirements for disaster relief projects?

Disaster relief projects need to meet requirements outlined in the Disaster Relief Funding Arrangements (DRFA) and supplementary advisory notes and the NSW Essential Public Asset Restoration (EPAR) Guidelines.

What defines Essential Public Asset Reconstruction Works?

NSW Essential Public Asset Restoration Guidelines defines EPAR Works as "*reconstruction works on an essential public asset damaged as the direct result of an eligible disaster for which an estimated reconstruction cost has been developed*"¹. The Guidelines also state that "*damaged essential public assets must be restored or reconstructed to the current relevant building or engineering standards, appropriate to the pre-disaster function.*"

How has Council applied these requirements to the project?

The DRFA, and the DRFA national advisory: *How Category B and Category D can be used to deliver resilient infrastructure*² outlines the several definitions and requirements that have been applied to the project. Based on these definitions and requirements, Council has determined that: Wolgan Road is an eligible public asset, relocating the road is consistent with funding requirements, and that the solution must deliver improvement in disaster resilience and meet modern technical standards.

These relevant requirements and definitions are outlined below.

- "*Under Category B of the DRFA, assistance is available for the restoration of disaster damaged essential public assets, such as roads, bridges, stormwater infrastructure, public hospitals, public schools and public housing.*"

¹ NSW Essential Public Asset Restoration Guidelines 19 October 2018 Section 3.4.3

² Disaster Recovery Funding Arrangements (DRFA) – *National advisory: How Category B and Category D can be used to deliver resilient infrastructure.*

- “Under current Category B arrangements, states, territories and local governments have autonomy to deliver practical reconstruction solutions that are best suited to the needs of local communities. This may include relocating an asset or adopting alternative disaster resilient design.”
- “Asset owners, in consultation with their state/territory DRFA administering agency, are able determine the most appropriate restoration approach/solution within the established budget (i.e. an alternative solution), which may include adopting an alternative value for-money solution that factors in resilience improvements.”
- “Category B provides flexibility to adopt alternative approaches and solutions, within an eligible Estimated Reconstruction Cost, to restoring damaged assets, including to facilitate improvement in disaster resilience.”
- The advisory goes on to say these approaches can include: the application of modern design, construction and safety standards; the adoption of a more appropriate type of asset rather than ‘like-for-like’ replacement; and / or the relocation of a damaged asset to a more suitable site.

How did Council prepare the EPAR application?

In June 2024, Council submitted an EPAR application for funding to restore damage to Wolgan Road caused as a direct result of eligible disaster AGRN 1034. The application included a restoration cost estimation. In preparing this application, Council aimed to develop a solution that aligned with the DRFA and EPAR guidelines – i.e. it addressed the landslide damage and risk of future damage and developed a resilient solution that meets modern design, construction and safety standards.

The EPAR funding application therefore comprised several detailed, expert reports that assessed the landslide damage and possible responses, to arrive at an estimated reconstruction cost. These assessments included:

- Assessments of the slope risk and damage caused by the flooding event from 14 September 2022 onwards (to demonstrate the need for road closure and the extent of the ongoing risk)
- a ‘do nothing’ case (as a counterfactual to the reconstruction options)
- a case for restoring Wolgan Road (as one possible solution), and
- alternative route corridors (including a corridor via the Old Coach Road, and a corridor to the east of the valley)

The restoration case was based on detailed ground displacement (InSAR) monitoring, LiDAR surveys, field observations and mapping and aerial photography. This helped to quantify the extent of the damage caused by the escalating landslide caused by the flooding event commencing 14 September 2022 onwards (AGRN 1034).

Multiple alternative alignment options were evaluated prior to submission of the funding application. These were assessed via a Multi Criteria Analysis (MCA) process involving Council, Transport for NSW and NSWRA.

What were the findings of the EPAR application studies?

The technical studies and advice undertaken for the EPAR application concluded that addressing landslide damage and future risks of landslides on Wolgan Road to the technical standards required by the EPAR guidelines would result in an unacceptable order of cost compared to the estimated cost of constructing a new road.

The cost estimations in the funding application were verified by an Independent Technical Reviewer (ITR). In its report, the ITR stated that: *“The ITR undertook some preliminary calculations based on the available information and were confident it would cost at least \$500 million (present value) to reinstate the existing Wolgan Road. The ITR is convinced that an alternate alignment does present a more cost-effective solution”.*

What does the funding application cover?

In July 2025, a funding envelope was approved based on the development and construction of an alternative access to Wolgan Valley.

Natural disaster funding is in the form of a total upper limit grant and only eligible expenditure up to the approved amount may be claimed. Any unused total upper limit funding will not rollover into another project. The project must be delivered in strict compliance with the NSW Natural Disaster Essential Public Asset Restoration Guidelines.