



ACT
Government

Tabled 2 August 2016

*Government response to PAC review
Auditor-General's Report No. 9 of 2015:
Public Transport: Frequent Network*

August 2016

© Australian Capital Territory, Canberra 2016

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced without the written permission of the Environment and Planning Directorate, GPO Box 158, Canberra ACT 2601.

Published by the Environment and Planning Directorate.

Enquiries: Canberra Connect 13 22 81.

Website: www.environment.act.gov.au

Background

On 6 November 2015 the Auditor-General tabled the *Auditor-General's Report No. 9 of 2015: Public Transport: The Frequent Network* (the Audit Report) which examined arrangements involving the delivery of the Frequent Network identified in Transport for Canberra. The Audit Report identified work and improvements to ensure the effective future delivery of the Frequent Network, including improved governance and administration of Transport for Canberra; improved reporting on Transport for Canberra; the preparation of a periodic Household Travel Survey, periodic performance review of the Frequent Network using quantitative operational data; embedding transport corridors in urban planning documents; addressing operational risks; and updating cost benefit analysis of the Frequent Network in light of revised assumptions associated with its delivery.

The Government response to the Audit Report was tabled in the Legislative Assembly on 10 March 2016. Of the seven recommendations, the Government response agreed in full with Recommendations 1, 4 and 6, agreed in principle with Recommendations 2, 3 and 5, and noted Recommendation 7.

In accordance with the resolution of appointment of the Standing Committee on Public Accounts (the Committee), the Audit Report was referred to the Committee for examination. Its *Review of Auditor-General's Report No. 9 of 2015: Public Transport: The Frequent Network* was released in April 2016. The Committee made the following recommendation:

The Committee recommends that the Minister for Transport and City Services report to the Assembly, by Thursday 4 August 2016, on the progress of the Government's implementation of the recommendations made in the Auditor-General's Report No. 9 of 2015: Public Transport: The Frequent Network, that have been accepted either in-whole or in-part. This should include: (i) a summary of action to date, either completed or in progress (including milestones completed); and (ii) the proposed action (including timetable), for implementing recommendations (or parts thereof), where action has not yet commenced.

Table 1 provides a summary update on Government's progress on the Auditor-General's recommendations as at June 2016. More detailed information on the progress of the recommendations is provided later in this report.

Table 1: Auditor-General’s recommendations (where agreed in full, in part or in principle) and status

#	Recommendation	Government response	Status
Recommendation 1 – Governance and Administration (High priority)			
The Environment and Planning Directorate should improve governance and administration of Transport for Canberra and therefore the Frequent Network by:			
a)	developing a short term (e.g. 5 year) whole of government public transport implementation plan with specific targets and timelines;	Agreed	In progress
b)	identifying an appropriate whole of government group and charging it with responsibility for coordinating, monitoring and reporting on the implementation of Transport for Canberra, including and especially the delivery of the Frequent Network;	Agreed	Complete
c)	establishing an accountability mechanism so the whole of government group undertakes its responsibilities; and	Agreed	Complete
d)	developing an aggregated cross agency risk assessment and management mechanism for Transport for Canberra, including and especially for the delivery of the Frequent Network.	Agreed	In progress
Recommendation 2 – Transport for Canberra monitoring and reporting framework (High priority)			
The Environment and Planning Directorate should improve reporting on the implementation of <i>Transport for Canberra</i> , in the annual <i>Transport for Canberra Report Card</i> by:			
a)	using the measures and targets identified in the Transport for Canberra Monitoring and Reporting Framework;	Agreed in principle	In progress
b)	developing the necessary baselines, measures and systems so that the required data can be collected, recorded and analysed; and	Agreed in principle	In progress
c)	all summary comments on progress being accurate, and including information that justifies claims of ‘On track to be achieved’; and specifying what ‘needs improvement’.	Agreed in principle	In progress
Recommendation 3 – Household Travel Survey			
The Environment and Planning Directorate should undertake a periodic household travel survey to provide detailed data on travel behaviours in the ACT and use the information to inform transport policies and their planning and performance measurement.		Agreed in principle	In progress
Recommendation 4 - Periodic Performance Review of Frequent Network			
The Transport Canberra and City Services Directorate should periodically review the performance of the Frequent Network using quantitative analysis of the data available from ACTION business systems including MyWay, HASTUS and NetBI to better inform overall		Agreed	In progress

#	Recommendation	Government response	Status
	management of the Frequent Network.		
Recommendation 5 – Embedding Transport Corridors in Urban Planning Documents (High Priority)			
	The Environment and Planning Directorate should provide certainty with respect to the location of the Frequent Network by:		
	a) embedding its long term corridors in the Territory Plan as a matter of priority; and	Agreed in principle	In progress
	b) working with the Australian Government to also embed these corridors in the National Capital Plan.	Agreed in principle	Complete
Recommendation 6 - Addressing Action’s Operational Risks (High Priority)			
	The Transport Canberra and City Services Directorate (TCCS) should address key operational risks to the implementation of the Frequent Network by:		
	a) identifying and providing options to the ACT Government for overcoming the adverse effects of the Enterprise Bargaining Agreement (EBA) on the ability of ACTION to manage in a more flexible manner to meet demand; and	Agreed	In progress
	b) identifying and providing options to the ACT Government for funding an increase in bus numbers and expanding the number of depots. (This could be done as part of a short term (e.g. 5 years) whole of government public transport implementation plan – refer to Recommendation 1).	Agreed	In progress

Recommendation 1

The Environment and Planning Directorate should improve governance and administration of *Transport for Canberra* and therefore the Frequent Network by:

- a) developing a short term (e.g. 5 year) whole of government public transport implementation plan with specific targets and timelines;
- b) identifying an appropriate whole of government group and charging it with responsibility for coordinating, monitoring and reporting on the implementation of Transport for Canberra, including and especially the delivery of the Frequent Network;
- c) establishing an accountability mechanism so the whole of government group undertakes its responsibilities; and

- d) developing an aggregated cross agency risk assessment and management mechanism for Transport for Canberra, including and especially for the delivery of the Frequent Network.

ACT Government Response

Agreed. The creation of Transport Canberra by the ACT Government will ensure that future cross-agency transport operational functions are coordinated and integrated.

A whole of government transport coordination group of senior executives will coordinate, monitor and report on the implementation of *Transport for Canberra*, including the delivery of the Frequent Network. The whole of government transport coordination group will:

- establish an accountability mechanism to ensure it undertakes its responsibilities;
- develop a short term (e.g. 5 year) whole of government public transport implementation plan with specific targets and timelines;
- develop a cross agency risk assessment for Transport for Canberra, including the delivery of the Frequent Network.

Progress

The Transport Coordination Committee (TCC) has been established and incorporates the whole of government Parking, Active Travel and Roads Coordination Groups. It will ensure that the ACT is implementing a best practice approach to the planning, management and delivery of transport projects and policies. The TCC will provide strategic advice on policy, implementation and management issues relating to parking, roads, public transport and active travel, as a sub-set of actions for achieving *Transport for Canberra* implementation objectives.

The TCC provides a whole of government forum for escalation, discussion or resolution of issues that affect more than one government agency in the transport, roads, parking or active travel spaces. The key responsibilities of the Committee include:

- Coordination and endorsement of strategic transport policy and planning.
- Alignment between: strategy; implementation of transport strategy; and development of budget initiatives to support transport implementation; and
- Monitoring and evaluation.

As part its accountability mechanisms, the chair of the Transport Coordination Committee will annually report to the Transport Reform Sub-Committee of Cabinet on the progress of the implementation of Transport for Canberra and plans for the coming 12 months.

The TCC will be overseen by the Directors-General of the Environment and Planning Directorate and the Transport Canberra and City Services Directorate through their regular cluster meeting.

The TCC is supported by a whole of government working group for public transport which will develop the short term whole of government public transport implementation plan with specific targets and timelines and aggregated cross agency risk assessment and management mechanism for *Transport for Canberra*.

Timeframes

Action	Status
Develop a short term whole of government public transport implementation plan with specific targets and timelines	To be completed by mid 2017
Creation of a whole of government coordination group	Completed in 2016
Establish accountability mechanism through annual reporting to Transport Reform Sub-Committee of Cabinet	Completed in 2016
Develop an aggregated cross agency risk assessment and management mechanism for Transport for Canberra, including and especially for the delivery of the Frequent Network.	To be completed by 1 st quarter of 2017

Recommendation 2

The Environment and Planning Directorate should improve reporting on the implementation of Transport for Canberra, in the annual Transport for Canberra Report Card by:

- a) using the measures and targets identified in the Transport for Canberra Monitoring and Reporting Framework;
- b) developing the necessary baselines, measures and systems so that the required data can be collected, recorded and analysed; and
- c) all summary comments on progress being accurate, and including information that justifies claims of 'On track to be achieved'; and specifying what 'needs improvement'.

ACT Government Response

Agreed in principle. The TCC will review the criteria used to assess the transport performance measures in *Transport for Canberra* and provide additional detail to justify the progress comments. Future *Transport for Canberra* report cards will report against the measures and targets identified in the *Transport for Canberra* Monitoring and Reporting Framework, where data is available. The whole of government transport coordination group will examine other baselines, measures and systems that can be implemented so that the required data can be collected, recorded and analysed.

Progress

The public transport working group is revising the methodology used to report on the implementation of *Transport for Canberra* for agreement by the TCC based on the measures and targets identified in the *Transport for Canberra* Monitoring and Reporting Framework and other baselines, measures and systems, where data is available.

Timeframes

Action	When
Develop a revised methodology for the reporting on the implementation of Transport for Canberra and release a new Transport for Canberra Report Card. This will address	End of 2016

Recommendation 3

The Environment and Planning Directorate should undertake a periodic household travel survey to provide detailed data on travel behaviours in the ACT and use the information to inform transport policies and their planning and performance measurement.

ACT Government Response

Agreed in principle. The ACT Government undertakes a number of surveys and data collection processes that provide important transport data, including road traffic volumes, bus patronage, bicycle counts, customer transport preferences and car travel time. While they provide important information which is used where possible, they do not provide the statistically significant travel characteristics and behaviour data required as input into the strategic transport model.

Progress

The Environment and Planning Directorate is considering additional opportunities to obtain data on travel behaviours in the ACT to inform transport policies, planning and performance measurement through current and future projects, surveys and data collection processes.

Timeframes

Action	When
Identifying additional opportunities to obtain data on travel behaviours in the ACT to inform transport policies, planning and performance measurement through current surveys and data collection processes.	Ongoing. A public transport survey was completed in May 2016 and will be used to inform the new Transport Canberra agency. Additional surveys will be undertaken in future to capture data for transport modelling.

Recommendation 4

The Transport Canberra and City Services Directorate should periodically review the performance of the Frequent Network using quantitative analysis of the data available from ACTION business systems including MyWay, HASTUS and NetBI to better inform overall management of the Frequent Network.

ACT Government Response

The Transport Canberra and City Services Directorate will develop a reporting framework within its existing business systems, to review the performance of the Frequent Network that is currently implemented.

The reporting framework will also note areas of the proposed frequent network that have not yet been delivered, and provide an explanatory statement on why it has not been achieved.

Progress

A reporting framework for the Frequent Network is being developed in conjunction with the design of the next network revision. Work will continue to develop the required reporting through this implementation process.

Timeframes

Action	When
Develop a new performance reporting framework for the Frequent Network	To be completed by end of 2016.
Periodic review the performance of the Frequent Network	Ongoing, coinciding with new networks.

Recommendation 5

The Environment and Planning Directorate should provide certainty with respect to the location of the Frequent Network by:

- a) embedding its long term corridors in the Territory Plan as a matter of priority; and
- b) working with the Australian Government to also embed these corridors in the National Capital Plan.

ACT Government Response

Agreed in principle. A Territory Plan variation to update the Intertown Public Transport Route overlay to align with the Frequent Network has been on hold awaiting the finalisation of the Transport Canberra - Light Rail Network.

The Environment and Planning Directorate is working with the National Capital Authority to include an overlay which reflects the rapid corridors of the Frequent Network in the Draft National Capital Plan (Draft Amendment 86).

Progress

On 5 May 2016, the Federal Minister for Major Projects, Territories and Local Government, the Hon. Paul Fletcher MP approved Amendment 86 to the National Capital Plan which amended the Inter-Town Public Transport System to reflect the Frequent Network of *Transport for Canberra*.

The Territory Plan variation process is underway to amend the Inter-Town Public Transport Route to reflect the Frequent Network of *Transport for Canberra*, and bring it in line with Amendment 86 to the National Capital Plan. This process will take approximately 18 months to complete.

Timeframes

Action	When
Variation to the Territory Plan	In progress. This will be undertaken as a technical amendment, subsequent to Amendment 86 to the National Capital Plan, in late 2016.
Amendment to the National Capital Plan	Complete

Recommendation 6

The Transport Canberra and City Services Directorate (ACTION) should address key operational risks to the implementation of the Frequent Network by:

- a) identifying and providing options to the ACT Government for overcoming the adverse effects of the Enterprise Bargaining Agreement (EBA) on the ability of ACTION to manage in a more flexible manner to meet demand; and
- b) identifying and providing options to the ACT Government for funding an increase in bus numbers and expanding the number of depots. (This could be done as part of a short term (e.g. 5 years) whole of government public transport implementation plan – refer to Recommendation 1).

ACT Government Response

Agreed. The Transport Canberra and City Services Directorate is responsible for identification and options for delivery of the Frequent Network, including increases in buses and depots. The directorate will work closely with the Public Sector Workplace Relations area of Chief Minister, Treasury and Economic Development Directorate to identify and provide advice on areas of the existing ACTION EBA that limit the flexibility of service delivery and demand management on the ACTION bus network.

Progress

The 2016-17 budget committed \$10 million over two years to deliver 20 new buses as part of the ongoing fleet replacement program and \$775,000 for the design of a new bus depot in Woden to cater for the growth in the bus fleet and to meet the future needs of bus transport in the ACT. Funding has also been allocated for the construction component.

The Transport Canberra and City Services Directorate and Chief Minister, Treasury and Economic Development Directorate have commenced discussions between relevant stakeholders to meet the outcomes of this recommendation. EBA negotiations are scheduled to commence in October 2016.

Timeframes

Action	When
Identify and provide options to the ACT Government for overcoming the adverse effects of the Enterprise Bargaining Agreement (EBA) on the ability of ACTION to manage in a more flexible manner to meet demand	Ongoing. EBA negotiations are scheduled to commence in late 2016.
Identify and provide options to the ACT Government for funding an increase in bus numbers and expanding the number of depots.	The 2016-17 Budget committed funds for 20 new buses and design of a new Woden depot. Initiative will be implemented over 2016-17 and 2017-18.