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Transport Canberra

WORKSHOP OUTCOMES

8 December 2015

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Purpose and approach

The purpose of this report is to summarise the outcomes from workshop conducted on 8 December 2015.

Participants were tasked with developing a vision statement for and articulating the principles (values) of Transport Canberra. These principles would then underpin the strategy and key actions identified as necessary for the vision to be achieved. Additionally these principles would also become the design principles that would govern further organisational design efforts.

To achieve these outcomes, the participants considered the current state (environment), case for change, future state ideas, and barriers and risks to achieving the future state – ahead of distilling considerations into the vision and principles for Transport Canberra. The future state ideas and barriers and risks have been summarised and grouped around consistent themes:

• Ensuring public confidence/customer centric focus;

• Transport Canberra's connectedness with the broader vision for Canberra and Canberrans;

• Embracing innovation in relation to technology, practices etc.; and

• Ideas/initiatives/considerations to support behavioural change.

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Current State…
"where are we now…?"

The current state or environment draws high level policy direction from *Transport for Canberra: Transport for a Sustainable City 2012-2031*. This policy document sets the strategic direction in relation to transport policy, around 4 key objectives:

1. A frequent public transport network (Frequent Network),

2. Accessible mobility for everyone,

3. Maximising choice, and

4. A smart system and smart fleet.

Of these objectives, the Frequent Network is delivered by ACTION in the form of rapid services and frequent local services. Discussion outcomes and document review identified the following examples of potential strengths, weaknesses, opportunities and threats for consideration by workshop participants:

- Strength – strong brand recognition of ACTION

- Weakness – industrial arrangements

- Opportunities – modal integration

- Threats – economic sustainability

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Case for Change…
"why do we need to do things differently…?"

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The ACTION Expenditure Review undertaken by MRCagney (2015) identified the following key findings, that provide a financial case for change:

- Patronage growth failing to keep pace with population growth,

- Increases in total gross costs (55% aggregate increase and 29% increase in per bus kilometre operated),

- A lack of strategic fleet management, and

- Industrial arrangements that do not support operational flexibility and efficiency.

The net effect of these findings is a situation where ACTION is increasingly unable to recover its costs and thus rely on an increasing level of public funding support. The ACTION Expenditure Review identifies a projected deficit of $18m in 2015/16 that is likely to rise to $23m in 2019/20.

In addition to the financial case for change identified above, the 2015 Auditor-General's Review into the Frequent Network identified key themes required to be addressed:

- Governance and administration,

- Monitoring and reporting,

- Conducting a household travel survey

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Case for Change…
"why do we need to do things differently…?"

- Undertaking periodic performance review of the Frequent Network, and

- Embedding transport corridors into urban planning documents.

An Initial Concept Brief 2016/17 further identified that 'the new Transport Agency will progress the Auditor-General's recommendations' – thus providing a case for change in relation to the achievement of improved strategic transport outcomes.

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Future State…
"where could we be…?"

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Consideration of ideas that could form a future state centred on the view that transport is largely a designed experience that has the ability to provide seamless, foundational support to a liveable and sustainable city. A sustainable city was considered to be one where physical activity was designed into infrastructure that provided accessibility options for all members of the community.

Participants were challenged to consider how this context would be relevant to Canberra – its geography and population, noting behavioural changes would be required to win the hearts and minds of Canberrans. i.e. Canberra is currently widely perceived to be a 'car city' and many Canberrans are comfortable with this perception and their lifestyles – so how would we change their minds and provide incentives to do things differently? (or disincentives to continue operating as they currently do?)

In addition to viewing a video on Zurich's integrated transport system, the following thoughts were offered on how behavioural change could be enabled, (before workshop participants were asked to identify specific ideas relevant to the Canberra context):

- Connected infrastructure – office buildings with bike racks; safe, segregated bike paths; sufficient bike share locations; and clean, timely, well-displayed transport information.

- Connected commuters – providing app builders with transport data; single ticketing arrangements that would reduce travel cards.

- Collaboration – in what ways would city leaders challenge entrenched thinking and set the right tone as public transport champions?

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Future State...
"where could we be...?"

The workshop identified a number of ideas for further consideration in relation to the Canberra context. These ideas have been grouped around similar themes as follows:

Ensuring public confidence, Customer-centric focus

A customer-centric focus that is embedded in Transport Canberra's vision and underpins all policies, processes and interactions of staff, was acknowledged to be the lynch pin to ensuring public confidence in the delivery of the organisation's outcomes. The following ideas built on the theme of ensuring public confidence and customer centricity.

- The public need confidence to make public transport their first choice. As incentives/disincentives drive the choices people make, those involved in planning policy (such as environmental and land planning) need to be involved in discussions and debate around public transport to support the role that Transport Canberra plays in providing transport choices. Similarly there are opportunities for Transport Canberra to build relationships with businesses to provide incentives that drive choices people make around public transport use and active travel.

- Investors will more confidently invest where there is a clear customer focus at each destination and stop of light rail, buses, etc. – i.e. destinations or stops aimed at businesses, home owners, families, etc.

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Future State…
"where could we be…?"

Ensuring public confidence, Customer-centric focus (cont'd)

Linked to the theme on connectedness with the broader vision for Canberra (on the following page), Canberra has always been designed as a future-focussed city for Australia with a modern and forward-looking vision. Thus, transport planning is a key priority and should be build into the way Canberrans want to live. There should be no question of whether Canberrans take public transport or drive – there should be the confidence in the system that Canberrans will default to using public transport.

- Public confidence in the public transport system will be enabled from an integrated and seamless delivery of services with the customer placed firmly at front of mind. Transport Canberra has the opportunity to be more innovative and agile in its approach to service delivery than is currently offered by ACTION. However, tensions such as those between network coverage and ridership, need to be resolved. Limited budgets require prioritisation of needs to be met and consideration of other options e.g. Bus Plus

- Public confidence will also be supported by transparent reporting – Transport Canberra has the opportunity to be transparent in providing data in relation to public transport reform and uptake.

- Political debate and making city leaders tough decisions to create clear incentives for the community to choose public transport – was also viewed as key to ensuring public confidence in the public transport system. E.g. Zurich's historic compromise in the 1990s around parking reform.

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Future State…
"where could we be…?"

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Ensuring public confidence, Customer-centric focus (cont'd)

- Transport Canberra needs to ensure the customer is well-supported as it tries to drive behavioural change through innovative practices. I.e. innovative approaches in ticketing should be backed up with clear communications and customer support to ensure that poor ticketing experiences are minimised or avoided as much as possible. Failure to achieve this will not achieve the desired behavioural change outcomes as customers will avoid the innovative practices and seek to revert to current, tried practices. An example was cited – trial of cashless buses (intended to improve time efficiency in commuting), where a minority of customers sought and successfully enable the buses to re-incorporate the use of cash.

- A customer-centric focus is necessary to attract and retain customers, thus supporting behavioural change. A friendly approach from the first interaction with the customer, is required. Example of Brisbane buses – the messages changed from 'more buses, more often, more comfortable' to 'the friendliest bus company in the world' as it was recognised that the only part of the former message the bus drivers could influence was the 'comfort' element.

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Future State…
"where could we be…?"

Ensuring public confidence, Customer-centric focus (cont'd)

- Other customer-centric focus elements required include:

  - easy accessibility - supported by appropriate infrastructure,

  - clean fleets,

  - an easy to use ticketing system,

  - real time information – perceived travel time can be mitigated by customers engaged in other activities while travelling (e.g. reading, surfing the internet, sending text messages etc.) and

  - frequency of services supporting reliability of services – customers dislike long waiting times, even with the most reliable services!

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Future State…
"where could we be…?"

Transport Canberra's connectedness with the broader vision for Canberra and Canberrans

- The broader vision for Canberra needs to be clearly communicated to the Canberra community – i.e. where Canberra will be in 10 years, 20 years, 25 years etc. And all entities such as Transport Canberra should be clear on their role in bringing this vision to life. E.g. in Vancouver, a vision for 100% clean air within 10 years led to re-focussed funding and structural change that influenced policies to ensure the vision was achieved.

- Community wellbeing through connecting people and improving mobility must be a fundamental concept of the strategic vision. I.e. Transport Canberra is more than facilitating bus and light rail modes of travel. It is about how the agency plays its role in contributing to the overall wellbeing of the community by supporting all forms of movement – public transport, walking, ride share etc.

- Transport Canberra should be focussed on organising public transport towards achieving its strategic vision, rather than on the operational delivery of modes.

- Noting Canberra's size, it will be important to draw on the private sector where possible to augment core capabilities in managing public transport to achieve the desired strategic and operational outcomes.

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Future State...
"where could we be...?"

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Embracing innovation in relation to technology, practices, etc.

- New technologies should be explored and embraced in support of achieving Transport Canberra's vision. For example, physical tickets could be replaced with ticketing enabled on mobile phones.

- There is a symbolic element that is key to encouraging behavioural change. E.g. London's message that taking public transport is fun. Consideration should be given to ways that will support this symbolism and messaging e.g. fare reductions if people walk further before taking public transport.

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Future State...
"where could we be...?"

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Ideas / initiatives / considerations to support behavioural change

- There is a symbolic element that is key to encouraging behavioural change. E.g. London's message that taking public transport is fun. Consideration should be given to ways that will support this symbolism and messaging e.g. fare reductions if people walk further before taking public transport.

- The Northborne city route is a catalyst for change as it is one of the busiest routes for the city – how will this change catalyst opportunity be maximised?

- The current perception of public transport and attitudes (e.g. 'I don't catch buses...' or 'Canberra is a car city') require the choice to use public transport to be made an easy and convenient choice. Considerations should include the cost of parking (i.e. is it too cheap?) network scheduling and planning, and sharing of bike paths with trams, etc.

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Future State...
"where could we be...?"

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Ideas / initiatives / considerations to support behavioural change

- Any disincentives implemented to discourage car use, such as raising car parking prices, need to be timed and managed with the intended 'alternative' – i.e. public transport service choices that the government would like the community to choose, and not feel 'pushed' into using. This element of marketing is important as it provides a positive alternative choice for the community, thus resulting in positive perceptions around public transport.

The following pages provide a pictorial summary of the current and future state considerations.

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Future State…
"where could we be…?"

Future State…
"where could we be…?"

Barriers & risks…
"what could get in the way…?"

The workshop participants considered the various barriers and risks that would be required to be addressed in progressing the various ideas to enable the future state. These have been grouped under the same themes as the ideas identified.

Ensuring public confidence

- Barriers and risks to ensuring public confidence include the desire of the community to change from its entrenched views on Canberra public transport and Canberra as the city of the car. Additionally, there is an issue around the community's negative perception of public transport, based on negative experiences to date. i.e. 'not going back to try public transport again…'

- Political implications and desire to make tough decisions that would provide disincentives to car use, were also identified as barriers to ensuring public confidence in the public transport system.

- Siloed approaches to government and failure to include areas such as land development produce sub-optimal outcomes that do not necessarily support or enable public transport. This produces mixed messaging for the public and undermines public confidence in a strong, integrated, seamless public transport system. E.g. provided – Coombs and Wright suburban developments that have not supported bus networks sufficiently.

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Barriers & risks...
"what could get in the way...?"

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Ensuring public confidence

- Other barriers and risks to ensuring public confidence were identified in relation to understanding customer expectations on the desired customer experience. The workshop acknowledged that customers need to be engaged in discussions on priorities in relation to public transport, noting also that the broader community had yet to be engaged on their perceptions on the future and on transport possibilities such as mode sharing etc. It is understood that a comprehensive travel survey is planned to be undertaken in 2016.

- Another barrier to ensuring public confidence through delivery of desired services was identified to be the reliance on historical modelling. Such modelling has tended to be based on frequency, reliability and accessibility of specific modes of delivery e.g. ACTION buses. Key considerations for the future state should include how integrated delivery models will meet customer needs.

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Barriers & risks…
"what could get in the way…?"

Transport Canberra's connectedness with the broader vision for Canberra and Canberrans

- Barriers and risks to ensuring Transport Canberra's connectedness with the broader vision for Canberra and Canberrans included risks around sufficient funding, industrial relations constraints, and also ensuring customer preferences were sufficiently understood to inform investment decisions.

- Planning and transport strategies in relation to Canberra's long term vision may not be as well-communicated or understood across all agencies. Outcomes of this include inconsistent execution of these strategies, confusion on the interpretation of these strategies and agencies unable to prioritise limited resourcing against these strategies. E.g. provided on re-invigorating Civic – the park, lake, Garema place – with an inconsistent prioritisation of resources.

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Barriers & risks…
"what could get in the way…?"

Embracing innovation in relation to technology, practices, etc.

- Barriers and risks to ensuring embracing innovation in relation to technology, practices etc. included the risk of insufficient urban density to support the networks and innovative changes implemented.

- The workshop also identified the risk of Transport Canberra's management and staff deeply focussed on operational delivery and thus lacking the capacity to understand new possibilities in innovative technologies and practices.

- Embracing innovative practices such as considering the role of regional providers as part of Canberra's transport delivery model, has the potential to broaden the service delivery outcomes for the community. However, barriers to such practices include industrial arrangements and differing current operational models between the ACT (which currently uses an owner-operated model for ACTION buses) and Queanbeyan (which uses a private operator model for bus service provision).

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Barriers & risks…
"what could get in the way…?"

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Ideas / initiatives / considerations to support behavioural change

- The workshop identified that a lack of political appetite to provide clear messages to the community on incentives to choose public transport over car use, was a significant barrier to supporting the behavioural change required. It was also noted that the 2016 election outcomes could alter the direction of Transport Canberra.

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Vision & values…
"why are we doing this…?"

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Integral to the development of a vision for Transport Canberra is the identification of its principles (values). The following principles reflect the workshop outcomes.

Principle

1	Customer and community centric – A focus on our customers and community in everything we do.
2	Innovation - Utilising innovative approaches to enhance the customer experience and liveability of our city
3	One integrated team – working seamlessly across government and the region to deliver our strategy
4	Valuing our people – we value, create and foster a supportive organisational culture that makes Transport Canberra a great place to work
5	Sustainability – Ensuring a financially and environmentally sustainable transport system
6	Safety – Ensuring the highest commitment to the safety of customers, staff and the community

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Vision & values...
"why are we doing this...?"

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Based on the principles (values) articulated, the following options for a vision statement have been developed for Transport Canberra.

1. Changing the way Canberra moves: *Convenient, Responsive, Sustainable*

2. Changing the way Canberra moves: supporting a sustainable, inclusive and growing city

3. Changing the way Canberra moves: smart transport for a better future

4. Canberra's new transport future: Convenient, Responsive, Sustainable

5. Connecting our community with modern transport solutions

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Priorities & initiatives to achieve our vision…
"what is important…?"

To enable the vision to be achieved, the following priorities and initiatives were identified and prioritised against two timeframes - short term (within 2 years) and medium term (3 to 5 years), and grouped around the following themes:

- Asset management,

- Network management,

- Customers, and

- Employees.

Priorities & initiatives to achieve our vision…
"what is important…?"

Asset Management

Short term (within 2 years)

- Develop and implement an asset management strategy (not just bus fleet). A key priority is to understand the current fleet and options available, including the operational constraints faced. Additionally, assumptions made to date on intended operating capacity and the definition of peak scheduling should be tested as customer demand may have changed since these assumptions were made. The asset management strategy should also consider options for asset ownership and/or control in relation to the role of Transport Canberra eg. is leasing of the bus fleet a more flexible option? Could there be an 'Uber bus' option? Consider other forms of public transport such as electric buses, autonomous vehicles. Need to look at other jurisdictions eg. UK Ambulance fleet and/or how private operators run their fleet.

- Consider sustainability as part of asset management eg. electric buses; as well as how to measure emissions as part of the strategy.

- Progress with modernisation exercises eg. WiFi – with the aim of making time productive for users, identify other strategies.

Medium term (3 to 5 years)

- Review and implement strategies to ensure financial sustainability, these could include improved management of bus depots, bus fleet growth, funding, integration in the planning of buses and light rail, creation of efficiencies in network planning. Continue to consider other options and emerging technologies to refresh the strategy and ensure it to contemporary.

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Priorities & initiatives to achieve our vision...
"what is important...?"

Network Management

Short term (within 2 years)

- Develop and implement a network management strategy based on a sound understanding of:
  - Current customer journeys (i.e. understanding where and when people wish to travel and how they wish to get to their destinations)
  - Current ridership vs coverage of routes (i.e. routes with the most number of patrons compared with routes that cover most of Canberra)
  - Opportunities for light rail to shift and change current travel practices, including understanding the reasons behind why non-users of public transport make their choices, and listening to both customers (and those that are yet to be customers) to understand the mix of transport choices they desire. As well as identifying those cohorts that may be easily 'converted' to use of public transport options.

- Commence work on single ticketing solution.

- Create more 'destinations' and nodes (including foot/bike paths) within the network that also support network and route efficiencies.

- Develop a performance dashboard to increase transparency eg. ridership services, explain consequences of shifting ratios of delivery and looking at options to better achieve optimal ratios and services.

- Need to build in aspects of clean transport linkages to renewable energy targets through greater use of active travel, shifting mode share, driverless cars and looking beyond public transport.

- Consider options such as privatising network design.

- HASTUS (bus numbers and shift scheduling) – establish a national community of practice, given this is a scarce skill-set.

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Priorities & initiatives to achieve our vision...
"what is important...?"

Network Management (con't)

Medium term (3 to 5 years)

- Continue to execute the network management strategy with appropriate measurement mechanisms to ensure the strategy continues to deliver on Transport Canberra's vision and intended outcomes. Network management focus should continue to build on the current understanding of customer profiling and journeys to focus on customer preferences and further opportunities to improve public transport uptake. The use of data analytics should be considered as a key enabler to support such considerations.

Priorities & initiatives to achieve our vision…
"what is important…?"

Customers

Short term (within 2 years)

- Undertake a customer survey to deeply understand what the community and potential users want – this should provide important input to guide future investment. Consider mapping customers physical journey to their emotional journey eg. what are their pleasure/displeasure points? And then potentially with bus drivers/transport operators, to provide richer data.

- Develop and implement a customer experience charter to embed a customer-centric focus for Transport Canberra in all strategies, policies and operations. This sends clear messages to staff and the community on the focus of Transport Canberra, and may be useful to leverage in discussions around roles and expected outputs from staff. Also consider a customer ratings mechanism to enable real-time customer feedback.

- Develop and implement other innovative, service delivery opportunities such as Bus Plus as well as a range of apps to support customers eg. consider competitions for app development, as well as looking at existing innovative practice so as to not 're-invent the wheel'. Consider 'trackability' in apps and the data provided eg. free travel on Sundays if you use the app and fill in a survey or crowd sourcing apps that help make routes more dynamic and responsive to customer demand.

- Identify and leverage other Government priorities and community outcomes eg. linkages with leisure and health industry. For example, in the UK if you walk further you receive points towards free travel (funding by the Department of Health).

- Need to ensure clear signage and screens to guide customers in their journey eg. Singapore, potentially with immediate feedback on the service.

- Develop and implement a communications strategy and plan to ensure the community is clear on the vision, strategy, priorities and intended outcomes of Transport Canberra and broader government priorities and plans i.e. the message that Transport Canberra is broader than just delivery of light rail and bus services, needs to be publicised now, along with demonstration of progress eg. photos of the fist plan of a tram, when the chassis is built.

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Priorities & initiatives to achieve our vision…
"what is important…?"

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<u>Customers (con't)</u>

Medium term (3 to 5 years)

- Continue to refine the customer experience charter, using customer feedback and data analysis to ensure the delivery outcomes remain relevant to customers.

- Continue to refine and implement the communications strategy and plan to support Transport Canberra's service delivery outcomes and positioning of new initiatives – to ensure the community is continually engaged with current public transport choices available and any discussion or debate on future public transport choices.

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Priorities & initiatives to achieve our vision…
"what is important…?"

Employees

Short term (within 2 years)

- Develop and implement an Industrial Relations (IR) strategy to ensure productive outcomes with current employee groups.

- Develop and implement a communications strategy and plan to ensure staff in Transport Canberra, all other agencies and the broader community are clear on the vision, strategy, priorities and intended outcomes of Transport Canberra and broader government priorities and plans.

- Ensure Transport Canberra is supported by staff with the right mix of skills. The workshops highlighted a diverse array of insights into areas such as customer experience, policy, contracts, marketing, KPIs, etc.

- Develop and implement a robust risk management strategy and processes to mitigate strategic and operational risks faced by Transport Canberra.

- Recognise that functions critical to the success of Transport Canberra may sit outside the organisation, focus should be placed on developing and maintaining links and relationships with these other organisations. E.g. areas involved in transport policy, urban planning, land development etc. This is key to starting to work as 'one team', and should include transition teams across all levels, across all agencies.

- The organisational design of Transport Canberra should ensure that management is enabled with sufficient capacity and capability to engage with innovation as it balances this focus with more operational elements of delivering on Transport Canberra's vision. The organisational design should also provide role clarity for all individuals in Transport Canberra, and those in other agencies interacting with Transport Canberra. Consideration should also be afforded to logistics issues such as accommodation etc.

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Priorities & initiatives to achieve our vision…
"what is important…?"

Employees (con't)

Short term (within 2 years) (cont'd)

- Definition of indicators of success and other performance indicators should be undertaken – to enable success to be judged in the following 2 or 3 years ahead. As part of this, Transport Canberra should consider its role beyond the actual delivery of public transport. E.g. the role of Transport Canberra in relation to clean transport, renewable energy targets, etc.

- To create an innovative culture, undertake some 'safe to fail' experiments initially in a controlled manner.

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Priorities & initiatives to achieve our vision…
"what is important…?"

Employees (con't)

Medium term (3 to 5 years)

- Continue to execute the IR strategy to ensure Transport Canberra's operating model supports the delivery of its vision and intended outcomes as efficiently and effectively as possible.

- Continue to execute the communications strategy and plan to ensure staff in Transport Canberra, all other agencies remain connected and clear on the vision, strategy, priorities and intended outcomes of Transport Canberra and broader government priorities and plans. The strategy and plan should ensure that staff are engaged in ongoing discussion and debate on future public transport initiatives that they will be tasked with delivering in the future.

- Continue to ensure Transport Canberra is supported by staff with the right mix of skills, particularly as the light rail moves from planning to delivery stages, the mix of capability (skills) and capacity (number of staff) will change.

- Continue to refine and implement the risk management strategy and processes to mitigate strategic and operational risks faced by Transport Canberra.

- Continue to strengthen and develop links and relationships with other organisations critical the the successful delivery of Transport Canberra's vision and outcomes.

- Continue to refine and measure (with input from staff) success indicators and other performance indicators to ensure Transport Canberra continues to deliver on its vision and outcomes.
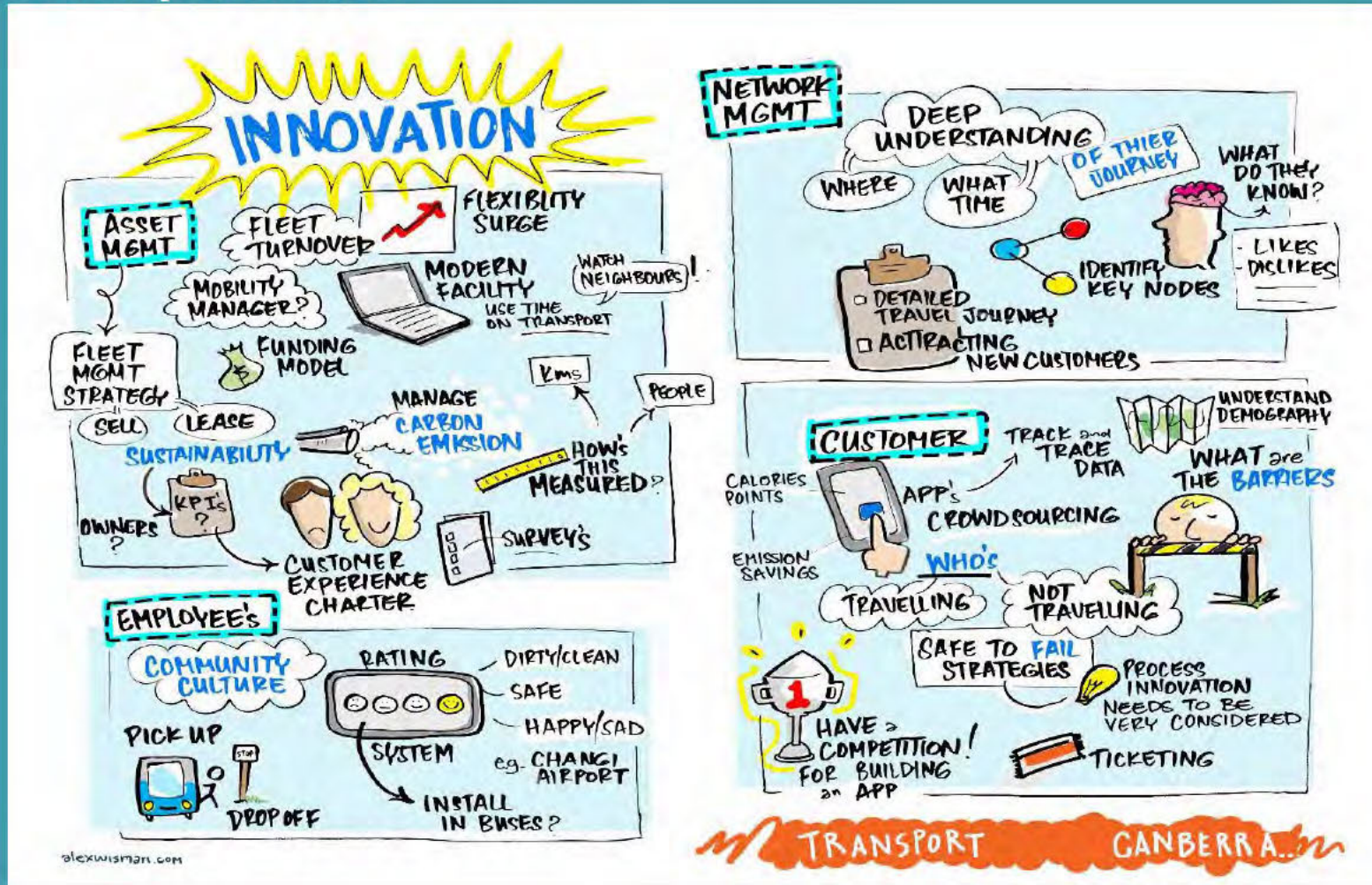
The following page provides a pictorial representation of the initiatives identified.

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Priorities & initiatives to achieve our vision…
"what is important…?"

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Phase 2 deliverable
February 2016

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Introduction

A new agency, named Transport Canberra, will commence operations on 1 July 2016, it will incorporate all transport related functions across the ACT; including existing bus and light rail functions known as ACTION buses and Capital Metro.

In establishing a new and integrated public transportation agency, the government is seeking to achieve:

- A modal shift to public transport, creating transportation choices for the ACT community;
- Financial Sustainability in Public Transport; and
- A single point of accountability for the integration of public transportation in the Territory.

To support the planning and establishment of the new organisation, KPMG was engaged by Chief Minister, Treasury & Economic Development Directorate (CMTEDD) to provide strategic advice and support.

The following report provides the following components to assist with the implementation of Transport Canberra:

1. **A proposed vision, purpose and principles;**
2. **Governance and accountability considerations including a proposed new governance model;**
3. **Functional and organisational design;**
4. **Key performance indicators for the new organisation**
5. **Risk management;**
6. **A stakeholder engagement strategy; and**
7. **High level transition plan and critical path for the development of strategy**

To support the development of this work, KPMG undertook research into the Transport operations in other jurisdictions specifically in the development of the vision, principles and key performance indicators.

The development of governance and organisational design for the new agency has been underpinned by evaluating what has worked in other jurisdictions and what is considered international best practice in the integration of land, planning and transport policy. The new proposed model takes into account the skills and capabilities that will assist the performance of Transport Canberra.

The organisational design has been informed both by the needs of the organisation, research into other jurisdictions and KPMG technical transport team.

Additionally, the high-level Transition Plan was developed in consultation with the Transition Team that is overseeing the implementation of Transport Canberra.

Importantly, each component of this report was informed by a workshop that was undertaken with key staff in the ACT government. This provided an opportunity for their input and to draw on their skills and experience working in and with transport in the ACT.

The critical path and high level strategy for Transport Canberra was developed based on feedback from the workshop and includes a list of what needs to be achieved in the short, medium and longer term.

These key components, along with implementation of the Transition Plan will support the establishment of a new integrated agency, with the right framework to support a high performing agency.
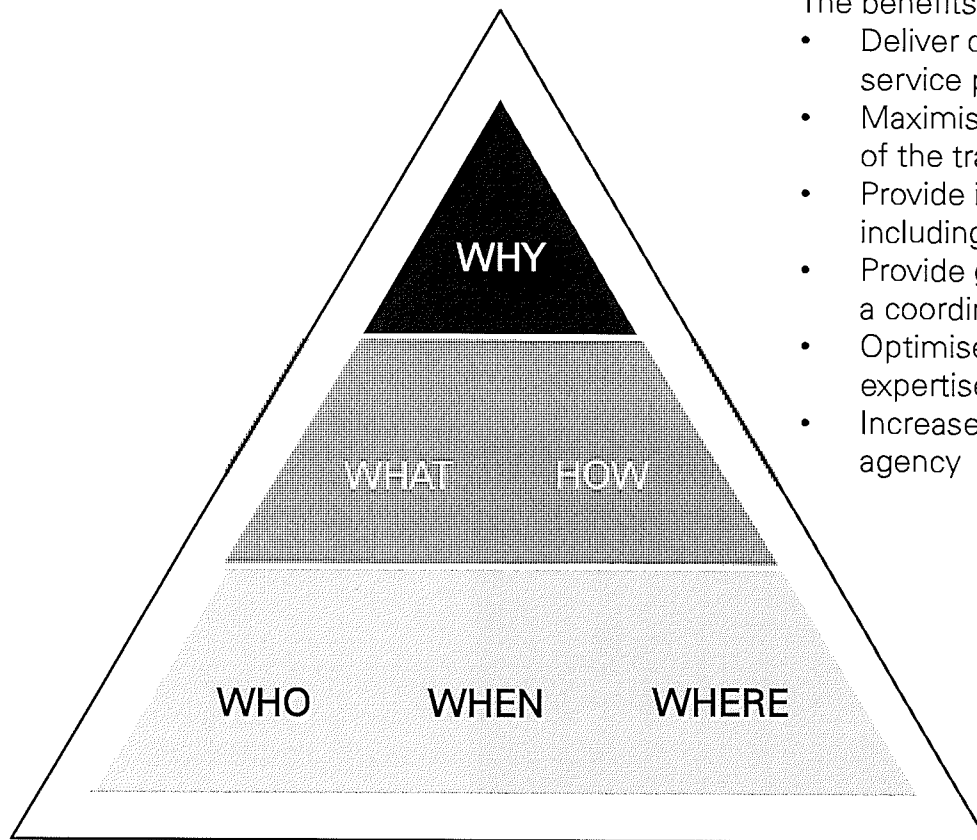
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Vision and Principles

The 'Why' of Transport Canberra

To inform the vision and strategy of the new organisation, it will be important to define why we are doing this – the purpose of Transport Canberra.

The benefits of the new agency are to:

- Deliver optimal customer experience for users by planning and managing service provision holistically across all modes
- Maximise opportunities to integrate bus and light rail with other elements of the transport system
- Provide information to the public about services, routes and timetables including a single ticketing system
- Provide greater certainty to Light Rail bidders that they will be operating in a coordinated public transport system
- Optimise management and delivery of public transport by focusing expertise on matters such as branding, ticketing and enforcement
- Increase the profile of public transport as a key priority through a single agency

The envisioned customer experience will allow Canberrans to:

- Easily move around with clear and consistent ways of finding information (using all modes in an integrated way)
- Easily plan their journey (single source of timetabling information)
- Have a consistent positive experience across bus and light rail (single ticketing system and branding)
- Optimise service delivery, through efficient deployment of resources and investment across multiple modes.

WHY

WHAT HOW

WHO WHEN WHERE

Transport Canberra – Why, What and How (Purpose)

Why is this important? (Outcomes):

Canberra is one of the most liveable cities in Australia. A more integrated and efficient public transport system will support and enhance this through:
- Enabling people to live, work and do business in Canberra - which contributes to greater social inclusion/cohesion and economic prosperity;
- Connect communities - by supporting accessibility and allowing citizens and visitors to utilise the cities attractions, resources and facilities, recognising Canberra's geography; and
- Optimise the use of public infrastructure (resources and land use) and environmental sustainability (carbon neutral) - to benefit residents now and in the future.

Transport Canberra will deliver a customer experience that is: **convenient, efficient, affordable, reliable and integrated**

What will this entail? (Outputs):
- Integration of all modes of transport – bus, light rail, regional services (bus, train, air?), taxi, ride-share, active travel etc;
- Single ticketing and timetable arrangements;
- Real time customer information to help planning;
- Integrated, strategic and innovative - planning and policy setting;
- Utilisation of contemporary technology solutions and developments; and
- Efficient and effective management of assets and contractual arrangements to deliver these services.

How will this be achieved? (Inputs):
- The creation of a single agency to plan, coordinate and implement public transport;
- Governance arrangements that provide a coordinated approach to delivering transport-related infrastructure;
- Staff engagement and a productive culture;
- Ongoing policy input from CMTEDD, EPD and TAMS; and
- Relevant and efficient internal policy, processes, systems and accountability mechanisms.

Vision statements

In developing the vision for Transport Canberra, several other jurisdiction were considered and are outlined below.

Washington

Metro moves the region forward by connecting communities and improving mobility for customers

Singapore

Our vision is to create a people-centred land transport system. We aim to make public transport the preferred choice by making it faster, reliable and more frequent.

Western Australia

To be recognised as a leader in providing world-class public transport services and solutions.

Queensland

Connecting Queensland—delivering transport for prosperity

New South Wales

To make New South Wales a better place to live, do business and visit, by managing and shaping the future of the whole transport system

Victoria

Leading our public transport network for all Victorians today and tomorrow

Future State...
"where could we be...?"

The following graphic was developed through a workshop of key Government stakeholders, as an input to the development of the vision and purpose statements.
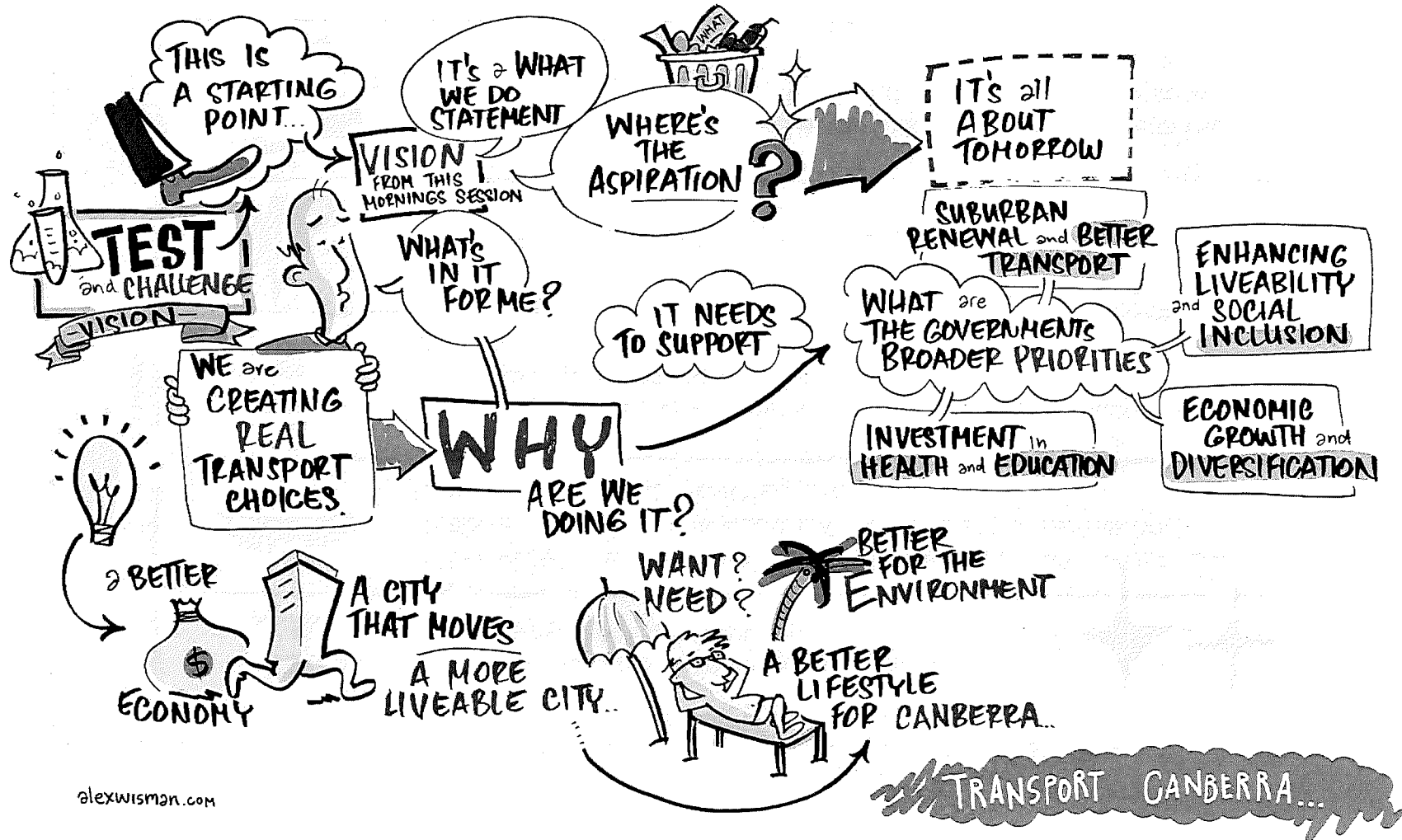
Future State…
"where could we be…?"

The following graphic was developed through a workshop of key Government stakeholders, as an input to the development of the vision and purpose statements.
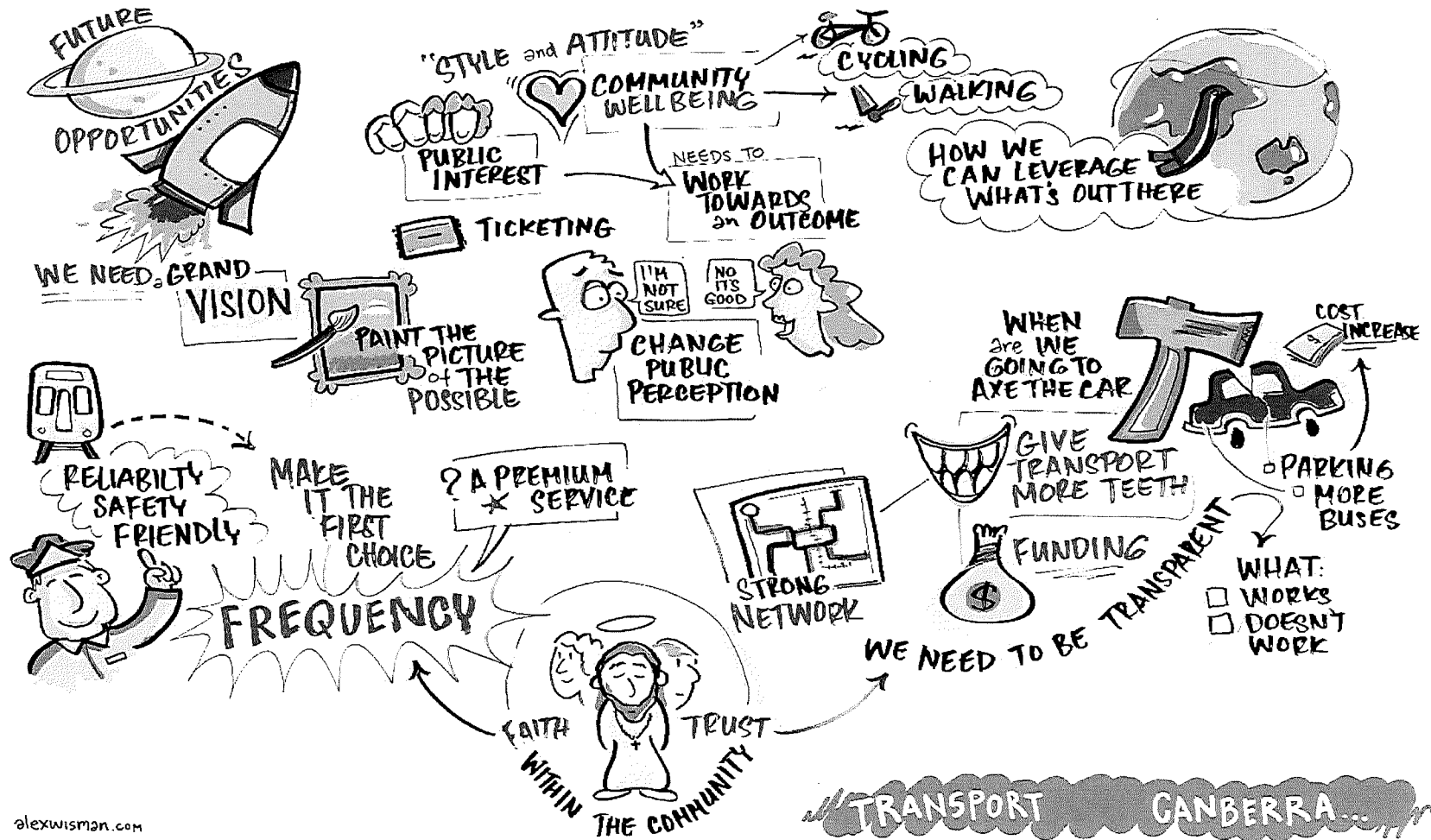
Priorities & initiatives to achieve our vision…
"what is important…?"

The following graphic was developed through a workshop of key Government stakeholders, as an input to the development of the vision and purpose statements.

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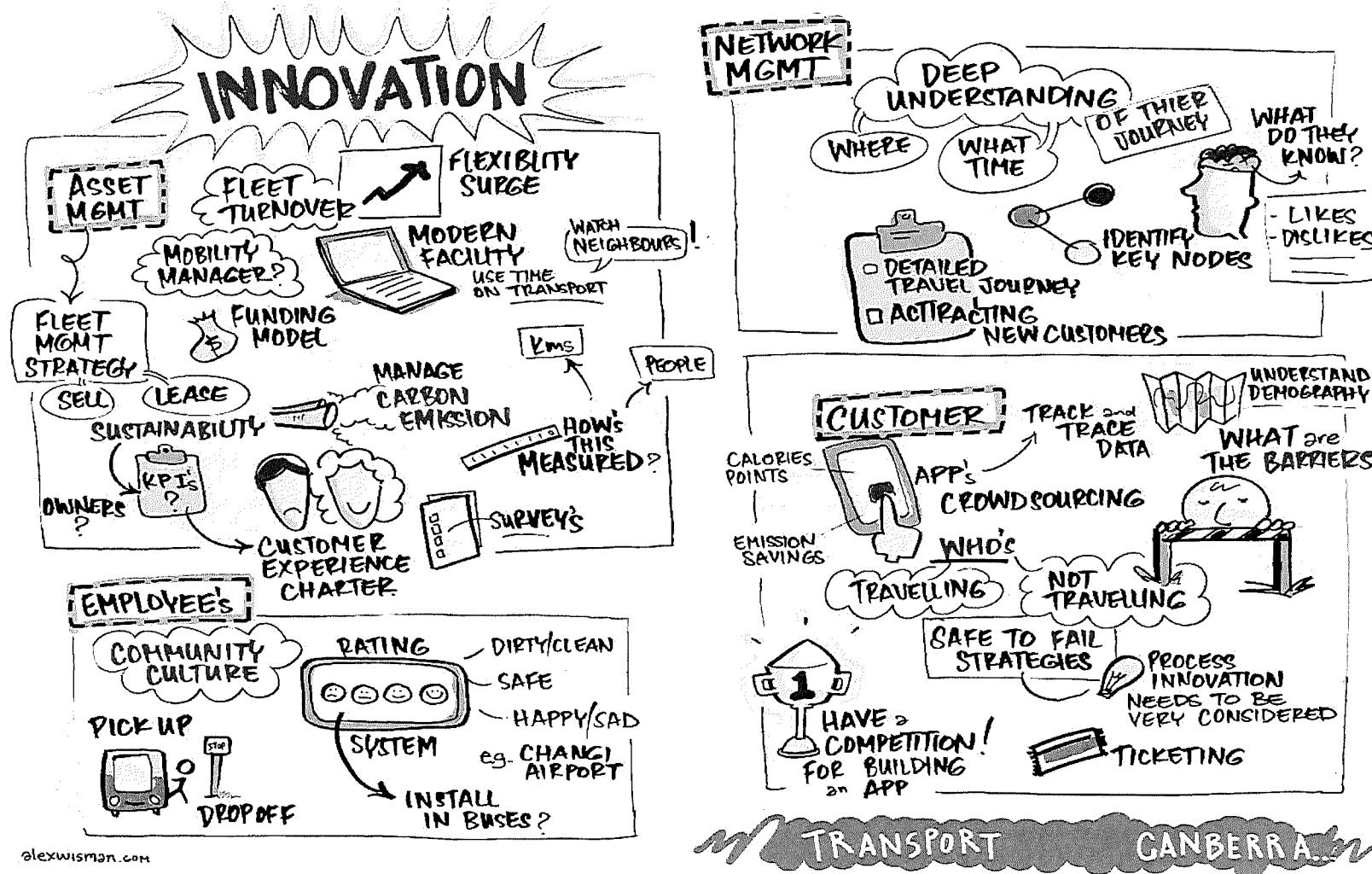
Vision and purpose

The Transport Canberra Workshop and Transition Team developed a vision and purpose for Transport Canberra. The vision and purpose will form part of the Cabinet Submission on the establishment of a new integrated transport directorate for Canberra.

Vision

***Transport Canberra** – smart transport that connects us to a better future*

Transport Canberra is building a better public transport system which will provide our customers with convenient, integrated and reliable services for residents and visitors alike.

Purpose

Transport Canberra plans, builds, operates and maintains a growing and diverse public transport system

Business priorities

There are a number of key priorities that will support this vision and purpose, they have been organised around three overarching themes:

1. Improve the efficiency of the business

2. Improve customer satisfaction and drive an increase in patronage

3. Drive innovation and a sense of excitement about public transport

The vision for Transport Canberra

The vision for Transport Canberra aims to communicate where the organisation is heading and the value the new organisation will create. In the development of the vision several key benefits and themes were considered, which now underpin the vision and principles of the new organisation. These themes include:

- **Customer service:** Customers will be at the centre of every decision made in the operations of Transport Canberra. This includes ensuring that services operate around the needs of the customer and that the customer feels motivated to utilise public transport as an alternative option to getting in their car. This in turn is expected to have a direct positive impact on patronage levels, which is a key objective of the new organisation.

- **Our people:** The people that work for Transport Canberra will continue to be key in driving customer satisfaction. We build the skills and capabilities of our people and regularly seek their feedback so that they can contribute effectively to our organisational goals.

- **Sustainability:** Better transport options for the ACT will mean less reliance on cars to get across the Capital. This will produce a better standard of living for all residents.

- **Integration:** The bringing together of the current bus network and the new light rail provides an opportunity to integrate the services. This will make it easier for customers to get where they are going. The light rail also provides additional opportunity to integrate other forms of transport such as: cycling, on-demand services and cars.

- **Innovation & Excitement:** The changing face of public transport in the ACT provides an opportunity to identify new and better ways to do things – through this to create a sense of excitement about public transport. A key component of Transport Canberra will be developing an innovative culture that is constantly looking for

better solutions for our customers.

- **Technology:** Technology provides customers with real time information to access services. Technology can also enhance the journey for customers through accessing smart phones and tablets for work or pleasure.

- **Accessibility:** Public transport needs to be accessible to everyone. This includes people with disabilities, people travelling with children and people utilising multi-mode transportation on their journeys such as cycling.

- **Safety:** There are strict OH&S laws in the ACT to protect its workers and citizens. Safety has to be at the heart of Transport Canberra to protect our workers and the public.

- **Business Efficiency:** It will be important to continue to identify ways in which transport can be delivered more efficiently, with less reliance on public funding. This must be at all levels of the new organisation.

The final vision has developed a tagline that can be integrated with the Transport Canberra branding. The most important message is that the end result is leading to a better future for residents and visitors in the ACT, whether it is breathing cleaner air, getting to work or around the city more easily, as well as ensuring that transport remains socially inclusive. All these factors contribute to building a better future.

Operating principles

Integral to the development of a vision for Transport Canberra is the identification of its principles (values). The following principles reflect the workshop outcomes.

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cutting through complexity

Governance and Accountability

Governance

The announcement of a single organisation to coordinate, plan and deliver transport in the ACT aligns with Australian and international best practice in public transport. Good governance arrangements to support the integrated agency will enable Transport Canberra to successfully set its direction, and manage its operations to maximise outcomes and effectively discharge accountability obligations. There are various governance options that can be adopted to support Transport Canberra. In the development of the proposed governance approach, KPMG considered the following issues:

Best practice: The experiences of other jurisdictions provides clear guidance on the importance of integrating land, planning and transport policy through formal governance arrangements.

Independence: It is unlikely that establishing a fully independent board will mitigate or transfer risk for the operation of Transport Canberra. Even though board members are legally accountable for their decisions, the experience in other jurisdictions has been that the Executive is still held to account for the decisions of the board in the media and with the public. Specific examples include: on-time arrivals, infrastructure, crowding and new investment. A fully independent board also presents a major risk that its decisions are not strategically aligned with the whole-of-government policy agenda.

Delivering on the light rail commitment: KPMG recognises that there is significant risk in the delivery of the light rail. Therefore, future governance needs to provide support and capabilities to the executive team to ensure the light rail is delivered on time and within budget.

Longevity: Proceeding with a non-statutory option provides significant uncertainty to potential board members given there is an upcoming election. A new government could dismantle a board without having to take it through the Parliamentary process to repeal the legislation. This may make it difficult to attract suitable applicants to the board.

Implementation: A non-statutory board would be significantly easier to implement as they require no passage through Parliament.

Current governance arrangements

Capital Metro has a Project Board to support the awarding of the procurement and contracting of the light rail. Currently, there are six Director-Generals on the board and two independent members including the Chair. Secretariat support is provided by Transport Canberra and the operations of the Project Board are supported by a Project Board charter. The Project Board reports to the Transport sub-Committee of Cabinet and has a performance and management role of the CEO. For further information on governance arrangements please refer to slide 17-18.

The proposed governance arrangements

A non-statutory option was considered the most appropriate option to pursue by the Transport Canberra, Transition Team. In the development of a new non-statutory board, particular skills and capabilities were considered strategically important in the provision of on-going advice to an integrated transport agency. To support inter-agency coordination, KPMG is proposing the establishment of a Transport Coordination Committee. This will ensure that key directorates are represented in the coordination of land, planning and transport. Refer to slide 19 for full details on the proposed model.

Governance options

The establishment of a new Directorate provides the opportunity to consider different governance options to support its operations. Options for the establishment of a new agency in the ACT and are outlined below. (It should be noted that Option 3 is being canvassed in the proposed model.)

1 — **Territory Owned Corporation (TOC):** This option is appropriate for agencies with a commercial focus and provides an arm's length from government to operate efficiently similar to business. This option provides the greatest independence from government, both regarding the ability to engage people in non-government industrial arrangements, and the ability to borrow funds. TOCS are established under the *Territory Owned Corporations Act 1990.* Section 7 of the Act outlines the main objectives of TOCS.

2 — **Statutory boards:** This option provides advice to government on key strategic matters. The role, function and positions of a statutory board are outlined in legislation and the rules governing the board's operations in regulation. Statutory boards cannot be dissolved without both houses of Parliament agreeing to repeal the relevant legislation. This provides a higher level of certainty and public accountability to statutory boards. The independence level of statutory boards are outlined in legislation determined by the government of the day. The level of independence provided will depend on the level of risk the government seeks to transfer to the board. There are a range of options, from statutory boards that are fully independent of government to boards that operate entirely at the direction of the Minister or Executive.

3 — **Non-statutory boards:** A non-statutory board can operate in the same way as a statutory board. The key difference is that a non-statutory board is not underpinned by legislation. In effect, this means that it cannot make decisions independent of government and its existence is subject to the support of the government of the day. Non-statutory boards are common and are used by governments to seek independent or expert advice.

4 — **Consultative and Advisory Committees:** Consultative and advisory bodies provide an avenue for consultation with the community on particular issues or local matters. These advisory bodies or committees are generally non-statutory.

Best practice considerations

The best practice considerations in the development of governance arrangements are outlined below:

Inter-agency coordination

There must be appropriate structures to support on-going consultation between Directorates in the ACT. The current Project Board for Capital Metro Authority includes senior representatives from other government agencies. This provides the government with strategic advice from a range of different perspectives. While consultation can occur at an informal level and can be very effective, it is recommended that formal structures of consultation remain in place until the completion of the light rail.

Effective and efficient coordination

The importance of inter-agency consultation was highlighted in the Victorian Auditor-General's Report in August 2014. This report found that the following issues were preventing a coordinated approach in the Victorian Public Transport system:
- Existing low levels of harmonisation of service frequencies across modes and deficiencies in bus services, including indirect routes and insufficient hours of service;
- Operation and low service frequencies resulting in long wait times; and
- Poor interchange design, with much of the infrastructure, location and design of interchanges considered unsuitable for passenger needs.

Land and transport policy

The linking of land and transport strategy, planning and policy is recognised as international best practice. The European Commission for Energy and Transport in its *Transport Research Knowledge Centre* noted that: land use and transport are interlinked, as land use affects and is affected by transport policy. To have an efficient and effective transport system implies getting the land use planning right, and planning urban development implies getting the transport access right. In other words, the different policy spheres and disciplines have to work together to deliver the best results for the functioning of a region, town or city. While land use distribution and the design of development does not necessarily itself cause shifts towards more sustainable travel behaviour, it can provide choice and support more sustainable behaviour – and at least improve on previous practice in which the most sustainable options were often 'designed out' from the outset. Most powered forms of transportation cause noise and pollution, produce CO_2 emissions, and the continuing growth of transport demand is one of the major causes of climate change. It is increasingly seen that land policies have a role to play in addressing these issues.

Current governance arrangements for the Capital Metro Project Board

Capital Metro sub-committee of Cabinet

↑

Minister for Capital Metro

↑

Capital Metro Project Board

↑

Capital Metro – Project Director
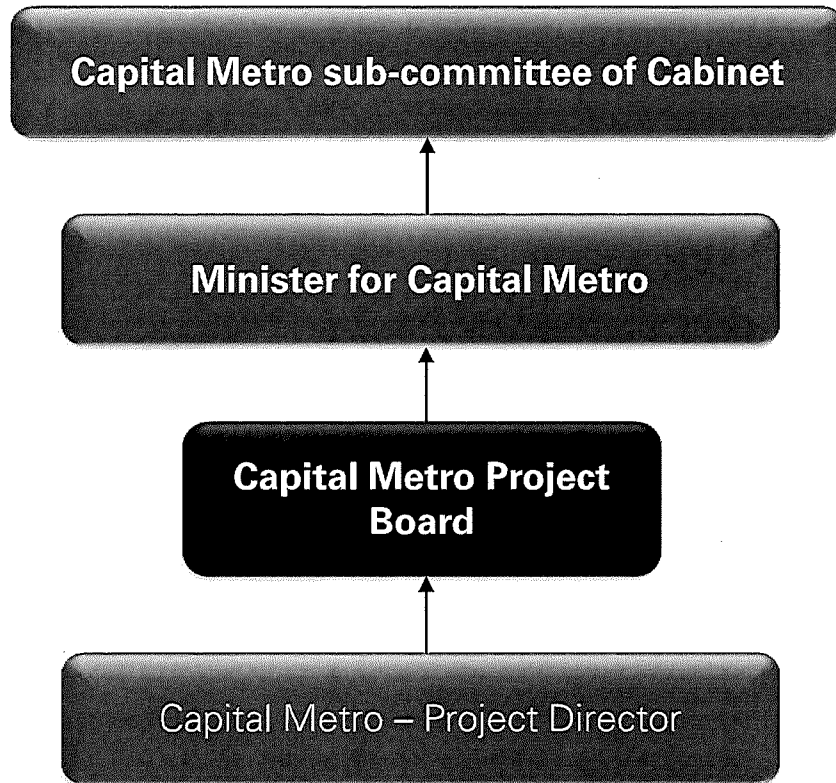
Project Board
- Meets every month.
- Provided with secretariat support by the Governance and Operations branch.
- The Project Board focuses on strategic decision making, drawing principally on recommendations tabled by the Project Director.
- The Project Board's focus is high-level strategic decisions.
- The Project Board membership is composed of decision makers only.

Capital Metro Project Principles

Principle 1: Ensure there is a single point of accountability for the success of the project.

Principle 2: The Project Owner must be focused on delivering a transport service, not merely an asset.

Principle 3: Where possible, apply the best features of corporate governance to the project's governance.

Principle 4: Constructive tension exists within the structure, particularly between those supplying products or services and those funding and/or using those products and services.

Principle 5: There must be a separation of project governance from organisational governance structures.

Principle 6: Proper placement of project decision makers in relation to project stakeholders.

Current membership of the Capital Metro Project Board

- **John Fitzgerald,** Chairman

- **Michael Kerry,** Independent Board Member

- **David Nicol,** Under Treasurer, Chief Minister and Treasury Directorate

- **David Dawes,** Director General, Economic Development Directorate

- **Gary Byles,** Director General, Territory and Municipal Services

- **Dorte Ekelund,** Director General, Environment and Planning Directorate

- **Alison Playford,** Director-General, Justice and Community Safety Director

Current governance arrangements for Capital Metro

The Capital Metro Authority (CMA) is a Directorate within the ACT Government, responsible to the Minister for CMA. The CMA, Minister for CMA and the CMA Sub-Committee of Cabinet are supported by the CMA Project Board (the Project Board). The Project Board focuses on strategic decision-making, drawing principally on recommendations tabled by the Project Director from the project team. The Project Board's focus is high-level strategic decision making. The Project Board is a mix of independent appointments and senior representatives from the ACT Government. The decision making responsibility sits with the Executive. The current division of responsibilities is as follows:

CMA Sub-Committee of Cabinet	Project Director	Project Board

• Settles major policy and service issues associated with the Project
• Approves the 'Project Plan' for the timing and sequencing of work and receives regular progress updates
• Approves and receives regular updates on the assurance arrangements for the Project, including:
  o Risk management and mitigation;
  o Evaluation;
  o Auditing;
  o Quality control;
  o Value for money;
  o Approval of major procurement and contractual arrangements; and
  o Approval of the financial structure and fiscal strategy for the delivery of the Project, and the provision of continued direction to the CMA.
	• Successfully mobilises and provides ongoing management to a multi-disciplinary project team
	• Progressively refines the business case for the Project
	• Achieves the government's tight timeframes for the Project
	• Continuously improves the government's project management and procurement capability
		• The Project Board focuses on strategic decision making, drawing principally on recommendations tabled by the Project Director. The Project Board's focus is concentrated on high-level strategic decisions.

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Current Governance arrangements – ACTION

Minister for Transport and Municipal Services

Territory and Municipal Services

Roads and Public Transport Division

ACTION buses

Proposed purchaser-provider split
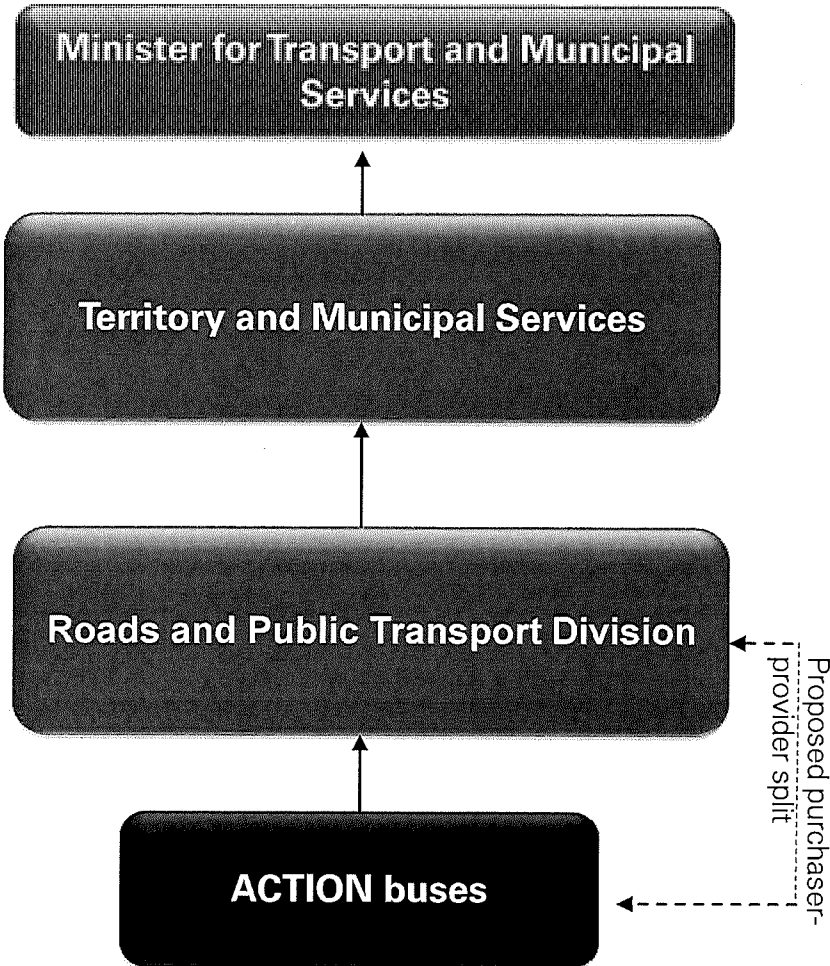
ACTION's Governance Framework

ACTION 's governance is underpinned by a suite of policies and procedures about how, where and to whom the business delivers its services.

Central to ACTION's governance model are:
- accountability
- transparency/openness
- integrity
- stewardship
- efficiency
- leadership.

ACTION Reporting Frameworks

The ACTION Executive currently utilise three reporting frameworks:

- Business planning and reporting framework
- Risk management framework
- Performance management framework.

Purchaser-Provider model

MRCagney recommended establishing:

- A purchaser-provider organisational structure that involves a clear separation of roles between the public transport group within Territory and Municipal Services (the purchaser) and ACTION (the provider).
- Adjustments to ACTION's structure that would support this shift. This includes establishing identical procedures for the two currently operating depots.
- Improved business information collection and integration of performance information into planning processes.

It should be noted that the government accepted these recommendations and is in the final stages of a restructure, which will improve ACTION's capability to pursue business improvements over time.

Proposed new governance for Transport Canberra

The Minister appoints members of the Advisory Board

Minister

Director General of Transport Canberra

Provision of advice

Transport Canberra Executive

Transport Coordination Committee

To coordinate activity between transport, planning and land usage.

Transport Canberra Advisory Board

Non-statutory Advisory
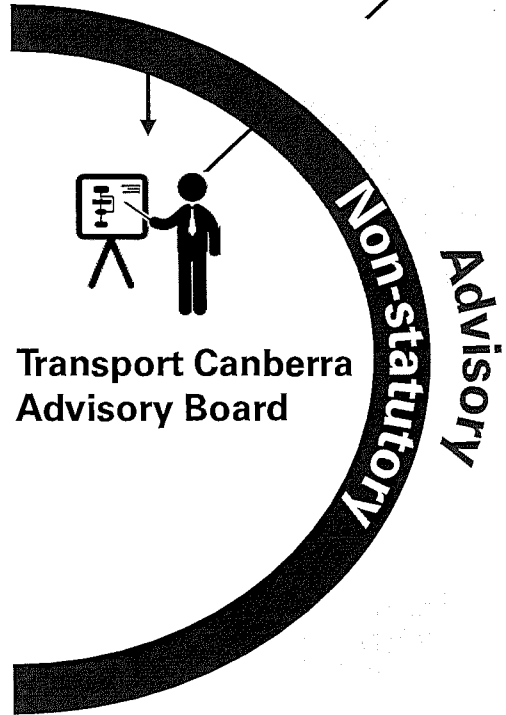
Strategic Advice

Transport networking and planning	Customer satisfaction and social inclusion
Senior transport management	Private operator experience
Innovation and performance improvement	Implementation of infrastructure projects
Finance and risk	People and culture

Key Board Capabilities

- Community and customer advocacy
- Integrated network planning & operations
- Asset management planning
- Policy and innovation
- High-level program/ project management
- Financial and risk management

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Roles and responsibilities of leadership

The following table outlines the roles and responsibilities of the key leadership of Transport Canberra.

Minister for Transport	Director General of Transport Canberra	Executive Team	Advisory Board
• Annual Statement of Expectations. • Settles major policy issues including through the Cabinet process. • Approves and sets strategic direction. • Responsible for amendments to the relevant legislation and regulation. • Receives and acknowledges reports on assurance arrangements. • Receives regular performance reporting from the Director General.	• Responsible for the operations and performance of Transport Canberra. • The delivery of the light rail and integrated public transport system for Canberra. • Annual performance reporting on the Statement of Expectations. • Responsible for overseeing the Transport Canberra budget. • Responsible for implementing the government's policy. • Publishes monthly statistics on performance. • Delivers a publicly available Annual Report.	As well as on-going management responsibilities, the executive Team approves regular updates on the assurance arrangements for Transport Canberra including: • Strategy; • Change management and business improvement; • Risk management and mitigation; • Evaluation; • Auditing; • Quality control; • Value for money; • Approval of major procurement and contractual arrangements; and • Approval of the financial structure and fiscal strategy for the delivery of the Project, and the provision of continued direction to the CMA.	• Reports to the Minister • To provide strategic advice in key areas to the Director-General and the Executive Team. • To provide strategic advice to support the implementation of the light rail.

Key elements – Transport Canberra Advisory Board

The below table describes the key elements of the proposed Transport Canberra Advisory Board.

Key element	Detail

Appointment	• At the Minister's discretion
	• Policy considerations should take into account the Government's commitment to:
	  – achieving 50% representation of women on its boards and committees; and
	  – encouraging greater participation of Aboriginal and Torres Strait Islander people, people from culturally and linguistically diverse backgrounds and people with a disability; and promoting representation from a broad cross section of the community, including community organisations. (ACT Government Boards and Committees Handbook)

Role and Function	• A key advisory body will provide independent and expert advice on:
	  – Transport network and planning;
	  – Ongoing procurement and contract management;
	  – Implementation of infrastructure projects including environmental impact;
	  – Customers, social inclusion and community satisfaction;
	  – Fleet and asset management; and
	  – Innovation and performance improvement.

Accountability	• The Advisory Board will report directly to the Minister for Transport, whilst advising management. • The Board will be overseen by a Chairperson, there would be regular reviews of performance of the Board and members.
Membership	• For most appointments to ACT boards and committees, people appointed will have a connection and commitment to the ACT through their choice to live and/or work in the ACT. • The Transport Canberra Advisory Board requires specific skills, therefore, appointments can be made to the board of people external to living or working in the ACT providing that they can meet their obligations.
Term	• An initial 2 year term is proposed to coincide with the term ending with the implementation of the light rail. • The Government may then choose to extend board appointments or amend the role and function of the board.
Commitment	• Given the advisory nature of the board, members may also be asked to sit on specific Advisory Board sub-committees or project committees that are formed to provide advice on specific issues where technical advice is required.
Remuneration	• Remuneration will be on the advice of the Remuneration Tribunal taking into account the specific skills and requirements of the Advisory Board.

Transport Canberra Advisory Board – Terms of reference

Purpose	The purpose of the Transport Canberra Strategic Advisory Board is to provide specific capabilities to Transport Canberra through the provision of strategic advice
Advisory Board Members	Each year the Advisory Board will review progress, address strategic questions and plan for the coming financial year. The Advisory Board may request to review Transport Canberra's budget and financial accounts each year, however the Advisory Board is not a formal Board of Directors and does not have fiduciary responsibility for Transport Canberra. The Advisory Board may request information that is not publicly available regarding the performance of Transport Canberra to support its provision of strategic advice.
Advisory Board Members' responsibilities	Suggested roles and responsibilities for advisory board members include: • Continual development of the understanding of Transport Canberra, the regulatory environment and industry trends; • Provide strategic and/or technical advice on issues raised by the Director-General or management; • Provide management with insights and ideas which can only come with distance from the day-to-day operations; • Encourage and support the exploration of new ideas including better ways of doing current activities or processes; • Act as a resource for executives; • Encourage the development of a governance framework that enables continued growth, whilst not stifling the spirit or vision of the organisation; • Monitor business performance and challenge management to consider options for improving the business; and • Work as a team to achieve results for Transport Canberra and the broader ACT community.

The proposed model: advantages and disadvantages

The below table outlines the advantages and disadvantages of the proposed governance arrangements.

Advantages	Disadvantages
• A non-statutory advisory board would not require any legislative amendment and could be easily implemented by 1 July 2016.	• Committee members can be held to account by the Executive but rarely have responsibility for actions outside their sphere of direct control.
• An advisory board provides an opportunity to bring in capabilities that do not currently exist within the organisation.	• An advisory board would not be responsible for the performance of the organisation.
• The government is not bound by any rules to remove committee members tenures. A problematic member could easily be moved on from the committee.	• A non-statutory position may not be as prestigious or well remunerated as a statutory board appointment, and may fail to attract the right mix of skills and capabilities.
• A statutory board could be considered for a fully integrated system when the building of the light rail is complete. This is a non-disruptive option to support the integration of Capital Metro and TAMS.	• There is no independent oversight of operations of Transport Canberra.
• A board will provide the government with a wider variety of qualifications, experience and knowledge than it would be possible to find in a single executive manager.	• There is a risk that the board will not have the right mix of experience in governance and expertise. The capabilities and experience of the board will be an important consideration.

Key transition considerations

- ❏ Winding up the operations of the current project board.

- ❏ Key appointments will need to made to the new Strategic Advisory Board prior to 1 July.

- ❏ Staff adjustment to the nature of the new board which is advisory in nature rather than decision making.

- ❏ The development of a Statement of Expectations by the Minister and an annual reporting framework for Transport Canberra.

- ❏ Given the technical nature of the appointments, advertisement for the positions should be broader than the ACT and include national publications capturing all Australian jurisdictions.

- ❏ Technology options and a possible travel budget will need to be considered for the possibility of inter-state appointments.

- ❏ Communication will need to undertaken to existing members of the Project Board regarding the transition.

- ❏ Reporting lines of the Advisory Board will be directly to the Minister, along with appointments. It will be important to keep the Minister informed of the recruitment and appointments process.

- ❏ Adequate secretariat support will need to be established prior to its implementation.

- ❏ Recruitment for board positions will need to commence post-Cabinet approval of the governance structure for Transport Canberra. A lead time of at least two months will be required.

- ❏ Members of the executive team will need to make themselves available to brief board members in advance of the board's commencement.

Transport Coordination Committee

The below diagram provides a proposed structure for a Coordination Committee to coordinate transport, planning and land use in the ACT. The Committee ensures that the ACT is implementing best practice approach to managing transport by integrating land and transport policy decision making and providing a framework for inter-agency coordination. The Committee would operate at a bureaucratic level.

Purpose: Transport Coordination Committee provides advice to relevant ministers and Director-Generals to ensure that there is a coordinated approach to decisions impacting on transport operations in the ACT. The Committee can approve unanimously or provide dissenting advice from members before issues are taken to the ultimate decision makers. The committee is made up of Executive Members only and the Environmental and Planning Directorate provides secretariat support.

Environmental and Planning Directorate
Chair

Transport Canberra	**CMTEDD**	**Territory and Municipal Services**
• Two executive members • Secretariat support	• One executive members	• One executive member

Issues for consideration by the land and transport committee

Business case for investment in new public transport	Planning decisions impacting on public transport integration	Major new roads or pedestrian walkways affecting access to public transport	Cabinet submission pertaining to transport issues or significant issues impacting transport operations	Decisions concerning land adjacent to the light rail

Key elements – Transport Coordination Committee

The below table outlines the key elements for the operations of the Transport Coordination Committee.

Key element	Detail
Members	All members of the Transport Coordination Committee must be executive appointments to ensure that the advice can be provided direct to the ultimate decision makers. The membership includes: • EPD, Chair of the Transport Coordination Committee • Transport Canberra, 2 executive members • CMTEDDEPD, 2 executive members • TAMS, 1 executive member
Role and function	The Committee is in place to ensure that there is coordination between land, planning and transport policy in the ACT. It should be noted: • The committee is not a decision making body but it may endorse proposals or concepts as a whole committee. • The Committee may provide dissenting views and present these views to the ultimate decision maker(s).
Commitment	The Committee should meet on a quarterly basis, with papers circulated two weeks in advance of the meeting.
Expert members	The Committee may invite additional members to sit on the committee to consider specific issues. This can include senior representatives from other Directorates, technical experts or members of the Transport Canberra Advisory Board.
Implementation	The Transport Coordination Committee will commence to align with the start date of Transport Canberra on 1 July 2016.
Secretariat support	Secretariat support for the Committee will be provided by EPD.

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Organisational Design

Transport Canberra – Organisation structure

Approach

The KPMG methodology for organisation design starts with the objectives of the organisation. Next, the broad functions (i.e. groups of similar activities) required to support the objectives are identified. We then consider:
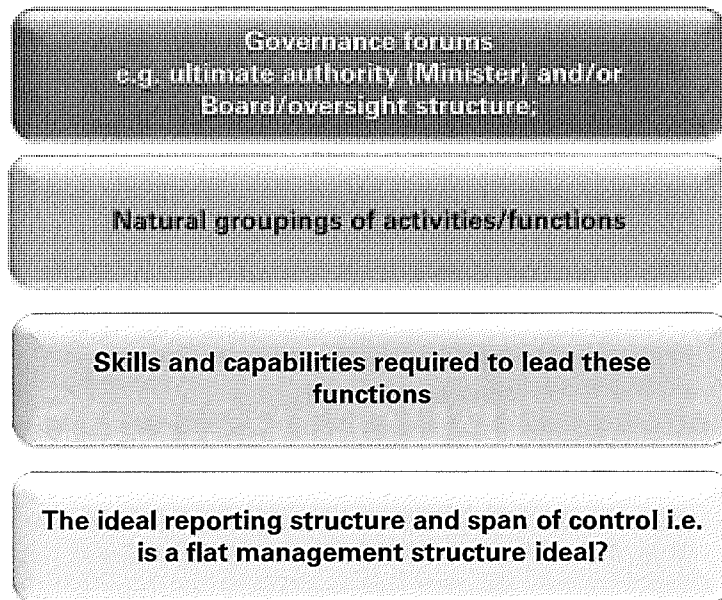
Based on these groupings of activities we would then provide a high-level team structure, size and skill requirements.

Other matters to consider include:

- Recruitment strategy for senior positions i.e. spill and fill, external advertisement, and then middle managers; and

- Communication with staff (TAMS, Capital Metro) regarding filling roles (link in with the ongoing communications and change management strategy/planning).

Transport Canberra – Functional analysis

The following functions have been broadly grouped, as an initial 'stocktake' process.

The purpose is to test whether key functions or activity groupings have been captured i.e. completeness, and/or whether they can be more logically or practically grouped.

This is one input into the design of the new organisation.

Key functional groupings	ACTION buses	Light Rail	Other Transport Services
Strategy & Advice			
Advice, input and coordination with other elements of Gov't:	✓	✓	✓
- Land Use & Precinct Planning, Urban Design & Environmental (targets)			
- Short, medium & long term Transport Planning & Policy			
- Parking & Traffic Related Policy Issues			
- Accessibility, Social Inclusion and Health Policy			
Business Improvement & Investment			
New Initiatives & Innovation	✓	✓	✓
Business Case Development and Investment Prioritisation	✓	✓	✓
Property Acquisition & Management	✓	✓	✓
Risk & Quality Management	✓	✓	✓
Operations and Maintenance			
Network Systems & Service Performance (mode share)	✓	✓	✓
Coverage & Ridership including regional services, other forms of transport	✓	✓	✓
Strategic Asset Management & Planning (including fleet & other assets)	✓	✓	✓
Capital Works Design & Delivery, Utilities Interface	✓	✓	✓
Regulation & Compliance Management (inspection responsibilities: Access Canberra)	✓	✓	✓
Safety Management - Public & Employees	✓	✓	✓
Community Transport	✓	✓	✓
Operations Support & Incident Management	✓	✓	✓
ACTION Bus Management			
Performance and Efficiency Management	✓		
Depot Management	✓		
Workshop and Operational Fleet Management	✓		
Vehicle & Crew Schedule Management (including schools)	✓		
Light Rail Contract Strategy & Management			
Enabling Works Planning & Management*		✓	
Contract cost management		✓	
Contract reporting and performance		✓	
Contract risk & compliance		✓	

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Transport Canberra – Functional analysis

Key functional groupings	ACTION buses	Light Rail	Other Transport Services
Customer Experience & Communications			
Customer surveying, feedback & user requirements	✓	✓	✓
Patronage modelling & data analytics	✓	✓	✓
Customer concepts, innovation & technology eg. apps	✓	✓	✓
Ticketing	✓	✓	✓
Timetabling & Real-time information	✓	✓	✓
Safety & Regulation (from a customer persepctive)	✓	✓	✓
Network Integration & Connectivity	✓	✓	✓
Stakeholder Engagement - internal & external communications	✓	✓	✓
Social Inclusion, Visitor Programs & Promotional Events	✓	✓	✓
Corporate			
Corporate Planning & Performance	✓	✓	✓
Financial Management	✓	✓	✓
People and HR	✓	✓	✓
ICT & Information Management	✓	✓	✓
Ministerial	✓	✓	✓
Facilities Management	✓	✓	✓
Procurement	✓	✓	✓
Shared Services Management	✓	✓	✓
Governance Secretariat	✓	✓	✓
Assurance - QA/Internal Audit/Probity	✓	✓	✓
Media, publications	✓	✓	✓
Branding	✓	✓	✓
WHS	✓	✓	✓
Freedom of Information & Privacy	✓	✓	✓

Transport Canberra – Organisation structure

Note: This option was considered the preferred option, with a relatively flat management structure however, key functions grouped to reduce the number of executive positions. Enabling Service arrangements are yet to be determined – see a slightly amended option on the following slide.

Option 1: Strategy and Business Functions brought together, all enabling services within organisation.

Director-General Transport Canberra

D-G's Office:
- Executive Officer and Executive Assistant
- Board secretariat
- Ministerial correspondence and support

Enabling Services
- Planning & Performance Reporting
- Procurement
- FOI & Privacy
- Assurance Services
- Financial Management
- People Management
- IT
- Facilities Management

Strategy and Business Improvement

Action Buses
- Depot Management
- Workshop & Operational Fleet Management

Capital Metro

Network Coordination
- Regulations & Compliance
- Safety Management – Public and Employees

Customer Experience & Communications

Note 1: Current EPD functions will remain with that Directorate, this is not a duplication it is designed to provide input into broader processes with a transport perspective.

Transport Canberra – Organisation structure

Note: This option separates the Enabling Services elements to retain limited in-house capacity, with the remainder managed through a Shared Services arrangement

Option 1a: Strategy and Business Improvement Functions brought together. Most enabling services provided under a Shared Service arrangement.

Director-General Transport Canberra

D-G's Office:
- Executive Officer and Executive Assistant
- Board secretariat
- Ministerial correspondence and support

Enabling Services
- Planning & Performance Reporting
- Procurement, Advice & Support
- Shared Service Management

Shared Services
- Financial Management
- People Management
- IT
- Legal
- Facilities Management
- FOI & Privacy
- Assurance Services

Strategy and Business Improvement

Network Coordination

Action Buses

Capital Metro

Customer Experience & Communications

- Regulations & Compliance
- Safety Management – Public and Employees

Transport Canberra – Organisation structure

Note: This option is an alternative simplified structure, with two main elements of the business/organisation..

Option 1b: Three key division to encourage greater integration and efficiency between teams

Director-General Transport Canberra

D-G's Office:
- Executive Officer and Executive Assistant
- Board secretariat
- Ministerial correspondence and support

Strategy and Business Improvement

Strategy	Business Improvement
Advice, input and coordination with other elements of Gov't • Land Use & Precinct Planning, Urban Design & Environment targeted Short, medium and long term • Transport Planning & Policy • Parking & Traffic Related Policy Issues • Accessibility, Social Inclusion and Health Policy	• New initiatives and innovation • Business case development, investment prioritisation • Property acquisition • Risk & Quality Management

Customer Experience & Communications

• Customer surveying, feedback & user requirements • Patronage modelling & data analysis	• Stakeholder engagement & communication • Media management • Social inclusion, visitor program & promotional events • Marketing
• Customer concepts, innovations & technology • Real-time ticketing & customer information • Multimodal integration & connectivity	

Network Coordination

- Network Systems & Service Performance
- Coverage and Ridership
- Strategic Asset Management & Planning
- Ticketing Systems
- Vehicle & Crew Schedule Management
- Capital Works Design & Delivery, Utilities Interface

- Community Transport including special needs transport options
- Operations Support & Incident Management
- Liaison and coordination with other forms of transport e.g. taxi, ride share, private operators, other jurisdictions and councils/governments

- Regulations & Compliance
- Safety Management – Public and Employees

Action Buses	Capital Metro
• Bus Service Performance & Efficiency Management • Communications Centre	• Enabling Works & Planning Management • Construction & engineering • Contract cost management • Contract reporting & performance
• Depot Management • Interchange & Operations Support • Workshop & Operational Fleet Management	• Contract risk & compliance

Enabling Services

- Planning & Performance Reporting
- Procurement, Advice & Support
- Shared Service Management

Shared Services

- Financial Management
- People Management
- IT
- Legal
- Facilities Management
- FOI & Privacy
- Assurance Services

Transport Canberra – Organisation structure
Description of key groups

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Strategy and Business Improvement

This function is designed to be future focused, strategic and innovative. It would take an integrated transport perspective when considering issues across the ACT which also intersect with matters involving the environment, social inclusion and health. This function must work closely with each of the other operational functions e.g. Network Coordination.

Key group	Detail
Strategy	• Build strong and productive relationships with other key agencies e.g. Environment Planning Directorate, TAMS, Access Canberra, Attorney-General's, NCA; in order to ensure matters relating to transport are planned for and addressed. • Develop forward strategies that provide mutual benefit, through land use, economic benefit, urban planning and sustainable solutions. • Feed into ACT planning processes, e.g. Territory and Master Planning. • Consider programs and related Government initiatives to encourage consumer behaviours e.g. parking, accessibility, social inclusion, and health. *Skill-set: Strategic planning, relationship management, innovation, transport planning*
Business Improvement	• Research best practice transport systems, both nationally and internationally. • Lead significant new developments and investments projects e.g. new ticketing system; working closely with areas that will operate/manage any initiative on an ongoing basis. • Develop business cases, including undertaking financial analysis e.g. cost, IRR, ROI. • Develop a program of work to either: undertake new initiatives; or make enhancements to the existing organisation. • Where key initiatives involve the purchase of land and/or existing properties, this team will manage this. • Manage strategic risk assessment of the organisation, along with operational risk register and management. • Consider how to drive quality across the organisation. *Skill-set: Business improvement, innovation, investment management and financial analysis, risk and quality management*

Transport Canberra – Organisation structure
Description of key groups

Network Coordination

This function is designed to coordinate a range of network related activities across all forms of transport.

Key Group	Detail
Network Planning	• Oversight and management of the performance of the integrated network, linking closely with data and analysis undertaken by the Customer Experience group as well as individual performance of each service. • Management of route coverage and patronage/ridership. • Medium and long-term planning and management of strategic asset (acquisition and disposal – operations and maintenance undertaken by the services) e.g. the bus fleet, other infrastructure eg. scheduling and ticketing systems. • Management of the integrated ticketing system, which will provide data on patronage and most popular routes. • The management of any capital works design and delivery for maintaining or upgrading facilities eg. depots, interchanges, bus stops etc. *Skill-set: Integrated transport network management, strategic asset management*
Safety & Compliance	• Management of all safety and related regulatory compliance requirements across the organisation - including within the organisation ie. for employees, as well as for the public. • This function will also manage any safety and related issues, including any compensation and legal issues. *Skill-set: WHS, public safety and risk management, insurance and compensation management*
Network Programs	• The function will oversee all transport related programs to support customers and any special needs groups. This will include the management of any incidents, community transport programs as well as liaison with other forms of transport eg. taxi, ride share etc. *Skill-set: Incident management across all services, program management and monitoring of the performance of such programs*

Transport Canberra – Organisation structure
Description of key groups

ACTION Buses

Key Group	Detail
ACTION buses	• This is a front-line function of ongoing operations of the ACTION bus service. • One functional grouping will be responsible for driving the overall performance and effectiveness of the service, aligning closely with the Business Improvement function as well as Network Coordination and Customer Experience. • Scheduling of the fleet of vehicles and operational staff (i.e. bus drivers, mechanics and support staff). • The management of bus depots has been grouped with workshop operations and the bus driver workforce. *Skill-set: Bus service performance, management of a large group of bus drivers and workshop staff both of which are unionised*

Capital Metro

Key Group	Detail
Capital Metro	• The Light Rail, once constructed, will become a contract management role; managing the performance and compliance of the consortium that will operate the service. • During the build stage there will be a need for the management of Government approvals for any capital works necessary for the build. *Skill-set: Strategic contract management*

Transport Canberra – Organisation structure
Description of key groups

Customer Experience and Communications

This function is designed to bring all aspects of the customer into one group. It will focus on eliciting feedback, analysis of this feedback to identify improvements to services and operations. It will also be pro-active in identifying areas in which to better communicate with key stakeholder groups and the community.

Key Group	Detail
Survey and data analytics	• Survey design, deployment and analysis. • Use of service related data to analyse trends, identify issues and genuine business insight that can be used by the organisation to improve performance e.g. patronage and usage data, timetable data, coupled with feedback overlayed with broader regional issues and events. *Skill-set: Surveys, analysis and modelling*
Customer innovation and messaging	• Identification of mechanisms to support customers and potential customers to utilise public transport. • Provision of Apps that help and assist commuters and casual users e.g. tourists, such as messaging of delays and attractions, potentially linking commuting with health outcomes e.g. 'steps per day'/to the next bus/light rail stop *Skill-set: Real-time customer communications and technology solutions*
Stakeholder engagement and marketing	• Identification and monitoring of key stakeholder groups and their needs and concerns. • Identification and use of mechanisms to communicate with these stakeholder groups to promote positive outcomes and services and understand their perspectives (with a view of improving transport services). • Media management and advice. • Managing marketing/promotional and visitor programs. *Skill-set: Strategic communications, media and marketing*

Transport Canberra – Organisation structure
Description of key groups

Enabling Services

This function is designed to provide a range of corporate services to the organisation. Staff can either be located within the organisation or the services of a Shared Service function utilised. A series of policies and procedures will need to be developed (or adapted for use) across the organisation.

Key Group	Detail
Enabling Services	• Financial management – budget allocation, management of budget versus actual expenditure, financial planning and modelling, executive reporting. • People management – recruitment, training and development, performance management, industrial relations, assist in managing the culture of the organisation and staff engagement and communications activities. • IT – all aspects of ICT and Information Management services. • Legal – legal advice and support. • Facilities management – the management of all office and related workplace facilities, given there are likely to be multiple locations. • FOI & Privacy – the management of any related requests. • Assurance services – the management of internal audit and management assurance services. • Planning and performance reporting – the development of organisation strategy and planning materials, development of systems and processes to capture agreed performance metrics (eg. strategic priorities and KPIs). • Procurement – undertake procurements on behalf of the business and/or work closely with the business area acquiring goods and/or services. • If there is a Shared Service arrangement, there will need to be a role for managing this MoU/contract. *Skill-set: Accounting, HR, IT, facilities, assurance, strategic planning and performance reporting, contract management*

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Key Performance Indicators

Transport Canberra – KPIs Background

The Strategic Priorities, KPIs and targets that follow have been developed by the Transition Team and are a very useful starting point.

They:

- Embody the concepts outlined in Transport Canberra's vision and objectives, that is a customer centric organisation that provides integrated and contemporary transport services which support broader Government objectives of economic growth, social inclusion and environmental sustainability.

- Are sufficiently strategic and of an appropriate number i.e. not too many in significant detail that require considerable levels of resources to collect and analyse.

- Focus primarily on external measures, with some measures that focus on the workforce and creating a positive culture.

- Include measures of cost and effectiveness as well as service level.

- Additional measures suggested include:

    - Delivery of transport services on time and at the agreed frequency (as a direct input to increasing patronage); and

    - A contribution towards health outcomes e.g. helping users become more active through the use of public transport (not yet included – for discussion).

KPMG notes that the first two strategic priorities:

- SP1 – Provide attractive transport options that meet the needs of Canberrans and visitors and promote social inclusion, economic growth and integration of our region, is the lead indicator.

- SP2 – Increase patronage of public transport in Canberra; are crucial and are intrinsically linked to influencing customers and potential customers.

    are the end result of many other contributing factors. Therefore, the customer survey and feedback/engagement mechanisms that will be put in place in the new organisation will be crucial to achieving these strategic priorities.

KPMG also utilised its internal guidance material to test the measures, this is provided at the end of this section for future reference.

Transport Canberra – KPIs Background

Other jurisdiction's performance measures

Reviewed the KPIs against other jurisdictions' publically reported KPIs and performance standards indicates that there are common groups of measures or indicator type ie. customer satisfaction, service and patronage. Outlined below are these transport services and the indicators they report. The information made available publically is at a high level and tracked over time, the details of how these indicators are calculated is difficult to determine.

As indicated in the previous slide measures of service timeliness, frequency and reliability will be important to continue to track and monitor (ACTION currently do this). It has been included as a KPI and target.

Jurisdiction	Customer satisfaction	Service	Patronage
Public Transport Victoria	Customer satisfaction index	Service punctuality, Scheduled Service Delivery, Total kilometres scheduled	-
Transperth	Passenger surveying	On-time services Service reliability	-
Adelaide Metro	Not reported	Timeliness, connecting services, cleanliness, vehicle condition meets service standards	Increase use of public transport to 10% of metropolitan weekday passenger vehicle kilometres travelled by 2018 (reported by Department of Planning, Infrastructure & Transport)
Translink Queensland	Customer satisfaction – overall, safety & security, reliability & frequency, comfort, ease of use, proximity, helpfulness of staff	Services on-time running and services delivered	Patronage – by service
Singapore - SMRT	No specific indicator, although reported as a key area of focus i.e. addressing customer demand/need	Service availability & punctuality, distance covered, delays & disruptions, train delays of more than 5 and 30 minutes, mean distance travelled without a delay of 5 minutes	Ridership

Transport Canberra – KPIs

Strategic Priority	KPIs and Targets
SP1 – Provide attractive transport options that meet the needs of Canberrans and visitors and promote social inclusion, economic growth and integration of our region.	• *KPI – Customer and community satisfaction (perception survey), including connectivity, timeliness, frequency, access, availability of timetable and service information, cleanliness of services, client service, general satisfaction* • Target – x(10)% increase in satisfaction per annum against most recent TAMS/ACTION survey. [Other jurisdictions: Transperth - Passenger surveys published including measures of convenience, reliability, cost, efficiency, comments regarding drivers etc.; Translink Queensland – customer satisfaction overall, safety and security, reliability & frequency, comfort, ease of use, proximity, helpfulness of staff] • *KPI – Improved connectivity* • Target – Total journey time on a selection of sample routes at sample times reduced by x(10)% (eg. choose five highest patronage routes). [Other jurisdictions: Singapore SMRT – train delays of more than 5 and 30 minutes, mean distance travelled without a delay of 5 minutes]
SP2 – Increase patronage of public transport in Canberra.	• *KPI – Patronage levels* • Target – Increase patronage by x(10)% per annum. [Other jurisdictions: Department of Planning, Infrastructure & Transport South Australia - increase use of public transport to 10% of metropolitan weekday passenger vehicle kilometres travelled by 2018; Singapore Rail – total ridership per annum eg. 660 million in 2014] • *KPI – Transport services delivered on-time and at agreed frequency* • Target – Increase network punctuality at key points of the network (currently measured by ACTION) by x(5)%. [Other jurisdictions: Transperth – On-time services & service reliability; Adelaide Metro – timeliness, connected services, cleanliness, vehicle condition, ability to meet service standards (note these are collected via 'audits' of bus/trains); Translink Queensland – Services running on-time and services delivered; Singapore SMRT – Service availability & punctuality, distance covered, delays & disruptions]

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Transport Canberra – KPIs (con't)

Strategic Priority	KPIs and Targets
SP3 – Maximise services that can be delivered within budget.	• *KPI – Service delivery cost benchmarking* • Target – Close the cost gap of services to the national average by x(20)% per annum.
SP4 - Drive reduction in carbon emissions in our community.	• *KPI – Carbon reduction (calculated)* • Target – Contribution to x(10)% per annum CO_2 reduction via increased patronage. • Target – Make the fleet x(10)% more carbon efficient per annum.
SP5 - Create pride and a sense of excitement about Transport Canberra.	• *KPI – Response to promotional events, staff satisfaction, survey questions on price* • Target – Achieve x(60)% awareness and, within that, x(80)% positive view of at least four key promotional activities per annum. • Target – Achieve annual x(20)% increase in staff morale and enthusiasm benchmarked against most recent staff survey.

KPMG Transport Canberra – KPIs Next Steps

Next steps

❑ The Customer Satisfaction survey and feedback mechanisms will be a crucial element to focus on – it will provide feedback on issues like integration, accessibility, frequency and reliability, connectivity and linkages with other forms of transport, views on delays and aspects of the service that are not 'satisfactory'.

❑ There are a number of percentage uplift targets e.g. 10% increase in patronage – these will need to be tested to ensure they are reasonable targets (some stretch, but not unachievable).

❑ We have put the strategic priorities and targets into a spreadsheet to start 'operationalising' them, through considering the data source, frequency of information and responsibilities for collection. The first step is to undertake a number of activities and analysis to establish the framework, processes and responsibilities for these various tasks. See the following slide.

❑ One area/team will need to be responsible for collecting and analysing this information. At various points throughout the year some intervention may be required e.g. if patronage is not increasing at the required rate.

Transport Canberra – KPIs Next Steps

There are a number of tasks required to implement an agreed performance framework Outlined below is a screen shot of a tool to help manage and track this process. The yellow highlights indicate areas yet to be developed or where additional activity is required. It is not designed to be read in detail – it is provided as an overview of the structure and approach.

Transport Canberra - Strategic Priorities and Targets

Strategic Priorities	Targets	Data source	When collected (time of the year)	How often	Responsibility	Comments
SP1 – Provide attractive transport options that meet the needs of Canberrans and visitors and promote social inclusion, economic growth and integration of our region.						
Improved customer and community satisfaction (perception survey)	10% increase in satisfaction per annum against most recent TAMS/ACTION survey.	Customer survey	Feb/March?	Annually	Communications	
	- Access to timetable and service information					
	- Connectivity/integration of services					
	- Timeliness and frequency of services					
	- Comfort and ease of use					
	- Helpfulness of staff					
	- General satisfation with services					
Improved connectivity		Current route data including timing and connection points	March & Sept	Semi-annually	ACTION Schedulers	Need to select routes to analyse, consider those with a regional service and active travel?
	- Route 1					
	- Route 2					Need to undertake 'base-line' analysis of routes and then the changes
	- Route 3					
	- Route 4					
	- Route 5					
SP2 – Increase patronage of public transport in Canberra (and active travel)						
Increase patronage levels	Increase patronage 10% per annum	Boarding and trip data	End of Quarter	Monthly	ACTION	There will need to be a number of measures to support an increase in patronage eg. increasing awareness, advertising the benefits of using public transport etc
Improved network punctuality	Increase in network punctuality	Measured through a range of points throughout the network	Ongoing	Weekly	ACTION	Currently measured and updated weekly on web-site
SP3 – Maximise services than can be delivered within budget						
Service delivery cost benchmarking	Close cost gap to national average by 20% per annum	Budget analysis of different elements of current services	End of Quarter	Quarterly	Finance in consultation with ACTION	Need to identify the specific areas in which to identify savings targets
SP4 - Drive reductions in carbon emissions in our community						
Carbon reduction (calculated)	Contribution to 10% per annum CO2 reduction via increased patronage	Analysis of the average reduction in emmisions based on use of public transport - buses, activity	March & Sept	Semi-annually		Need to identify how to estimate this information
	Make the fleet 10% more carbon efficient per annum	Fleet emission data	March & Sept	Semi-annually		As above
SP5 – Create pride and a sense of excitement about Transport Canberra						
Response to promotional events, staff satisfaction, survey questions on pride	Achieve 60% awareness and within that 80% positive view of at least 4 key promotional activities per annum	Survey of participants	Periodically	Periodically	Communications/ Events	Identify key events to collect feedback on
	Achieve annual 20% increase in staff morale and enthusiasm benchmarked against most recent staff survey	Staff survey	?	?	HR	Review existing staff survey processes to ensure they are fit-for-purpose. To suppor this there is a need to schedule a number of staff engagement activities to assist in improving morale and a more positive culture

Transport Canberra – KPIs guidance (for reference purposes)

What are the strategic questions to ask when developing a programme?

Programme Development Objectives	Threshold Questions	Risk Questions
Strategic Policy Alignment of Programmes	Are strategic policy objectives (outcomes) and anticipated programme results (outputs) appropriately aligned (programme logic)? Do the expected results justify the investment (resources including $)? What are the interrelationships with other Government policies and programs? Are there any gaps?	Will the Programme as designed 'best achieve' the policy objective? If not, why?
Tactical Programme Integration	Is the Programme suite collectively designed to achieve the strategic policy objectives? Is it sufficiently integrated as to achieve maximum results?	Are all the programme elements truly working as one? If not, why not?
Economy	Can the cost of inputs (resources) be further reduced without impacting upon the timeliness, quantity and quality of outputs and outcomes?	Do input costs represent the best value for money? If not, why not?
Efficiency	Can the relationship between inputs and outputs be further optimised without impacting the cost timeliness, quantity or quality of outputs and outcomes?	Can we achieve results better, faster, cheaper? If not, why not?
Effectiveness	To what extent do the actual outputs match programme targets of cost (unit prices), timeliness (of response, delivery), quantity and quality? To what extent do the actual outcomes match policy objectives and targets of cost (unit prices), timeliness (of response, delivery quantity and quality?	Are we producing/delivering the goods./services that the customer needs? If not, why not? Are we achieving the results required by our Policy stakeholders? If not, why not?
Continuous Improvement	To what extent are the metrics of unit costs, timeliness, quantity and quality showing increasing improvement over time?	Are we improving year on year? If not, why not?
Appropriateness / Relevance	Is there a continuing value proposition or justification for the government of the day to pursue this Policy objective?	Should we keep doing this? If so, why? If not, why not?

What are the considerations when developing Programme Key Performance Indicators?

What to Measure for KPI Construction	How to Measure, Capture, Record KPI's?	Who (object) or Who (subject) to Measure?	When to Measure	Where in the Delivery Cycle / Workflow to Measure?
•Target • Time (In Process(es) & to Complete)/(Incl: Processing rates, completion rates, earned value assessments etc.) • Cost $ (Total $, Unit $, Marginal $ etc.) • Progress (status updates, completed etc.) • Quality (Outcomes, Outputs, Service Methods / Channels)	• Direct Processing Data Capture • Costing Methods • Statistical Measure / Client Survey • Internal / External benchmarking • Review or Study • Programme evaluation • Market Testing • New systems or processes	• By Customers, Clients, Recipients • Impacts (As Individuals, Groupings, Industries or Populations) • By Process, Activity undertaken • By types of Services / Goods provided • By Level of Entitlement received • By Sub-Programme or Programme Element deployed • By Residual Incidents, Occurrences, Events	• Periodically / Time Based: -Daily, Weekly, Fortnightly, Monthly, Quarterly Yearly etc. • Snapshot, or As Needed • Event based, Milestone (Trigger) Occurrence	• Before delivery cycle / workflow is initiated • Start of delivery cycle / workflow • During the delivery cycle / workflow • End of delivery cycle / workflow • Not linked to delivery cycle / workflow

What interdependencies exist between the entity / inter-entity comparators?

What cultural change components should be considered when implementing?

What assumptions have been made as part of the development of key performance indicators? Have these been documented?

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Risk
Management

Transport Canberra - Strategic Risks

The following table identifies key strategic risks in the establishment of the new agency, Transport Canberra:

	Risk description	Inherent risk	Control	Residual risk
1	**Lack of engagement or collaboration with workforce** - resulting in delays/inability to achieve benefits and/or political reputation damage	Extreme	• All interactions to have an underlying customer centric posture • Ongoing engagement and collaboration with staff/unions • Careful and consistent communication and engagement	Extreme
2	**Lack of staff engagement** (staff transferring to new agency) - resulting in a resistant and/or underperforming culture	High	• As above – the importance of the development of a change management strategy/planning	Moderate
3	**Strategic objectives not achieved** (an integrated, innovative and highly utilised public transport service) due to barriers such as lack of clarity on objectives and/or success factors, legislation, political sensitivities, operations, lack of planning - resulting in lost opportunity to improve service, decrease cost and better support the ACT community	Extreme	• Identification of objectives, success factors and plans to realise intended outcomes and benefits (including responsibilities) • Structured approach to translate strategy into operational plans and so staff understand their role • Ongoing management of barriers and risks to achievement of the Transition Team	High
4	**New agency is not strategic or innovative enough** to ensure future initiatives utilising technology/approaches that are 'smart', contemporary and cost effective	High	• Consideration of other jurisdictions nationally/internationally and potentially market scans when designing/procuring goods/services • Ongoing focus on innovative solutions by executive and management	High
5	**Ministers not aligned** in their messaging and/or commitments - resulting in inconsistent/incorrect communication and negative response from stakeholders/community	High	• Integrated communications planning and messaging for Transport Canberra (through the Transition Team) • Connection between Directorates and Minister's offices	High

Transport Canberra - Strategic Risks – con't

The following table identifies key strategic risks in the establishment of the new agency, Transport Canberra:

	Risk description	Inherent risk	Control	Residual risk
6	**Lack of community engagement** with key stakeholders/community to bring them on the change journey - resulting in poor support and utilisation of public transport (and broader outcomes)	High	• The communications plan and engagement needs to be a key area of focus (at the right time) to ensure positive engagement • Consideration of branding strategy to leverage ACTION's current positive reputation	**Moderate**
7	**Lack of initial investment in agency** - resulting in poor performance, governance and management	Moderate	• Budget bid (which needs to be costed) to identify investment required and future savings	**Low**
8	**ACTION bus costs continue to increase** - resulting in public criticism of the Government and bureaucracy (Noting that the Chief Minister has indicated that there will be NO job losses as a result of the new agency)	High	• Specific strategy to contain costs, fleet replacements issues etc. within established parameters	**Moderate**
9	**Lack of flexibility in new agency to achieve future objectives** (in structure, strategy, approach) - resulting in greater cost and or a lack of performance	Moderate	• Establishing a culture of flexibility and customer focus • Developing an "interim" and "final" future state – to allow flexibility and some elements of the organisation to evolve	**Low**
10	**Light rail and bus services are not sufficiently integrated** - Resulting in low levels of customer satisfaction and utilisation of the services provided	High	• Early planning of integration outcomes intended throughout the development of light rail services to maximise integration with the existing bus services	**Moderate**
11	**Light rail services are not realised** – resulting in the status quo being maintained (i.e. current bus and other services)	High	• Consistent engagement with government to maximise the realisation of light rail services	**Moderate**

Barriers to success

An outcome of the Transport Canberra workshop was the identification of barriers to success, which are summarised below.

Identified barrier	Details
Community perceptions	The community's negative perception of public transport, based on negative experiences to date. i.e. 'not going back to try public transport again...'.
Community perceptions	Customers need to be engaged in discussions on priorities in relation to public transport, noting also that the broader community had yet to be engaged on their perceptions on the future and on transport possibilities such as mode sharing etc.
Customers	Confidence of desired services was identified to be the reliance on historical modelling. Such modelling has tended to be based on frequency, reliability and accessibility of specific modes of delivery e.g. ACTION buses. Key considerations for the future state should include how integrated delivery models will meet customer needs.
Government	Siloed approaches to government and failure to include areas such as land development produce sub-optimal outcomes that do not necessarily support or enable public transport. This produces mixed messaging for the public and undermines public confidence in a strong, integrated, seamless public transport system. E.g. provided – Coombs and Wright suburban developments that have not supported bus networks sufficiently.
Government	Planning and transport strategies in relation to Canberra's long term vision may not be as well-communicated or understood across all agencies. Outcomes of this include inconsistent execution of these strategies, confusion on the interpretation of these strategies and agencies unable to prioritise limited resourcing against these strategies. E.g. provided on re-invigorating Civic – the park, lake, Garema place – with an inconsistent prioritisation of resources.

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Stakeholder Engagement Strategy

Transport Canberra – Stakeholder Engagement Strategy Purpose

The purpose of this Stakeholder Engagement Strategy is to provide a framework to assess and consider key external and internal stakeholder groups, and how to best engage with them throughout the transition process and beyond.

This Stakeholder Engagement Strategy outlines:

- How this Stakeholder Engagement Strategy relates to communications planning and change management;
- High level roles and responsibility for the Strategy;
- Key stakeholder groups;
- Stakeholder assessment and key observations;
- Engagement and communication principles;
- Key messages; and
- Next steps.

Transport Canberra – Stakeholder Engagement Strategy – Relationship to other key documents

Stakeholder Engagement, Communications & Change Objectives

- Deliver targeted & timely communications
- Develop & drive engagement

By

Stakeholder Engagement, Communications & Change Approach

- Implementing a coordinated strategy for stakeholder engagement, communications & change to support implementation
- Understanding key stakeholders, their likely perspectives, levels of influence & information needs

To Communicate

Key Messages

(overall & for key internal & external stakeholder groups)

How will Transport Canberra add value?	What is Transport Canberra's role?
What actions need to be achieved prior 1 July 2016?	What has already been achieved?
How to engage with the new organisation?	Where to obtain further information on Transport Canberra?

To enable

Informed by stakeholder assessment

Using

Buy-in and understanding of and support for the New Model

Established communications channels, considering the frequency of communications required. E.g. presentations (face to face, webinars, public media campaigns, industry briefings), websites, group mailbox, meetings

Transport Canberra – Stakeholder Engagement Strategy Role of the Transition Team

Coordinated Strategy for Stakeholder Engagement, Communications & Change Strategy

The Transition Team will map and oversee the Stakeholder Engagement Strategy and high-level Communication Plan, communications dependencies and quality assure program messaging to ensure alignment across line areas/projects in stakeholder engagement, communications and change management.

The Transition Team will link into broader stakeholder and communications processes/protocols including the Civic Group Strategy and the Light Rail consultation processes.
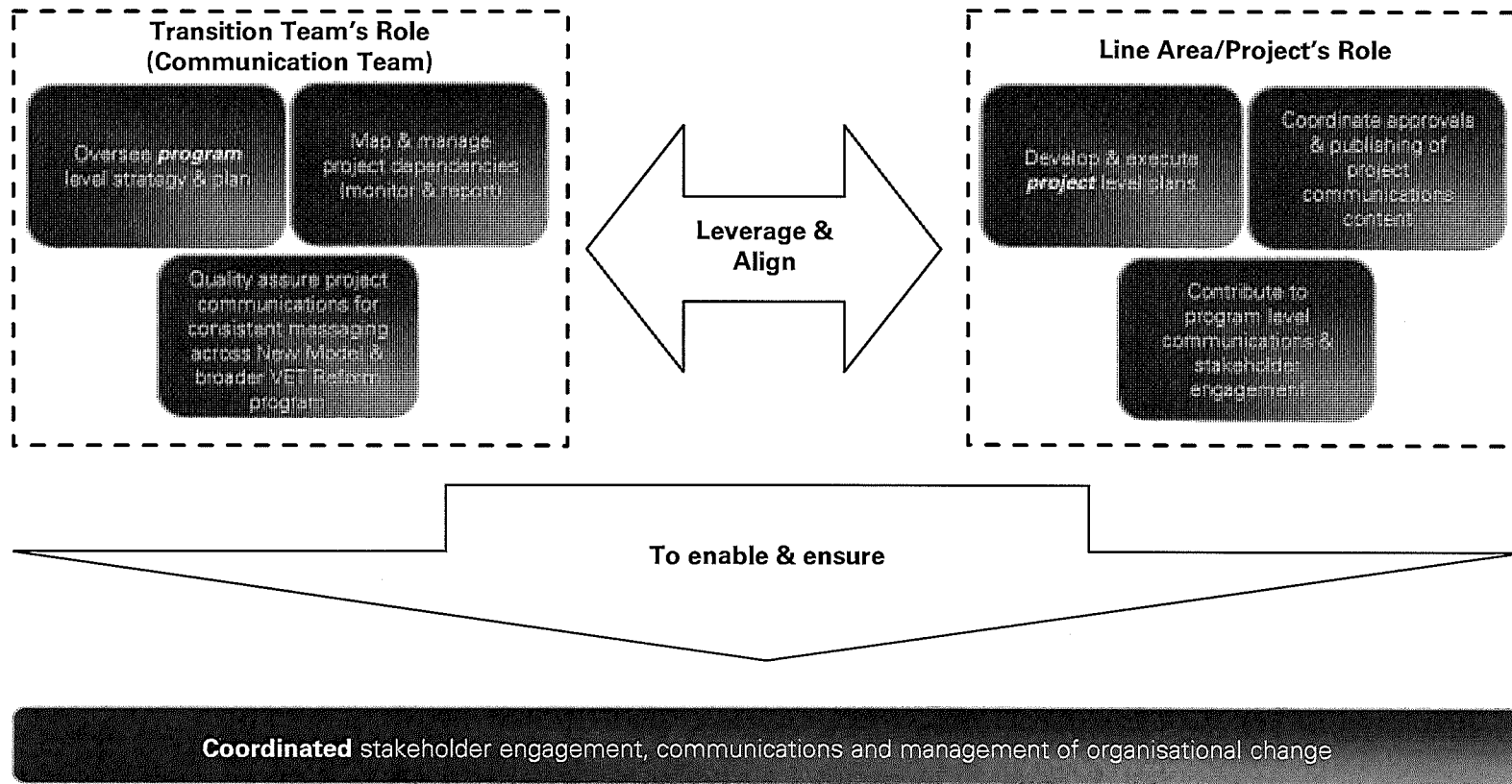
Transport Canberra – Stakeholder Engagement Strategy
Engagement and communication principles

To support the establishment of Transport Canberra and its broader objectives, it is essential that an agreed set of principles are established and followed to ensure consistency in the approach and effective delivery of information at the right time, with the right people, in the right way.

Principle 1: Communicate at the right time

- Align communication with Transition Plan timelines so people receive information and messages when they need it

- Speak about the successes and current core issues/challenges

- Omit detail, which is more appropriately communicated at a future date

Principle 2: Communicate with the right people

- Focus on audience requirements, points of view and concerns

- Communicate with key stakeholders regularly and transparently

- Senior management has a role to play in engaging people and must visibly lead and communicate (on message)

- Updates should be provided on a regular basis through a variety of appropriate channels

Principle 3: Communicate in the right way

- The Transition Team – Communications team should lead the messaging and help to maintain a positive view of the Transition process within the organisation

- Top-down messaging will be provided by the Transition Team Lead/new Director-General

- The Transition Team will work closely with the Internal Communications Network

- Strive for face-to-face communication where possible, especially when communicating changes that impact people directly

Principle 4: Be transparent and relevant

- Be proactive and open in dialogue with stakeholders on the direction and progress of the Transition

- Provide regular and timely flow of relevant information and updates

Principle 6: Engage all relevant functions and business groups

- Engage stakeholders in all areas throughout the change with supportive two-way communication

Principle 7: Demonstrate alignment of the Program and activities with other relevant initiatives

- Reinforce, where possible, this major initiative directly supports the priorities and strategic agenda of the organisation in becoming a High Performing Organisation while striving for operational and business excellence, through innovation

Principle 8: Executive members need to be 'on message' with staff and stakeholders

- To ensure efficient and effective communication between stakeholders and the Transition Team, there is a need for the Executive to remain on message and remain consistent in messaging over time

Principle 9: Look for quick wins to build confidence over time

- Highlight and celebrate successes at key milestones to demonstrate momentum and rally stakeholder support and action as the Transition progresses

KPMG

cutting through complexity

Transition Plan

High-level Transition Plan

The below diagram represents a high-level transition plan outlining what needs to be achieved between now and 1 July. It is provided for illustrative purposes, sitting behind this high-level document is a more detailed listing of tasks, dates and responsibilities. The Transition Team will oversee and monitor progress against this Plan and the activities contained.

	Key
TT	Transition Team consideration
M	Minister consideration
C	Cabinet consideration
●	Public consultation
S	Staff consultation
○	Public announcement
✦	MR Cagney recommendation

Source	Responsibility	Officer Responsible	Tasks for completion by implementation	February Week one	Week two	Week three	Week four	March Week one	Week two	Week three	Week four	April Week one	Week two	Week three	Week four	May Week one	Week two	Week three	Week four	June Week one	Week two	Week three	Week four
			1. Transport Canberra Strategic Plan for Cabinet																				
Cabinet	CMTEDD	KPMG	1.1 Vision, purpose and operating principles	TT			M		S				C	S	S								
Cabinet	CMTEDD	KPMG	1.2 Governance structure			TT	M		S				C	S	S								
Cabinet	CMTEDD	KPMG	1.3 Functional Structure	TT		TT	M		S				C	S	S								
Cabinet	CMTEDD	KPMG	1.4 Development of Key Performance Indicators ✦			TT			M				C	S	S								
Cabinet	CMTEDD	KPMG	1.5 Risk Plan			TT			M				C	S	S								
			2. Budget for Transport Canberra																				
Cabinet	CMTEDD	KA	2.1 Budget Submission			M		TT															
Cabinet	CMTEDD	FK	2.2 Base Budget / Budget Book		TT								C							ACT Budget ○			
			3. Communications																				
Transition Team	CMTEDD	FL	3.1 Customer survey					TT															
Transition Team	CMTEDD	FL	3.2 Internal communications plan			TT																	
Transition Team	CMTEDD	FL	3.3 Branding for Transport Canberra										C										○
Transition Team	CMTEDD	FL	3.4 ICT customer engagement strategy							TT			C										
			4. Planning and delivery of integrated work																				
MR Cagney	TAMS	PP	5.1 Fare Structure Policy ✦					S	S	S	S			TT		C							
MR Cagney	TAMS	PP	5.2 Draft strategic plan for the ACTION employee Enterprise Agreement negotiation round 2017 ✦																				c
	CMTEDD	DF	5.3 Bus Plus	M		C																	
MR Cagney	TAMS	PP	5.4 Development of a Fleet Strategy ✦		TT																		
			5. Operational Preparation																				
Cabinet	CMTEDD	KPMG	6.1 Organisational Structure (ie branch/unit structure and roles)			TT					S		C										
Cabinet	CMTEDD	KPMG	6.2 Organisational Structure - FTE numbers					TT			S		C										
	CMTEDD	KA	6.3 Recruitment										S	●									
	CMA	ET	6.4 Location					S					C										
	TAMS	PP	6.5 Shared Services													TT		TT					TT
	TAMS	PP	6.5.1 Develop a Shared Services - SLA													TT		TT					TT
	TAMS	PP	6.5.2 Directory structures modified													TT		TT					TT
	TAMS	PP	6.5.3 Data migration													TT		TT					TT
	TAMS	PP	6.5.4 Transfer system ownership													TT		TT					TT
	TAMS	PP	6.5.5 Transfer IT assets													TT		TT					TT
	TAMS	PP	6.5.6 Website development (New website developed for shared services)													TT		TT					TT
	TAMS	PP	6.5.7 Email distribution lists													TT		TT					TT
	TAMS	PP	6.5.8 Software licensing													TT		TT					TT
	TAMS	PP	6.5.9 Document management system													TT		TT					TT
			6.6 Remove underperforming trips from ACTION network																				

Critical path and strategy considerations

There are a number of initiatives that need to occur to allow other more operational matters to be progressed, this includes:

- A strategic review of asset management, focussing on the bus fleet and associated infrastructure

- Progressing a single ticketing solution

- Seeking a deeper understanding of the needs and requirements of public transport users and how to best change perceptions (and therefore increase patronage and satisfaction). A community based survey has been commissioned and a procurement process is currently in progress

- Further work to consider a more digitally enabled environment for customers e.g. improved Apps and real-time customer information

- Development of a customer charter and associated considerations to support the organisation being a more customer centric organisation

- Consider Industrial Relations issues in relation to the management of bus drivers and workshop operators, to ensure greatest productivity within the current agreement parameters.

- Develop internal change management initiatives to support staff to make a productive transition to the new organisation. Coupled with this will be the requirements to consider skills and capability gaps and how to address these through training, on-the-job coaching and support or buying in/procuring particular skill-sets that may be difficult to employ..

Transport Canberra – short, medium and long term considerations

The below diagram represents a high-level overview of the strategic considerations from the Transport Canberra Workshop.

Detailed Transport Canberra Strategy - considerations	Short term (before transition)	Medium (1-2 years)	Longer (2-5 years)
Customer transport needs of the community etc (gained through customer survey)	✓		
Customer Experience Charter	✓		
Development of customer innovation & technology strategy	✓	✓	✓
Strategic asset management plan	✓	✓	✓
Network management strategy, including multi-modeal coorindation policy (integration of bus, light rail and other transport)		✓	✓
Progress a single ticketing solution	✓	✓	✓
Land and urban design policy principles and governance arrangements	✓	✓	✓
Light rail implementation strategy (underway), link to other forms of transport eg. bus, light rail stops, destinations and nodes	✓	✓	
Review of the effectivenesss of current bus scheduling and routes	✓		
Parking, walking and cycling policy	✓	✓	✓
On-demand services and transport integration policy		✓	✓
KPIs including enviornmental impact strategy		✓	✓
Identify linkages in contributing to a healtheir Canberra		✓	✓
Social inclusion and equity strategy (in relation to transport)	✓	✓	✓
Private sector engagement strategy		✓	✓
Pricing strategy		✓	✓
Future investment strategy		✓	✓