2015-16

Annual Report





State Transit

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Letter to Minister

The Hon. Andrew Constance, MP Minister for Transport and Infrastructure

Parliament House Macquarie Street Sydney NSW 2000

Dear Minister,

I am pleased to submit for presentation to Parliament the Annual Report for the State Transit Authority of NSW for the financial year ended 30 June 2016.

This report has been prepared in accordance with the Annual Reports (Statutory Bodies) Act 1984 and the Public Finance and Audit Act 1983. The financial statements have been audited by the Audit Office of NSW and the Auditor-General's report is included.

We wish to thank you for your support and we look forward to continuing to grow the business and improve our services to offer an attractive and efficient public transport service for the people of New South Wales.

Yours sincerely,

Peter Rowley

Chief Executive State Transit

31 October 2016

Contents

1	Foreword	2
1.1	Chief Executive's Foreword	
2	Overview	4
2.1	About State Transit	į
2.2	Network Maps	• :
3	Year in Review	9
3.1	Performance Highlights	10
3.2	Customer Experience	1
3.3	Safety	1
3.4	Competitive Business Performance	2
3.5	People and Organisational Sustainability	24
3.6	Environment	28
4	Appendix	29
Hum	an Resources	30
4.1	Appendix 1: Management and Structure	30
4.2	Appendix 2: Human Resource Statistics	32
4.3	Appendix 3: Senior Service Contracts and Remuneration	32
4.4	Appendix 4: Workforce Diversity	3
4.5	Appendix 5: Multicultural Policies and Services Plan	34
4.6	Appendix 6: Agreements with Multicultural NSW	3!
4.7	Appendix 7: Disability Inclusion Action Plan	3!
Corp	orate Governance	36
4.8	Appendix 8: Risk Management and Insurance Activities	36
4.9	Appendix 9: Ethics and Corruption Prevention	36
4.10	Appendix 9: Internal Audit	38
4.11	Appendix 10: Internal Audit and Risk Management Attestation	39
4.12	Appendix 11: Digital Information Security Annual Attestation	40

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5	Index	58
4.33	Appendix 32: Annual Report Publication Details	57
4.32	Appendix 31: Service Changes	56
4.31	Appendix 30: Customer Response	55
4.30	Appendix 29: Digital Recordkeeping	54
4.29	Appendix 28: Overseas travel	54
4.28	Appendix 27: Mobile phones	54
4.27	Appendix 26: Consultancy fees	54
4.26	Appendix 25: Credit Card Certification	54
Admi	inistration	54
4.25	Appendix 24: Government Information (Public Access) Act	48
4.24	Appendix 23: Privacy Management	48
4.23	Appendix 22: Legislation	48
Lega	I	48
4.22	Appendix 21: Response to matters raised by the NSW Auditor-General	47
4.21	Appendix 20: Performance in Paying Accounts	46
4.20	Appendix 19: Investment Management Performance	45
4.19	Appendix 18: Liability Management Performance	45
4.18	Appendix 17: Funds Grants to Non-Government Community Organisation	45
4.17	Appendix 16: Government Funding and Social Program	45
4.16	Appendix 15: Income and Expenditure	44
4.15	Appendix 14: Disposal of Property	43

43

43

Finance

4.14 Appendix 13: Summary of Land







Chief Executive's Foreword

The 2015-16 financial year was all about collaboration and adapting to change for State Transit, as the closure of George Street for the construction of the CBD and South East Light Rail led to the largest bus network review in a generation.

Working collaboratively with Transport for NSW, State Transit faced the mammoth task of removing 330 buses a day that entered the core of the CBD to help reduce congestion. This involved re-routing or curtailing more than 90 bus routes that previously entered the inner-city.

This was closely followed by the addition of extra services to State Transit's timetable as part of the Transport for NSW Growth Services Program, in conjunction with the adjustment of services utilising Anzac Parade as construction of the light rail progressed in the Eastern Suburbs.

I am pleased with the achievements of State Transit and the emphasis that was placed on ensuring minimal disruption and inconvenience for our customers. These changes demonstrated the professionalism and flexibility of staff, the expert knowledge of the bus and broader public transport network, as well as an acute awareness of the customer experience.

With work continuing on the major transport infrastructure investments such as the CBD and South East Light Rail and the Northern Beaches B-Line, State Transit is working with Transport for NSW to ensure the bus network continues to support the other transport modes throughout this period of change. One of the strengths of the bus network is its flexibility to adapt to changing traffic and road conditions. This gives State Transit the opportunity to ensure the people of Sydney can continue to travel on public transport with ease, as the NSW Government strives to build an efficient and integrated transport network.

The biggest indicator of our success during the year is the satisfaction of our customers, and I am proud of the increases State Transit has recorded in the Transport for NSW Customer Satisfaction Surveys. Despite the challenges faced during the year, State Transit's customer satisfaction rating increased by two per cent, with customer satisfaction increasing in the areas of timeliness and cleanliness of services.

State Transit also recorded significant improvements in its safety performance, recording a nine per cent reduction in the number of customer falls, a 37 per cent reduction in assaults on employees, as well as a Lost Time Injury Frequency Rate of 3.6, well below our target of five. These fantastic results are testament to the hard work and focus that is directed at our top priorities – safety and customer service.

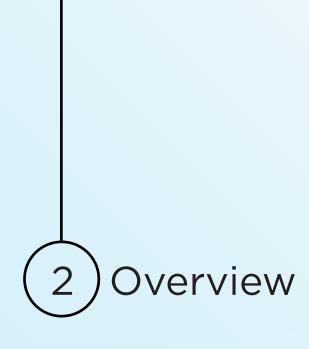
Another key priority for State Transit is our continued work with Transport for NSW to improve diversity within our workforce. I am pleased with the progress made this year to encourage Aboriginal staff in to our business, as well as our commitment to achieve the Transport cluster targets for Women in Senior Leadership.

Our focus in the coming year will be on further boosting our positive performance results to ensure buses remain an attractive transport option for our customers. Progress is being made on a number of key customer service projects, aimed at increasing the level of real-time service information available, enhancing the presentation of our fleet, and improving the standard of service from our staff. We look forward to rolling out these projects in 2016-17 to ensure the customers' overall experience while travelling with State Transit is a positive one.

We also look forward to the continued collaboration with the broader Transport cluster on the major infrastructure projects in the works. These projects have been designed to improve travel times and cater for growth in public transport use well in to the future.

Pon

Peter RowleyChief Executive
State Transit





About State Transit

State Transit operates as a service provider in the transport cluster managed by Transport for NSW.

Boasting the biggest bus fleet in Australia and also one of the most modern, State Transit manages one of the largest bus networks in the world.

Operating two businesses – Sydney Buses and Newcastle Buses and Ferries – State Transit carries more than 200 million passengers every year.

Bus Fleet

At 30 June 2016, State Transit's bus fleet totalled 2,159 buses:

- 2,155 buses are air-conditioned
 (99 per cent of the fleet 100 per cent of the Sydney fleet)
- 1,905 buses are wheelchair accessible (88 per cent of the fleet)
- 568 buses are Euro 3 compliant (CNG or Euro 3 diesel) (26 per cent of the fleet)
- 688 buses are Euro 5 diesel or Euro 4 CNG compliant (32 per cent of the fleet)
- 450 buses are Environmentally Enhanced Vehicles (EEV) (21 per cent of the fleet)
- 233 buses are high-capacity articulated buses (11 per cent of the fleet)

Patronage

- State Transit carried 203.862 million passengers in 2015-16.
- Every working day, State Transit operates more than 17,000 services carrying more than 640,000 passengers to their destinations.

Employees

• More than 4,700 employees

Routes

- Sydney Buses operates 291 routes in the Sydney metropolitan area.
- Newcastle Buses operates 27 routes over a large part of the cities of Newcastle and Lake Macquarie. Newcastle Ferries operates a service across Newcastle Harbour to Stockton.
- Every year the Sydney Buses fleet travels around 88 million kilometres, the Newcastle Buses fleet travels over 9.8 million kilometres and the Newcastle Ferries fleet travels around 24.000 kilometres.
- Around 107,254 timetabled services are operated every week – 99,300 by Sydney Buses and 7,954 services by Newcastle Buses.
- Sydney Buses operates 6,940 school trips a week on 755 bus routes.
- Newcastle Buses operates 1,405 school trips a week on 139 bus routes.

Safety

The highest priority is placed on safety and security. All buses are fitted with state-of-the-art digital CCTV systems, driver protection screens and shatter-proof film for windows. Buses also feature door safety systems and special school bus warning systems. All buses are in radio contact with the State Transit Network Control Centre in Sydney's Traffic Management Centre and Newcastle's Control Room.

Customer Information

- Individual timetables for every bus service are available online and from Transport Shops and Customer Information Centres located at central points in the Sydney CBD and at transportnsw.info. Handy route information is also available at bus stops and ferry wharves.
- Check out our website statetransit.info which is linked to:

sydneybuses.info newcastlebuses.info

Legislation

The State Transit Authority of NSW is established under the Transport Administration Act 1988 and operates, as do all NSW bus operators, within the regulatory framework of the Passenger Transport Act 1990.

Newcastle Buses and Ferries

On 5 November 2015, Minister for Transport and Infrastructure Andrew Constance, MP, announced that to support the introduction of Newcastle's new light rail line, the Government would be establishing a new model for public transport in Newcastle.

The new model would involve a single operator, responsible for the planning and operation of Newcastle Buses (Outer Metropolitan Bus Services Contract Region 5), Newcastle Light Rail and the Newcastle to Stockton Ferry.

On 5 April 2016, it was announced the Government would be seeking Requests for Proposals (RFP) from the private sector for a single integrated operator. The new operator is expected to take over the responsibility for Transport for Newcastle around the middle of 2017, with all State Transit Award and Agreement staff transferred to the new operator.

State Transit aims to inspire, develop and support all employees.







3 Year in Review



Performance Highlights

Improved Safety Performance

State Transit achieved considerable improvements across all areas of safety in 2015-16. Employee injuries decreased by 11.2 per cent, resulting in a Lost Time Injury Frequency Rate of 3.6, well below the target of five. The number of assaults on State Transit employees also decreased by 37 per cent during the year, with injuries to customers resulting from a fall on board the bus reducing by nine per cent.

Retrofit of engine bay fire suppression systems

In August 2015, a tender was released to retrofit more than 1,300 buses with engine bay fire suppression systems. With around 1,442 buses in the fleet fitted with fire suppression systems at 30 June 2016, this retrofit program will mean all State Transit buses will soon feature an extra layer of safety for all customers.

New Buses

Sixty new buses were delivered to State Transit during the financial year, improving the level of comfort and accessibility for our customers. With the delivery of these new buses, 88 per cent of the State Transit fleet is now wheelchair accessible, with 100 per cent of the Sydney fleet now air-conditioned. All new buses delivered have Euro 5 or EEV emission levels, increasing the environmental benefits of bus travel.

Additional trips for customers

In 2015-16, State Transit added additional trips to its timetable as part of the Transport for NSW Growth Services Program. These additional trips increased the frequency of services and extended the hours of operation on a number of popular routes, improving the transport options for customers in the Northern Beaches, Eastern Suburbs, Lane Cove, Macquarie Park and Parramatta areas.

Implementation of the CBD Bus Plan

Due to the closure of George Street for the construction of the CBD and South East Light Rail, State Transit worked collaboratively with Transport for NSW to remove 330 buses a day that entered the core of the CBD, to help reduce congestion. This involved re-routing or curtailing more than 90 bus routes that previously entered the inner-city. Extensive customer information and staff training were delivered by State Transit to ensure a smooth transition to the changed bus network for customers.

Collaboration with Transport for NSW

State Transit worked closely with Transport for NSW throughout the year, to minimise the impacts of the construction of the CBD and South East Light Rail on bus customers. Despite significant changes to bus services, the effective collaboration across the Transport cluster ensured a high level of information and awareness in the community, minimising inconvenience to customers.

State Transit staff recognised in Transport Awards

State Transit staff were recognised for their hard work and achievements, winning three categories at the 2015 Transport Awards.

Congratulations to our winners of the Collaboration, Safety and Advancing Women in Leadership awards – the CBD Bus Plan Team led by Jamie Sinclair; Steve Andriske, Project Manager Fleet Policy and Standards; and Tanya Pelja, Manager Safety Programs.

Recruitment and retention of Aboriginal employees

To facilitate ongoing improvements in the recruitment and retention of Aboriginal employees, State Transit, together with Transport for NSW and Yarn'n Aboriginal Employment Services, launched a targeted Aboriginal bus operator recruitment program in 2015. As the first program of its kind in State Transit, the initiative resulted in the employment of three self-identified Aboriginal employees.



Customer Experience

Key Objectives

 To make it easier for customers to use our services

Key Benefit

Delivering a positive experience in all our interactions with customers

Key Performance Indicators

- · Increased customer satisfaction
- · Improved customer information
- · Improved reliability

Performance

Good customer service is at the core of State Transit's strategies to ensure that the community's expectations of bus services are met.

State Transit works with Transport for NSW in designing and implementing programs to ensure the customer is the core focus when delivering services and providing customer information.

State Transit staff are trained to ensure customer service is an integral part of their culture.

State Transit is committed to ensuring that it appropriately identifies, trains and assesses all staff in line with its service standards for reliability, convenience, efficiency, customer service, comfort, security and safety.

Customer Information

State Transit provides a range of bus service information options to customers that are readily available, easy to understand and accessible.

State Transit achieves this by providing information to customers through a variety of channels – online, in print, at bus stops and on board buses.

Real-time information

State Transit uses a sophisticated bus scheduling system (Hastus) to create detailed service operation plans. This system also provides service and location times that enable real-time customer information through mobile apps and trip planners, developed in collaboration with Transport for NSW and third party mobile app developers.

Service disruption messages are provided for customers when bus stops are affected by planned service changes and special events or through online, phone and customer contact points when unplanned incidents are delaying buses on their timetabled services.

Timetable information

State Transit provides bus stop timetables showing the specific bus services that use that location, with additional information displayed at major stops and along major corridors.

In 2015-16, State Transit continued to work with Transport for NSW to roll out improved signage and information across the Sydney Buses network.

State Transit produces current printed timetables for all routes across its Sydney and Newcastle operating regions.

Printed timetable booklets can be picked up from Transport Shops and the Transport for NSW Customer Information Centres. Electronic versions of each timetable and route map are also available online from the Sydney Buses and Newcastle Buses and Ferries websites. Regional Guides showing all the routes are also available on the websites.

Websites

State Transit's websites offer comprehensive information for customers using Sydney Buses and Newcastle Buses and Ferries services such as route information and timetables, ticketing options, and service and timetable alterations.

More than 3.3 million people visited the State Transit, Sydney Buses and Newcastle Buses and Ferries websites in 2015-16.

The Sydney Buses and Newcastle Buses and Ferries websites provide links to the transportnsw.info website and Trip Planner function.

Email updates allow customers to subscribe to receive email notifications of enhancements to services, altered terminal arrangements or planned temporary diversions, particularly for major events. The email updates have continued to play an important role in communicating timetable changes and network reviews.

Collaboration with the Transport Management Centre

State Transit continues to work with the Transport Management Centre to provide information to the public via radio announcements and social media platforms.

The announcements, which were aired on major radio stations, provided updates on peak-hour transport conditions. As part of those announcements the Transport Management Centre also aired messages for State Transit and other transport agencies.

Transport Shops

Transport Shops, located at Railway Square, Circular Quay, Wynyard and the Queen Victoria Building, carry a full range of timetables and maps, and can support customers with ticketing and journey planning information. There are also two Customer Information Centres located at Circular Quay and Central Station to provide information and advice to customers using the public transport network.

Transportnsw.info services

Transportnsw.info provides information for customers to plan their trip using buses, trains and ferries in the Greater Sydney Area bounded by Newcastle, the Blue Mountains and Wollongong. Services include trip planning, timetables, news and special events.

Transportnsw.info includes web-based information (which is available by visiting transportnsw.info) or by phoning 131500.

There is also a range of apps available to customers to download onto their smart device that provide real-time transport information.

The Transportnsw.info website also allows customers to provide feedback on services. All feedback received by Transportnsw.info is important and used to continuously improve and deliver quality and timely information, to ensure that the customer is at the centre of everything State Transit does.

Customer Feedback

State Transit is committed to promptly responding to feedback from customers. All cases received are recorded and investigated appropriately, with the customer receiving a response from our Customer Relations staff. Statistics from feedback are analysed to generate customer insight and identify trends. These customer insights are used to enhance the overall performance of services for the benefit of all customers.

In 2015-16, customer feedback topics ranged from reliability of bus services to interactions with staff including compliments for excellent service provided by drivers.

Bus Fleet

In 2015-16, 60 new buses were delivered to State Transit. These buses included 35 Scania K280UB and 25 Volvo B7RLE buses, all with Bustech bodies. All new buses delivered have Euro 5 or EEV emission levels.

State Transit's operating contracts with Transport for NSW, issued under the Passenger Transport Act 1990, require an average fleet age of not more than 12 years. The delivery of these new buses and subsequent retirement of older ones has kept the average age of State Transit's fleet at 10.34 years.

State Transit continues to purchase only wheelchair accessible buses, which now total 1,905 (88 per cent) of the fleet. This places State Transit above target toward achieving the next Commonwealth Disability Standards for Accessible Public Transport milestone date in 2017.

Wheelchair accessible buses operate on 85 per cent of State Transit services across Sydney and Newcastle (including school special routes). More than 97 per cent of trips are wheelchair accessible on the weekend.

With the delivery of new buses and subsequent retirement of older buses, State Transit's Sydney fleet is now 100 per cent air conditioned, improving the level of comfort for our customers.

Timetabled wheelchair accessible bus services now operate on all main corridors and cross-regional routes. Many of these services provide links to accessible train stations to increase opportunities for multi-modal travel. Wheelchair accessible services are identified by the wheelchair icon in bus timetables located on the Sydney Buses and Newcastle Buses and Ferries websites.

All new buses acquired by State Transit feature:

- Kneeling suspension for level entry and a flat no-step floor to make it easier for the elderly and less mobile.
- An extended wheelchair ramp and accommodation for two wheelchairs.
- Additional priority seating for less mobile passengers.
- · High visibility handrails.
- · Increased interior lighting.
- Improved destination signs.
- · Air conditioning.

Following consultation with Vision Australia, all new buses now feature LED destination signs, chosen for their strong contrast between the large white writing on black background, making for easier readability for customers with vision impairment.

On-time running

State Transit is working with Transport for NSW, the Transport Management Centre and Roads and Maritime Services to address factors that can delay timetabled bus services.

Considerable improvements to the on-time running of bus services were achieved in 2014 through the introduction of the Four Disciplines

of Execution (4DX) Methodologies – a program which focused on factors within State Transit's control that impacted on-time running.

To further improve our on-time running performance, State Transit is working collaboratively with Transport for NSW to complete a network-wide review of services, due to be rolled out in 2016-17.

State Transit's target for on-time running is 95 per cent of services operating to timetable. State Transit's on-time running is measured by Transport for NSW as part of its operating contracts. On-time running data is collected in the morning peak only, between 6am and 10am, over three separate days each month, across 11 different locations within State Transit's operating areas. These on-time figures are a snapshot only and cannot be extrapolated to reflect State Transit's on-time running performance for all services across its operating network

A bus service is deemed as having operated on-time if it starts its trip between one minute and 59 seconds before and five minutes and 59 seconds after its scheduled departure time.

Sixty new buses were delivered to State Transit in 2015-16.



STATE TRANSIT ON-TIME RUNNING PERFORMANCE JULY - SEPTEMBER QUARTER

	July 2015	August 2015	September 2015
Region 6	96.20%	92.60%	96.80%
Region 7	96.00%	94.20%	97.70%
Region 8	98.20%	97.40%	97.80%
Region 9	94.10%	89.80%	95.40%
OSMBSC 5	95.38%	94.70%	94.23%

STATE TRANSIT ON-TIME RUNNING PERFORMANCE OCTOBER - DECEMBER QUARTER

	October 2015	November 2015	December 2015
Region 6	87.80%	88.50%	90.10%
Region 7	93.90%	91.20%	92.40%
Region 8	93.30%	91.70%	96.40%
Region 9	92.50%	90.00%	93.10%
OSMBSC 5	94.23%	94.57%	95.01%

STATE TRANSIT ON-TIME RUNNING PERFORMANCE JANUARY - MARCH QUARTER

	January 16*	February 16	March 16
Region 6	N/A	86.50%	84.10%
Region 7	N/A	87.60%	86.80%
Region 8	N/A	89.30%	89.50%
Region 9	N/A	85.70%	85.30%
OSMBSC 5	95.74%	93.42%	92.70%

^{*}Data is not collected in January by Transport for NSW

STATE TRANSIT ON-TIME RUNNING PERFORMANCE APRIL - JUNE QUARTER

	April 16	May 16	June 16
Region 6	86.80%	86.60%	92.00%
Region 7	92.40%	93.10%	92.40%
Region 8	89.10%	92.50%	91.70%
Region 9	87.80%	91.00%	91.70%
OSMBSC 5	94.01%	93.88%	94.67%

Reliability

The reliability of State Transit services is measured by the number of timetabled services that are operated. State Transit's target is to operate 98 per cent of all timetabled services.

In 2015-16, State Transit met or exceeded this target in its Sydney and Newcastle operating areas, with 99.3 and 99.9 per cent of services operating respectively.

Growth Services Program

In 2016, State Transit introduced additional services as part of the Transport for NSW Growth Services Program.

In February 2016, additional services were added on the following routes:

- Route E65 Additional weekday AM trips from South Curl Curl to the City.
- Route E50 An additional AM weekday trip from Manly to Milsons Point.
- Route L88 Additional weekday trips to and from the City.

In June 2016, additional services were added on the following routes:

- Route M54 now operates between Parramatta, Epping and Macquarie Park until midnight, seven days a week.
- Route 289 A new bus service operating from Lane Cove Industrial to Wynyard via Mowbray Road and Centennial Avenue. Some Route 285 services were also converted to Route 289
- Route 301 Additional weekday AM peak trips, some Saturday evening services extended to operate to and from Eastgardens and later Sunday evening services.
- Route 348 Additional weekday and Saturday trips to Bondi Junction and Wolli Creek with extended evening operating hours. Buses now operate every 30 minutes on Sundays and public holidays, with operating hours extended into the evening.
- Route 370 Additional Saturday morning and evening trips in both directions. Additional evening trips in both directions on Sundays and public holidays.
- Routes 373 and 394 Additional Friday and Saturday late night services departing the City.
- Route 520 late night services now operate seven nights a week, resulting in bus services operating 24 hours a day along Victoria Road between Parramatta, Ryde and the City.

Bennelong Bridge opening

The new Bennelong Bridge opened on Sunday, 22 May 2016, linking Rhodes and Wentworth Point and reducing the travelling distance between the two locations from about eight kilometres to less than one. State Transit operated a temporary shuttle, Route 529, from Monday, 23 May 2016 between Newington, Wentworth Point and Rhodes.

With the introduction of Growth Services from Sunday, 5 June 2016, two bus routes commenced permanent operation across the new bridge:

- Route 526 was extended from Sydney
 Olympic Park Wharf to Rhodes Waterside
 Shopping Centre, with an increase in
 frequency on weekends.
- Route 533 was adjusted to travel via the Bennelong Bridge instead of Homebush Bay Drive, with extra trips introduced between Ryde and Olympic Park Station.

Network Control Centre

State Transit's Network Control Centre (NCC) is structured to provide regional support for each of State Transit's four Sydney Metropolitan Bus Service Contract regions, and is a proactive part of each region's on-road operational management.

The NCC uses the Public Transport Information and Priority System (PTIPS) to monitor services in real-time, identifying buses that are running early or late, and intervening where necessary to improve on-time running. This may include contacting the driver to advise of early running to get them back on schedule or providing an additional bus to assist when adverse traffic conditions result in late running.

Real-time data regarding bus locations is also used to resolve and respond to emergency and 'in service' problems and situations, and assist in managing bus driver fatigue issues which may arise from late running.

The NCC also provides a representative to the Transport Coordination Branch at the Transport Management Centre which convenes during the AM and PM peak period, Monday to Friday, providing an integrated, cross-agency approach to the management of incidents which cause disruption to services. The Transport Coordination Branch also provides input into various transport planning projects.

State Transit

Special Events

State Transit, on behalf of Transport for NSW, does the scheduling for the regional route network for sporting events at Sydney Olympic Park. State Transit also provides the contracted services operating via Route 4 - Maroubra to Sydney Olympic Park, and Route 1a - Warriewood to Sydney Olympic Park.

In addition, State Transit operates express special event buses to the Moore Park Precinct, operating Route 1 - Central to Moore Park - and Route 3 - Circular Quay to Moore Park.

For major events such as Vivid, City2Surf, New Year's Eve, Sydney Festival and Sculptures by the Sea, State Transit schedules additional buses along major corridors to help customers get to where they need to go, on time and hassle free.

Supporting the Community

CHRISTMAS BUSES

For the tenth year running, State Transit buses in Sydney and Newcastle were decked out with tinsel and ornaments as part of State Transit's Christmas Bus Competition.

The competition, which aims to spread some cheer to customers, motorists and staff over the festive season, came about after bus drivers began informally decorating their buses for their customers. It has now grown into a healthy competition, with the driver of the best decorated bus awarded \$500 to donate to the charity of their choice.

In 2011, State Transit developed a partnership with the Sydney Children's Hospital at Randwick which meant the honour of judging the competition each December would go to a patient at the hospital.

The guest judge for the 2015 Christmas Bus Competition was nine-year-old Mary Chaar, who awarded the title of best decorated bus to Port Botany Depot.







Key Objectives

The safety of State Transit's customers and workers is the organisation's key priority.

State Transit's ultimate aim is that no injuries to staff, passengers or the public will occur as a result of State Transit operations or activities.

Key Benefit

A safe and healthy workplace for all workers and a safe journey for passengers and other road users.

Key Performance Indicators

- Improved workplace safety
- Improved on-board safety
- · Improved road safety
- Improved health and well-being programs

Performance

Employee Safety

State Transit's key performance indicator for measuring employee safety is the Lost Time Injury Frequency Rate (LTIFR). Against the target of 5.0, an LTIFR of 3.6 was achieved in 2015-16.

Total employee injuries decreased by 11.2 per cent in 2015-16. This follows a 5.8 per cent decrease the previous year and continues an ongoing downward trend of reduced employee injuries.

The number of assaults on State Transit employees decreased by 37 per cent in 2015-16, following a 1.6 per cent reduction the previous year. Improvements have been assisted by CCTV on buses, increased driver security screens and the introduction of new driver training.

Customer Safety

The safety of our customers is paramount. During 2015-16, injuries resulting from a customer fall on board the bus reduced by nine per cent. State Transit collaborates with the Centre for Road Safety and Transport for NSW on opportunities to raise awareness amongst customers and other road users of safety issues while travelling.

Road User Safety

State Transit operates in a challenging environment, sharing the roads with other vehicles and pedestrians. During 2015-16, 65 per cent of collisions involving State Transit buses were not the fault of the bus driver.

Retrofit of engine bay fire suppression systems

In August 2015, a tender was released to retrofit more than 1,300 buses with engine bay fire suppression systems.

Retrofitting the fleet with fire suppression systems will provide more time for evacuation in the event of an incident and will assist in confining damage to the vehicle.

The retrofit program is in addition to State Transit's proactive approach, initiated in 2009, of fitting these systems in all new buses purchased at the time of manufacture.

With around 1,442 buses in the fleet fitted with fire suppression systems at 30 June 2016, this retrofit program will mean all State Transit buses will soon feature an extra layer of safety for all customers.

Safety Compliance

State Transit aims to maintain its existing Bus Operation Accreditation, Ferry Licence, Advanced Fatigue Management Accreditation and Workers Compensation Self-Insurance Licence. In order to achieve this, State Transit's Safety Management System complies with the requirements of four regulatory bodies – each having their own safety model and legislation. The Regulators are:

- SafeWork NSW
- Transport for NSW
- · Roads and Maritime Services
- · National Heavy Vehicle Regulator

State Transit allocates resources to ensure all safety objectives are adequately met. This includes having dedicated safety professionals allocated to each site, as well as investing in technology to improve safety reporting and performance.

Safety Management System

State Transit's Safety Management System provides a framework of detailed policies, procedures, risk management guidelines, safe work instructions and forms for workers to follow when performing their duties. It is regularly reviewed in consultation with workers to ensure currency, compliance and ease of use.

Assurance Activities

In accordance with continuous improvement principles, State Transit is regularly refining its implemented systems and processes. During 2015-16, State Transit has successfully passed various audits and compliance verification activities, both internal and external. These results are meaningful achievements. They indicate State Transit's Safety Management System is effective and is well-positioned to maintain its various accreditations and licences.

Safety Programs

Key strategies and programs contributing to State Transit's strong safety performance throughout 2015-16 include:

HEALTH AND WELLBEING

State Transit aims to promote and encourage positive health and wellbeing outcomes for all staff.

During 2015-16, prostate cancer awareness sessions were conducted with the support of the Prostate Cancer Foundation. The sessions aimed to provide awareness of prostate cancer and discuss different strategies to move forward after diagnosis.

At the end of 2015, health and wellbeing week featured free health checks for all staff, fruits and healthy smoothies, colouring competitions for young children and advice around portion control. The week also included training sessions for managers and supervisors, which introduced a tool kit for how to identify mental health issues in the workplace and steps to take to provide assistance for workers in need.

In early 2016, State Transit launched Fitness Passport. Many staff members and families took advantage of the initiative which aims to get people moving, creating fit and healthy families in the process.

Continued targeted communication campaigns covered topics such as staying healthy in winter, health and wellbeing apps, Type 2 Diabetes awareness, quit smoking studies and information and tips on stress minimisation around holiday time.

The annual free flu vaccination program was once again available in 2016, with a steady increase in the number of staff opting to receive the vaccination. Other programs that continue to have a dedicated focus on employee wellbeing include the Employee Assistance Program and the Fatigue Management Program.

DRUG AND ALCOHOL TESTING IN 2015-16

All State Transit employees are subjected to random drug and alcohol testing, as well as testing following serious on-road incidents and where reasonable cause exists. Saliva swab testing has continued to further complement the existing breath alcohol and urine testing program. Various measures are taken when positive tests occur, including counselling and disciplinary proceedings.

DRUG AND ALCOHOL TESTING IN 2015-16

	Alcohol	Drugs
Number of tests	2,065	913
Number of positive results	1	5

Risk Management

State Transit applies a risk management approach, fundamental to the achievement of work health and safety goals and the honouring of the commitments documented within the Health and Safety Policy. The adoption of a risk management approach is reflected in the design and structure of the documented Safety Management System, inclusive of the Risk Management Program.

State Transit has developed a generic risk management approach, identifying common risks across all sites. Through discussion and consultation, Generic Risk Assessments have been developed with a focus on highrisk activities and risk controls. As a result, new standardised risk controls have been implemented across State Transit's depots. Examples are the purchase of specific ladders for accessing the bus when on a hoist and the implementation of over-bus platforms to address the risk of working from heights.

Safety Training

In 2015-16 there were 7,800 safety competencies achieved through participation in safety training by State Transit employees. Safety training programs are delivered in a variety of formats to employees and other workers to ensure they have the knowledge and confidence to implement their requirements of the Safety Management System and deliver a safe service to our customers.

Safety Community of Practice

State Transit is working with Transport for NSW and other agencies within the Transport cluster in a Community of Practice which aims to share good safety initiatives and practice to continue to build the safety culture within the Transport cluster.

Safety Awareness Campaigns

State Transit will continue to work collaboratively with Transport for NSW to enhance services for our customers and deliver on the NSW Government's long-term plans for transport in NSW.

State Transit continues to work collaboratively with the Centre for Road Safety and other relevant stakeholders on the Bus Safety Action Plan to improve road and passenger safety for State Transit bus operations. As part of the Bus Safety Action Plan, a new state-wide Bus Safety Week was launched with a 'Be Bus Aware' campaign. The campaign aims to help bus operators spread bus safety information more widely to all road users across NSW. The 'Be Bus Aware' campaign aims to highlight the importance of bus safety for all road users, reinforce all road users' approach to safe on-road interactions with buses and to reduce on-road incidents for buses. Road users received education and awareness campaigns.

> A State Transit bus promotes the *Be Bus Aware* campaign, highlighting the importance of bus safety



At the inaugural Transport for NSW Bus Safety Forum, State Transit presented a case study in the session on Anti-Social Behaviour, focusing on State Transit's Violence Prevention Program. State Transit continues to work proactively with Transport for NSW and other transport agencies on a new campaign targeting anti-social behaviour, to ensure the safety of customers and transport employees.

Depot Refresh Program

Following the success of the WorkCover Self-Insurer Audit, a Depot Refresh Program is being implemented over 2015-2017 to share the benefits achieved at Kingsgrove and Tempe depots with other State Transit bus depots. The program includes an Infrastructure Refresh Program, focusing on refreshing infrastructure and assets, and a Depot Management Coaching Program focusing on developing the understanding of managers and supervisors of key accountabilities and Safety Management System processes. The Program is running to schedule, with the Infrastructure Refresh Program having been completed at Burwood, Port Botany and Mona Vale depots, and having commenced at Ryde and Randwick depots. The Depot Management Coaching Program will commence in the coming year.

Consultation

Consultation is an underpinning principle of safety at State Transit. As well as informal consultation mechanisms, State Transit has established a number of key groups that provide feedback and are involved in making safety decisions on behalf of the business. Central to this process are the local Health and Safety Committees and the Fleet Safety Committee.

The HUB

The HUB (in-house software system, designed and developed by State Transit to provide an electronic safety reporting system) was rolled out to the business in 2015-16. An extensive training program was developed and delivered to users. This system has streamlined safety reporting across the business. An action module is due to be rolled out during 2016-17.

Workers Compensation

The successful management of workplace injuries and return to work is a key work, health and safety strategy at State Transit. The actuarial net liability continues a downward trend, decreasing 3.9 per cent from \$17 million at 30 June 2015 to \$16.4 million at 30 June 2016, following a 25 per cent reduction the previous year. Workers Compensation claims reduced by approximately 11 per cent in 2015-16, with the total number of new claims in 2015-16 being 412.

State Transit delivers its own Return to Work functions and is supported by Transport for NSW Transport Shared Services which continue to provide Workers Compensation services to State Transit as governed by a Service Level Agreement.



Key Objectives

- To build our competitiveness as a business
- To ensure the renewal of State Transit's Sydney Metropolitan and Outer Sydney Metropolitan Bus Service Contracts

Key Benefit

Clearly demonstrating improved 'value for money'

Key Performance Indicators

- Increasing investment to meet our future obligations
- Maximise asset utilisation

Performance

Financial Review

In 2015-16, State Transit reported a deficit of \$29.5 million (\$19.7 million surplus in 2014-15). The decline in the financial performance was due to a significant increase in personnel services liabilities that was assessed by actuarial valuation. This increase is due to the decline in the discount rate (based on the 10 year Commonwealth Bond rate at 30 June 2016) since the previous valuation date. Without that actuarial adjustment, the underlying financial performance was a surplus of \$20 million. This result compares favourably with the original budget of \$21.5 million surplus. Income from operating activities was \$672.6 million and the cost of operating the business (excluding actuarial adjustments) was \$651.7 million.

Capital Expenditure

State Transit spent \$29.3 million on capital works in 2015-16, including: \$26.3 million on the acquisition of 60 new buses, which are operated by State Transit and recognised as a finance lease with Transport for NSW; \$1.3 million on bus-related equipment and other systems; and \$1.7 million on depot infrastructure and facilities upgrades.

The bus replacement program ensures the average fleet age continues to meet the requirements of State Transit's contracts with Transport for NSW. State Transit's average fleet age was 10.34 years as at 30 June 2016.

The upgrades to the depot infrastructure and facilities were necessary to meet operational requirements.

Outer Metropolitan and Sydney Metropolitan Bus Service Contracts

State Transit currently operates its bus services through five separate Transport for NSW contracts:

- Four Sydney Metropolitan Bus Service Contracts (SMBSC)
- One Outer Metropolitan Bus Service Contract (OMBSC)

The four SMBSC comprise:

- Contract Region 6 Inner Western and South Western suburbs
- Contract Region 7 North Western, Northern Harbour and Riverside suburbs
- Contract Region 8 Northern Beaches and Lower North Shore
- Contract Region 9 Eastern and South Eastern suburbs

The SMBSC all commenced on 1 July 2013 for a period of five years with an option for a further two years.

The single OMBSC comprises:

 Contract Region 5 - Newcastle and Lake Macquarie areas

The OMBSC commenced on 1 July 2014 for a period of three years.

All contracts include the provision of additional services for specific special events such as New Year's Eve, Australia Day, ANZAC Day, Vivid, Mardi Gras and major sporting events.

State Transit has a monthly reporting regime, an obligation under each contract. The reporting principally takes the form of strict KPI benchmark comparison. The benchmarks cover: patronage growth, on-time running, accessible services, customer satisfaction, customer complaints and resolution, revenue protection, and safety.

Changes to any contract bus service are detailed by State Transit, including supporting Operational Spatial Data (OSD), and submitted to Transport for NSW for assessment and approval. Once approved, the changes are invoiced and paid through the contract payment process.

Each SMBSC and OSMBSC is invoiced and paid on a monthly basis, comprising the monthly contract price, applicable price adjustments and service variations.

Opal Ticketing System

State Transit continued to support the Transport for NSW Opal ticketing system.

During 2015-16, State Transit prepared for the decommissioning of the Automatic Fare Collection (AFC) system and retirement of the remainder of magnetic stripe tickets.

In addition, State Transit continues to assist Transport for NSW with a proof of concept bus and the testing of system upgrades.

Information Technology Management

State Transit's Information Technology Division was focused on the following key initiatives during 2015-16:

- Agreement on an approach to deliver an enterprise resource plan (ERP) for State Transit.
- Adoption of an analytical decision support tool to assist the business to 'optimise' running times and improve service reliability at a low cost.
- The upgrade of legacy systems and the IT environment including:
 - HASTUS (rosters and schedules)
 - Ellipse (accounts payable, purchasing, asset management)
 - Service Manager (service requests and incident records)
 - Lotus Notes (email)
 - Citrix (user interface to State Transit desktop)
 - SAN hardware (centralised storage)
 - Windows Server

- Collaboration with Transport for NSW to deliver Next Generation Infrastructure Services (NGIS) initiatives.
- Alignment of the State Transit IT team more closely with the business to enable decision support for business units.
- Rigorous and disciplined reporting of Contract key performance indicators to Transport for NSW.

The following accomplishments were achieved during the reporting period:

- The development of an on-time running tool for reporting and analysis is underway with proof of concept delivered.
- The Busmail portal (State Transit's bus driver intranet) has been migrated to a new hosting environment utilising the existing State Transit website Content Management System and platform.
- Transport for NSW Software Asset Management processes have been implemented within the business.
- Continued support was provided to the Transport for NSW NGIS program.
- The back end of State Transit's email system Lotus Notes was upgraded, with front end version 9 upgrades scheduled for delivery.
- Mobile mail failover compatibility achieved, resulting in continuous connectivity of emails and system access via mobile devices should one of the two mobile servers fail.
- Disaster recovery testing delivered.
- Upgrade of depot-based Uninterrupted Power Supply (UPS) hardware.
- The Depot Events module of the Service Events application suite was delivered, with the continued development of the Planned and Unplanned Events modules planned for the coming year.
- Network enhancements delivered to facilitate the roll-out of the electronic ticketing system, Opal, to all depots in Sydney and Newcastle.
- TORAS software upgrade completed to accommodate the electronic ticketing system.
- Refresh and upgrade of the Storage Area Network (SAN) completed to reduce maintenance costs, maintain system support and access.
- The development of new Contract key performance indicator reporting framework is underway.
- Processes initiated to capture relevant business data in to the State Transit Data Warehouse to enable better decision making by the business.

Risk Management Program

State Transit uses the ISOAS/NZS 31000:2009 Risk Management Standard to improve decision-making and to minimise the impact of events that may affect operational activities; State Transit's reputation; compliance with its regulators; or the safety and security of its employees, passengers or other road users.

State Transit is committed to the continual improvement of its Risk Management Program, with consideration to the changing environment in which it operates. The Risk and Assurance Unit is responsible for maintaining and implementing State Transit's Risk Management Framework, which sets out the whole of business approach to managing risk.

The Risk and Assurance Unit regularly reports to the executive Governance and Risk Committee, which oversees the implementation and operation of the Risk Management Framework. As a further assurance, State Transit has an Audit and Risk Committee, whose overall objective is to provide independent assistance to the Chief Executive by overseeing and monitoring State Transit's governance, risk and control framework, and its external accountability requirements.

Emergency Response Plans

State Transit has trained all operational, key management and supervisory staff in Emergency and Crisis Management procedures. The Fleet Operations and Infrastructure Division facilitate the program which provides focus on the practical aspects of emergency and incident management together with a structured approach to communications. Flexible delivery options enable the program to be delivered as required for the ongoing support of operations.

Security Coordination

State Transit's Security Unit provides police intelligence reports of incidents that occur on the bus transport network. Data is provided on a daily basis and a detailed report with data analysis is provided on a quarterly basis. High profile areas of the network are identified and the Police Transport Command, which is responsible for patrolling the transport network, can be provided with intelligence suitable for tasking their resources to areas of concern to State Transit.

The Unit provides a conduit for all Police requesting on-bus CCTV footage to assist in their investigations. It facilitates the delivery of footage and provides evidence in court in relation to the continuity of the CCTV system. During the 2015-16, the unit processed 432 requests for information. The request from police for CCTV footage is not restricted to matters occurring on buses, 32 per cent of requests were for incidents where the bus and its CCTV system was a witness to incidents. Police request assistance in identifying buses that pass incident sites and obtain footage to further their investigations.

Revenue Protection

Responsibility for revenue protection and the checking of customers for valid Opal cards and tickets when travelling on Sydney Buses and Newcastle Buses and Ferries has been transferred to Transport Officers. Transport for NSW has responsibility for tasking of the Transport Officers on the transport network.



People and Organisational Sustainability

Key Objective

• To inspire, develop and support all employees

Key Benefit

· Skilled, productive and motivated staff

Key Performance Indicators

- · Operational staffing levels maintained
- Staff Development Plans agreed
- · Stakeholder engagement

Performance

Recruitment

During 2015-16, recruitment was undertaken by Transport Shared Services, part of Transport for NSW. The majority of recruitment activity was for bus operators, with applicants assessed by a process including online pre-screening and testing, interview and driver evaluation. During 2015-16, 527 bus operators were recruited.

Recruitment and retention of Aboriginal employees

To facilitate ongoing improvements in the recruitment and retention of Aboriginal employees, State Transit, together with Transport for NSW and Yarn'n Aboriginal Employment Services, launched a targeted Aboriginal bus operator recruitment program in 2015.

As the first program of its kind in State Transit, the initiative resulted in the employment of three self-identified Aboriginal employees.

Building on the results and lessons learned from this program, a second round is in progress and will be aligned with an existing cluster-wide exercise. Other strategies and initiatives that are being considered, planned or implemented to improve Aboriginal representation and retention include:

- Promoting State Transit as an employer to the Aboriginal community through our existing Aboriginal staff.
- Utilising previous Yarn'n recruits and engaging them as ambassadors for new candidates.
- Developing and trialling an Aboriginal staff mentoring program for new employees.
- Having a higher presence in the Aboriginal community by nominating attendees for Reconciliation Morning Tea and the Aboriginal Staff Forum.
- Promoting State Transit at upcoming Aboriginal events including the Aboriginal Rugby League Knockout Carnival (October 2016).
- Nominating State Transit staff for the Transport for NSW Employee Reference Group.
- Promoting State Transit through engagement with the local Aboriginal community via community events and open days.
- Providing additional support to Aboriginal bus operator candidates throughout the recruitment process.

Organisational Development

State Transit is committed to developing a capable and resilient workforce by investing in its people. State Transit works in partnership with Transport for NSW to deliver targeted training and development programs to ensure organisational capability to meet current and future needs. In 2015-16, State Transit's focus has been on supporting major infrastructure changes, on the quality of training and capability of our trainers.

Bus Operator Training

State Transit utilises the Vocational Education and Training Quality Framework to promote excellence in training bus operators. State Transit's comprehensive Bus Operator Training Program includes:

- A nationally recognised Traineeship Program for all new bus operators.
- Tailored one-on-one training and assessment for identified training needs.

The Traineeship Program ensures all new bus operators receive training that has been benchmarked against national competency standards, and results in a nationally recognised Certificate III in Driving Operations (Bus). This qualification is also available to existing bus operators to have their current skills and experience formally recognised.

Achievements in 2015-16 included:

- Over 4,000 bus operators trained and provided with resources to deliver quality customer service during substantial changes to bus routes for light rail construction in Sydney.
- 180 bus operators completed the Certificate III in Driving Operations (Bus).
- 406 new recruits were enrolled in the Certificate III Traineeship Program.

Leadership Development

Frontline Leadership Development Programs have been a focus in 2015-16. These clusterwide programs are designed to build leadership capability to provide effective people leadership within the organisation.

Succession planning for key operational roles and supervisors was conducted and comprehensive capability development and workplace assessment programs put in place. Capability in these key roles supports the effective delivery of services to our customers.

Logistics Cadetship

The Logistics Cadetship program brings young people into the organisation to undertake workplace training and coaching in the specialist skills area of rosters and scheduling, as well as completing a Certificate IV qualification.

Apprenticeships

Apprenticeships are an essential element of State Transit's fleet operations. State Transit recruits heavy vehicle mechanic, body repairer and vehicle painter apprentices annually and recruitment continues to reflect the diverse State Transit workforce.

Apprentices undertake on-the-job training in the workshops, ongoing technical training and assessment on the State Transit fleet and workplace plant and processes, and trade qualifications from TAFE.

In addition to trade-specific training, State Transit apprentices undertake heavy vehicle licence upgrades and training in traffic control to develop competency across all critical work areas.

Apprentices further develop competency both concurrently and after completion of their trade qualification. Several body repairer apprentices are currently undertaking Certificate III in Automotive Refinishing Technology.

State Transit apprentices continued to gain permanent employment with State Transit as engineering repair tradespersons, bringing established knowledge and understanding of our customers, fleet and business objectives.

Fleet Operations Training

To support State Transit's extensive fleet replacement program, over 30 technical training courses were delivered to maintenance staff during the year. Training centred on Volvo, Iveco and Scania buses and covered electrical systems, diagnostic systems, fuel systems, brakes, suspension, servicing and engines.

As part of State Transit's commitment to ensure the safety and competency of maintenance staff, over 1,300 competency-based assessments were conducted on the operation of workshop plant and equipment, bringing the total completed to over 9,500.

Performance Agreements for Transport Senior Service, Senior Officers and Salaried Officers

The Performance Agreement Program for Transport Senior Service employees and Salaried and Senior Officers continued, using an online system. The online system provides fully electronic records and sign-offs, as well as tools to support the development of appropriate performance objectives and personal development plans. It also features reporting functions which summarise progress in meeting objectives and alignment of objectives to the Corporate Plan.

State Transit is committed to developing a capable and resilient workforce by

State Transit

Grow Perform Succeed Program

During the reporting year, the Grow Perform Succeed program (GPS) was implemented. The purpose of this program is to provide all wages employees the opportunity to:

- Discuss their role with their supervisor.
- · Understand work goals.
- Receive regular feedback about how they are performing and what they are doing well.
- Be recognised for a job well done.
- Build capabilities to carry out work to the best of their abilities.

Succession Planning

The Transport for NSW Succession Planning framework was applied in State Transit to develop succession plans for key and critical positions including Depot Managers and Scheduling employees. Personal development plans for the pool of high-potential staff were developed to support State Transit in meeting future needs.

Enterprise Agreements and Awards

During 2015-16, wage negotiations for the following group within State Transit were concluded:

- State Transit Authority Bus Engineering and Maintenance Enterprise (State) Award 2016
 Covers all trades and popular designations.
 - Covers all trades and non-trades staff who maintain the State Transit bus fleet, operative to 31 December 2018.

The industrial instruments applicable to other groups in State Transit include:

- State Transit Authority Bus Operations
 Enterprise (State) Award 2015 Covers all
 bus operators and related classifications,
 operative to 31 December 2017.
- State Transit Authority Senior and Salaried Officers Enterprise (State) Award 2015 – Covers all administrative, managerial and operational (non-bus or maintenance) staff, operative to 31 December 2017.
- State Transit Authority Newcastle Ferry
 Masters Enterprise Agreement 2015 Covers
 all Newcastle Ferry Masters and Engineers,
 operative to 31 December 2017.



State Transit Authority Newcastle
 Ferry General Purpose Hand Enterprise
 Agreement 2015 - Covers all Newcastle
 Ferry General Purpose Hands, operative to
 31 December 2017.

All wage negotiations were conducted under the NSW Public Sector Wages Policy 2011 which provides for a 2.5 per cent cost of living adjustment, including the superannuation guarantee, with any increase above the 2.5 per cent cost of living adjustment to be funded through employee-related cost savings.

Retreat Spaces

State Transit demonstrates its commitment to ensuring employees from culturally diverse backgrounds can meet their religious obligations whilst at work. With 11 established retreat spaces across the organisation, employees can utilise these spaces for religious, spiritual or contemplative purposes.

Representation of Women in State Transit

Currently women represent 7.48 per cent of State Transit's total workforce. Bus operators make up 81.43 per cent of our entire workforce, and women represent 5.57 per cent of all bus operators. At State Transit depots, women also work as Depot Managers, Duty Managers, Duty Officers, Yard Supervisors, Senior Staff Supervisors, Bus Operator Trainers, Tradespersons and Apprentices. In 2016-17, strategies will be developed and implemented that aim to increase the number of new female employees and retain existing female employees.

Flexible Work Arrangements

State Transit is committed to implementing programs to enable flexibility in the workplace. Elements of the Staying Connected Program were introduced during 2015-16 and a range of flexibility procedures are already in place. State Transit will continue to roll out the Staying Connected and Flexibility Works programs in 2016-17.

Aboriginal and Torres Strait Islander Employment

The representation of Aboriginal and Torres Strait Islander people in State Transit is 0.75 per cent. This is an increase from 2014-15, resulting from strategies that were implemented for increasing the representation of Aboriginal and Torres Strait Islander people. These strategies will continue in 2016-17.

Staff Recognition Scheme

The Recognition Program for State Transit employees commenced in 2005, to celebrate success and achievement and to support State Transit's business directions.

The program is based on three 'tiers' of recognition:

- An annual organisation-wide program, culminating in a formal annual awards function.
- 2. Annual allocation of movie vouchers to Regions and Corporate Divisions to reward exceptional performance in the workplace.
- Day-to-day praise and feedback in the workplace to employees from managers and supervisors.

The Annual Service and Achievement Award presentations were held in a combined event on Friday, 29 June 2016 at the Australian Technology Park, Eveleigh. The Annual Achievement Awards recognise the outstanding contributions of staff during 2015-16. These awards reflect the values that are embedded in the Corporate Plan 2012-2017.

The categories and recipients for these awards were:

- Safety Mona Vale Depot: Peter Smart, Kara Hillier, Phil Ivey and Luke Miller
- Collaboration Luke Harradine, Raymond Ishak, Hany Salib, Kenneth Hamilton, Paul Fedes, Denis Jozic, Rino Mucciacciaro and Richard Bailey
- Customer Focus Douglas Golding and Luca Ingenito
- Solutions Garry Outram
- Integrity James Forsyth
- Apprentice of the Year Beau Robinson
- CEO Award Paul Zadravec



Key Objective

• To meet our environmental obligations

Key Benefit

- Protection of the environment through compliance with the Protection of the Environment Operations Act
- A healthy and sustainable environment for the community by fostering growth in using public transport

Key Performance Indicators

- · Improved fuel efficiency in the bus fleet
- Reduced electricity consumption in State Transit facilities
- Increased rates of recycling of renewable resources

Environmental Initiatives

State Transit's Tank and Line Replacement Program

In 2015-16, State Transit installed and commissioned new self-bunded above ground diesel fuel storage systems at Ryde, Randwick, Willoughby, Leichhardt and Hamilton depots. These new above ground tank and line installations provide for an improved level of Environmental Protection and inventory control afforded by self-bunded tanks, with alarms and gauging for continuous monitoring of stored fuel inventories.

Removal or abandonment of underground storage tanks

Works were performed to remove and dispose of decommissioned underground diesel fuel storage tanks at Burwood, Brookvale and Ryde depots. These works, conducted in accordance with Australian Standards and environmental regulations, allowed State Transit to remove a potential environmental legacy, and to reinstate the overlying concrete hardstand.

Underground storage tanks at Randwick Depot were abandoned in-situ, to limit operational disruption, due to the footprint of the four 50kL buried fuel tanks

Improving Bus Fleet Emissions Profile

With the retirement of older early model pre-Euro buses, and with the acquisition of the latest Euro 5 and EEV buses, 79 per cent of the fleet is now of a Euro 3 standard or higher, with 43 per cent of the fleet Euro 5 or the latest EEV standard. This compares with 76 per cent and 39 per cent respectively in the previous financial year.

Electricity and Water Consumption Savings

State Transit continued on its path of energy and water savings with a 1.3 per cent reduction in depot electricity consumption (9,600,644kWhrs) and a 9.7 per cent reduction in total potable water consumption (71,733kL) in 2015-16.

Greenhouse Emissions Footprint

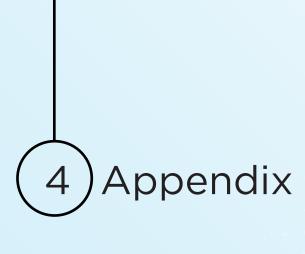
State Transit's Greenhouse Gas Scope 1 emissions for the bus, commercial and passenger vehicle fleet increased by 2.5 per cent in 2015-16 to 156,634 tonnes CO_2 (e). When combining stationary energy greenhouse emissions, the total State Transit greenhouse footprint for transport and stationary energy has increased by 2.4 per cent to 165,250 tonnes CO_2 (e).

Safeguard Mechanism

State Transit is a covered organisation under the new Safeguard Mechanism and is preparing to monitor and manage its fleet emissions to keep within the Clean Energy Regulator target to be set for State Transit Bus and Vehicle Fleet Scope 1 emissions

Chemical Rationalisation

To manage its risks, State Transit undertook a program to rationalise its holdings and use of chemicals to around 300 approved chemicals. These chemicals are listed on State Transit's Corporate Chemicals Register.



Human Resources



Appendix 1: Management and Structure (as at 30 June 2016)

CHIEF EXECUTIVE Peter Rowley

Qualifications: Certificate of Transport Management, Master of Transport Management, Graduate Member of the Australian Institute of Company Directors

CORPORATE COUNSEL Lauren Barnes

Reports to the Chief Executive

Qualifications: Master of Business Law (University of Sydney), Master of Law (Monash University), Bachelor of Laws with Honours (Bond University), Graduate Member of the Australian Institute of Company Directors, Certificate in Governance Practice (Governance Institute), Certificate in Governance and Risk Management (Governance Institute), Prince2 Registered Practitioner (Project Management)

GENERAL MANAGER, FLEET OPERATIONS AND INFRASTRUCTURE DIVISION Michael Reardon

Reports to the Chief Executive

Qualifications: Certificate of Transport Management

Key responsibilities:

- Asset Security
- Operational Infrastructure
- Fleet Operations
- · Bus Maintenance
- Revenue Protection
- Environment

GENERAL MANAGER, SAFETY, ASSURANCE AND COMMUNICATIONS Lindsay Lee

Reports to the Chief Executive

Qualifications: Bachelor of Arts (First Class Honours), EFP (ANZSOG)

Key responsibilities:

- Customer Information and Communications
- Internal Audit
- · Risk and Assurance
- · Electronic Ticketing System
- Safety Management System

GENERAL MANAGER, PEOPLE AND BUS SYSTEMS Martin Byatt

Reports to the Chief Executive

Qualifications: Certificate of Transport Management

Key responsibilities:

- Learning and Development
- Employee Relations and Equity
- Human Resources Development
- Bus Operations

GENERAL MANAGER, FINANCE AND ADMINISTRATIVE SERVICES Paul Dunn

Reports to the Chief Executive

Qualifications: Bachelor of Commerce, Masters in Business Administration, Graduate Diploma in Applied Finance, Graduate Member of the Australian Institute of Company Directors

Key responsibilities:

- Finance
- Treasury and Revenue

GENERAL MANAGER STRATEGY, INNOVATION AND TECHNOLOGY Craig Webster

Reports to the Chief Executive

Qualifications: Bachelor of Economics, Masters in Business Administration

Key responsibilities:

- ICT
- Contracts and Procurement
- Insurance

GENERAL MANAGER, NORTHERN REGION Robert Tarabay

Reports to the Chief Executive

Qualifications: Graduate Certificate Business Management, Certificate of Transport Management, Certificate IV Building and Construction, Diploma Building and Construction, Certificate IV Training and Assessment

Key responsibilities:

- Management of Northern Regional bus depots (Mona Vale, Brookvale and North Sydney) which operate services in Sydney's Lower North Shore, the Northern Beaches and the CBD
- · Network Control Centre

GENERAL MANAGER, SOUTHERN REGION Mark Peters

Reports to the Chief Executive

Qualifications: Certificate of Transport Management, Graduate Certificate in Business Management.

Key responsibilities:

- Management of the Southern Regional bus depots (Leichhardt, Kingsgrove, Burwood and Tempe) which operate services in Sydney's inner-western, south-western suburbs and the CBD
- 4DX / On-time running

GENERAL MANAGER, EASTERN REGION Jamie Sinclair

Reports to the Chief Executive

Qualifications: Advanced Management Certificate, Business Management Certificate, Certificate of Transport Management

Key responsibilities:

- Management of the Eastern Regional bus depots (Waverley, Port Botany and Randwick) which operate services in Sydney's eastern beaches, inner south-eastern suburbs and the CBD
- Special Event Coordination
- Scheduling (HASTUS) across all Sydney regions

A/GENERAL MANAGER, WESTERN REGION Jim Niahos

Reports to the Chief Executive

Qualifications: Certificate of Transport Management, Graduate Member of the Australian Institute of Company Directors

Key responsibilities:

 Management of the Western Regional bus depots (Ryde and Willoughby) which operate services in Sydney's north western, northern harbour and riverside suburbs

GENERAL MANAGER, NEWCASTLE BUSES AND FERRIES Darren Carey

Reports to the Chief Executive

Qualifications: Graduate Member of the Australian Institute of Company Directors, Certificate of Transport Management, Certificate of Business Management, Graduate Certificate in Retail Management

Key responsibilities:

- Management of the Newcastle bus depots (Hamilton and Belmont) which operate services across a large part of Newcastle and Lake Macquarie
- Management of the Newcastle to Stockton Ferry



Appendix 2: Human Resource Statistics

The below table shows a comparison of State Transit's staff by classification (and full-time equivalent) over the five-year period from July 2011 to June 2016

HUMAN RESOURCE STATISTICS

Head count	2011-12	2012-13	2013-14	2014-15	2015-16
Operations	4,294	4,191	3,856	3,857	4,074
Maintenance	416	348	370	329	322
Administration	611	510	436	430	444
SES	11	10	0*	0*	0
Transport Senior Service	N/A	N/A	36*	34*	34
Total	5,332	5,049	4,662	4,728	4,874
Full-time equivalent	5,174	4,847	4,543	4,562	4,686
Casuals (included above)	113	162	116	78	100

Note: The figures are converted to full-time equivalents for part-time staff, and represent the average staffing levels for the year (they do not include overtime hours). Administration figures for 2011-12 to 2015-16 exclude positions assigned to Transport for NSW and Transport Shared Services.

^{*} SES classification discontinued during 2013-14. Former SES and various Senior Officers transferred to Transport Senior Service classification.



Appendix 3: Senior Service Contracts and Remuneration

SENIOR SERVICE CONTRACTS AND REMUNERATION

Transport Senior Service Level	Female	Male	Total	Average of TRP
Senior Service Level 2	1	4	5	\$225,351
Senior Service Level 3	-	9	9	\$265,713
Senior Service Level 4	-	1	1	\$294,100
Senior Service Level 5	-	-	-	-
Senior Service Level 6	-	1	1	\$455,808
Total	1	15	16	

The table above reflects the Transport Senior Service population Level 2 to Level 6, following the introduction of the Government Sector Employment Alignment Legislation. Nineteen Senior Service Level 1 are not included in this profile, five of which are women.



Appendix 4: Workforce Diversity

TRENDS IN THE REPRESENTATION OF WORKFORCE DIVERSITY GROUPS

Workforce Diversity Group	Benchmark /Target	% of total staff - 2014	% of total staff - 2015	% of total staff - 2016
Women	50%	8.3%	7.9%	7.5%
Aboriginal People and Torres Strait Islanders	2.6%	0.6%	0.7%	0.9%
People whose first language spoken as a child was not English	19.0%	26.8%	27.0%	28.5%
People with a disability	N/A	2.3%	2.2%	2.3%
People with a disability requiring work-related adjustment	1.5%	2.3%	2.2%	2.1%

TRENDS IN THE DISTRIBUTION OF WORKFORCE DIVERSITY GROUPS

Workforce Diversity Group	Benchmark /Target	% of total staff - 2014	% of total staff - 2015	% of total staff - 2016
Women	100	121	123	127
Aboriginal People and Torres Strait Islanders	100	86	89	88
People whose first language spoken as a child was not English	100	93	95	94
People with a disability	100	112	113	121
People with a disability requiring work-related adjustment	100	112	113	112

Note 1: A Distribution Index of 100 indicates that the centre of the distribution of the Workforce Diversity group across salary levels is equivalent to that of other staff. Values less than 100 mean that the Workforce Diversity group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the Workforce Diversity group is less concentrated at lower salary levels.

Note 2: The Distribution Index is not calculated where Workforce Diversity group or non-Workforce Diversity group numbers are less than 20.



Appendix 5: Multicultural Policies and Services Plan

State Transit is a service provider within the Transport cluster managed by Transport for NSW. Network service planning and community stakeholder engagement for service change programs are now the principal responsibility of Transport for NSW. State Transit's role is to assist and support Transport for NSW in service change management programs.

State Transit, in collaboration with Transport for NSW, engages in consultation with ethnic communities regarding the introduction of new or changed bus services, using interpreters when required. In areas with a high level of ethnic diversity, brochures are produced in the predominant languages of the area where the service changes are to be implemented.

The first cluster-wide Multicultural Policies and Services Plan was delivered in 2012-13. This was a significant step in demonstrating the cluster's commitment to the Principles of Multiculturalism.

The Multicultural Policies and Services Plan outlines how Transport for NSW and State Transit will respond to the NSW Government's multicultural objectives and incorporate multicultural principles into our processes and systems.

Under the Multicultural NSW Act 2000, State Transit is required to deliver and report against a current Multicultural Policies and Services Plan. These address the Community Relations Commission's Multicultural Planning Framework.

State Transit, in collaboration with Transport for NSW, continues to work towards meeting the five objectives identified for multicultural customers:

- Able to confidently use transport services.
- Able to equitably access transport services and information.
- Satisfied with the quality of communications and cultural sensitivity of transport service and program delivery.
- Able to have their views and concerns heard on policy and program development and service delivery.
- Embedding multicultural activity as a core function of the transport agencies.

Achievements in the Community Relations Commission's outcome areas in 2015-16 have included:

Planning

The Multicultural Policies and Services Plan has been integrated into State Transit strategic and corporate planning. The Multicultural Policies and Services Plan has been integrated in to State Transit's Corporate Plan with the key aim of developing equitable, inclusive and high performance services for all passengers and a service culture that is trained, resourced and managed to achieve this target.

State Transit's Senior Executive Committee meets monthly to monitor and review performance against the targets for Customer Experience and also for our People/Human Resources Program.

Human Resources

A cluster-wide Diversity and Inclusion Plan was developed with several initiatives that include input to human resources policies.

The cluster's Talent Pipeline Program includes targeted recruitment to increase representation of diverse and/or disadvantaged community groups.

Diversity and Inclusion (specifically culturally and linguistically diverse (CALD) training) is incorporated in induction programs for all staff. Recruited customer-facing staff such as bus drivers, receive diversity and/or multicultural training.

Communication

Following publication of the Multicultural Policies and Services Plan on the Transport for NSW intranet, it was further promoted through State Transit's internal communications channels encouraging staff to read, contribute to and include the Plan in their everyday work.

The Transport Info website, transportnsw.info jointly supported by State Transit, Sydney Trains and Transport for NSW, provides an explanation of its TripPlanner function in 10 major languages. These are Arabic, Chinese, Greek, Indonesian, Italian, Japanese, Korean, Russian, Spanish and Vietnamese.

State Transit will continue to support the Transport Info website during 2016-17.

Funded Services

State Transit is a client of the Department of Immigration and Border Protection, which runs the Translating and Interpreting Services (TIS), 131450, for people who do not speak English and for English speakers needing to communicate with them. TIS provides both telephone and onsite interpreters for non-English speakers. Through TIS, a three-way conversation can be arranged with the Transport Info call centre agent, the caller and the interpreter.

State Transit will continue to seek translating and interpreting services from the Department of Immigration and Border Protection in 2016-17.

Retreat Spaces

State Transit demonstrates its commitment to ensuring employees from culturally diverse backgrounds can meet their religious obligations whilst at work. With 11 established retreat spaces across the organisation, employees can utilise these spaces for religious, spiritual or contemplative purposes.



State Transit maintains Disability Inclusion Action Plans for each of its bus service contracts with Transport for NSW. These plans are regularly reviewed, in conjunction with Transport for NSW, to ensure they conform to the requirements of the *Disability Inclusion Act 2014*. State Transit also implements the requirements of the *Disability Standards for Accessible Public Transport 2002* under the *Commonwealth Disability Discrimination Act*.

Progress in this area includes:

- Continued upgrading of the fleet, bringing the total number of wheelchair accessible buses to 1,905 (88.2 per cent), ahead of the Commonwealth Disability Discrimination Act 2012 target.
- More than 75 per cent of scheduled route services each week are wheelchair accessible.
- Competency assessment is included in all initial and on-going training of bus operators.



There has been no requirement for an agreement specified by Multicultural NSW.

Corporate Governance



Risk Management

State Transit recognises that the effective identification and management of risk provides greater certainty over decisions and is central to achieving our business objectives.

State Transit is compliant with *Internal Audit* and Risk Management Policy for the NSW Public Sector (TPP 15-03) published by NSW Treasury. State Transit's risk management activities are based on ISO AS/NZS 31000: 2009 Risk Management Standard.

State Transit's risk management program aims to improve decision-making and to minimise the negative impact of events that may affect our operational activities, our reputation, compliance with our regulators and the safety and security of our employees, passengers and road users.

Activities relating to risk management are reviewed by State Transit's Governance and Risk Committee, comprising senior executives of State Transit, which oversees the implementation, operation and review of the risk management program. Also, State Transit's Audit and Risk Committee, comprised of independent members, provides independent assistance to the Chief Executive by overseeing and monitoring State Transit's governance, risk and control framework, and its external accountability requirements.

The delivery of bus services is paramount to State Transit's success. State Transit recognises that services are provided in an environment that may be affected by events outside our control. To assist in managing such events, State Transit has an Emergency Management Plan that provides for the effective communication and management of serious incidents. To support service delivery, State Transit has Business Continuity Plans that detail the provision of services during and after adverse events and incidents.

Insurance

State Transit's mature insurance program continues to provide financial protection for Sydney and Newcastle Buses for the physical loss or damage to insurable assets and property, consequential loss, public, products and other liabilities, personal injury, motor accidents and other risks, plus marine hull and liabilities for Newcastle Ferries.

In line with the risk profile. State Transit arranges the insurance program through an insurance broker and manages claims in conjunction with a specialist external claims management service. State Transit has calculated levels of policy deductibles to maintain competitive premiums and extensive policy coverage.

Compulsory Third Party Insurance for State Transit's fleet of more than 2,150 buses and operational vehicles is provided by a licensed insurer in accordance with legislation regulated by the State Insurance Regulatory Authority (SIRA) previously known as Motor Accidents Authority of NSW.



State Transit is committed to operating efficient, safe and reliable bus services, consistent with our legislative responsibilities. We conduct our business in an ethical manner having regard to NSW Government and State Transit policies.

Staff are required to conduct their activities in accordance with the Transport Code of Conduct and observe a high standard of probity, ethical behaviour and integrity in their business dealings. Just as we expect our staff to behave ethically and comply with the Code of Conduct, we expect high standards of behaviour from organisations and individuals that do business with us.

Our Statement of Business Ethics, which is published on our website, provides clear guidelines on how we expect our business partners to behave. It tells them what they can expect from us, particularly in relation to procurement practices, safety, environmental management, reporting unethical behaviour, gifts and benefits, and conflicts of interest. All individuals and organisations that deal with State Transit must comply with these standards of ethical behaviour.

Public Interest Disclosures

The objective of the *Public Interest Disclosures Act 1994* (the Act) is to encourage public officials to report any evidence of actual or suspected corrupt conduct, maladministration, serious and substantial waste or government information contravention.

State Transit's internal reporting procedure is consistent with the requirements of the Act, and the model policy and better practice guidelines for public interest disclosures issued by the NSW Ombudsman.

State Transit undertook a number of activities to promote staff awareness of the protections available, and organisational responsibilities and obligations under the Act. These included policy briefings for senior managers, training for all nominated disclosure officers and staff supervisors, inclusion of information on public interest disclosures for new staff during general induction, and general information updates to all staff included in internal newsletters and State Transit's intranet.

The Public Interest Disclosures Regulation 2011 (the Regulation) requires agencies to report the number of public interest disclosures received during the reporting period. In accordance with section 4 of the Regulation and section 31 of the Act, Table 1 and 2 show the number of public interest disclosures received by State Transit and the main concerns raised.

PUBLIC INTEREST DISCLOSURE STATISTICS

	Number
Number of public officials who have made a public interest disclosure to State Transit	0
Total number of public interest disclosures received by State Transit	2
No. of public interest disclosures finalised	2

MAIN CONCERNS IDENTIFIED IN PUBLIC INTEREST DISCLOSURES RECEIVED

	Number
Corrupt conduct	2
Maladministration	0
Serious and substantial waste	0
Government information contravention	0
Local government pecuniary interest contravention	0

Fraud and Corruption Prevention

State Transit is committed to maintaining high standards of ethical conduct. State Transit does not tolerate fraudulent or corrupt behaviour and is committed to ensuring that its work environment is free of fraud and corruption. Where fraud and corrupt activity does occur, State Transit's objective is to ensure that it is rapidly detected, effectively investigated and appropriate action is taken.

State Transit undertook a number of fraud and corruption prevention activities during the year with the objective of reducing fraud and corruption risk within the workplace. This included providing guidance and advice to staff and management on a wide range of corruption risks, ethical, probity and policy issues. To raise general awareness of corruption prevention issues, information is regularly published in State Transit's staff newsletter. Regular training courses were also offered to staff by the Independent Commission Against Corruption and NSW Ombudsman on corruption awareness, corruption prevention and internal investigations of corrupt conduct.

Throughout the year State Transit fulfils its statutory obligations by reporting relevant matters to the Independent Commission Against Corruption and the NSW Ombudsman.

4.10

Appendix 9: Internal Audit

State Transit's Internal Audit program provides independent, objective assurance and advisory services designed to add value and improve State Transit's operations. The Internal Audit function supports management in achieving State Transit's objectives and statutory obligations by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

During 2015-16, PricewaterhouseCoopers (PwC) partnered with State Transit in the delivery of its internal audit services. At State Transit the internal audit service delivery model consists of an in-house Chief Audit Executive and audit support service and PwC as a contracted external service provider. The model was selected to provide State Transit with access to a wide range of internal auditing skills, to meet State Transit's changing risk profile and environment.

The Audit and Risk Committee reviews State
Transit's annual Internal Audit Plan, the coverage
provided by audit projects and the resources
of the internal audit function. The results,
progress and performance of the internal audit
program is regularly reviewed by the Audit and
Risk Committee

Internal Audit is authorised to have full, free and unrestricted access to all functions, property, personnel records, accounts, files and other information and documentation.

State Transit's management is responsible for ensuring that appropriate corrective actions identified by the internal audit program are taken in a timely manner to address reported areas for improvement. The status of corrective actions is monitored by State Transit's Governance and Risk Committee and the Audit and Risk Committee.

Following a tender process conducted in 2015-16, State Transit appointed O'Connor Marsden and Associates as its internal auditors from July 2016.

State Transit works with Transport for NSW in designing and implementing programs to ensure the customer is the core focus when delivering services.







Internal Audit and Risk Management Attestation for the 2015-16 Financial Year for the State Transit Authority of NSW

I, Peter Rowley, Chief Executive, am of the opinion that the State Transit Authority of NSW has internal audit and risk management processes in operation that are compliant with the eight (8) core requirements set out in the Internal Audit and Risk Management Policy for the NSW Public Sector, specifically:

Core Requirements	Compliant, non-compliant, or in transition
1.1 The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2 A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009	Compliant
2.1 An internal audit function has been established and maintained	Compliant
2.2 The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3 The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant
3.1 An independent and Audit and Risk Committee with appropriate expertise has been established	Compliant
3.2 The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations	Compliant
3.3 The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'	Compliant

The Chair and Members of the Audit and Risk Committee are:

- Independent Chair, Allan Cook, (July 2014 to June 2018)
- Independent Member, Brian Blood, (July 2014 to June 2017)
- Independent Member, Carolyn Walsh, (March 2016 to February 2019)
- Former Non-independent Member, Craig Webster, (February 2013 to February 2016)

These processes demonstrate that The State Transit Authority of NSW has established and maintained frameworks, including systems, processes and procedures for appropriately managing audit and risk within agency.

Peter Rowley Chief Executive State Transit

12 July 2016



Appendix 11: Digital Information Security Annual Attestation

Digital Information Security Attestation Statement for the 2015-16 Financial Year for the State Transit Authority of NSW

I, Peter Rowley, am of the opinion that the State Transit Authority of NSW had an Information Security Management System in place during the 2015-16 financial year that is consistent with the Core Requirements set out in the NSW Government Digital Information Security Policy.

The controls in place to mitigate identified risks to the digital information and digital information systems of the State Transit Authority of NSW are adequate.

There is no agency under the control of the State Transit Authority of NSW which is required to develop an independent ISMS in accordance with NSW Government Digital Information Security Policy.



Chief Executive State Transit



Appendix 12: Annual Environment and WRAPP Report

Environmental Management Policy

State Transit's Environment Policy is displayed at all depot workplaces for staff reference and is made available to the public on the State Transit website.

State Transit also subscribes to the Transport for NSW Transport Environment and Sustainability Policy Statement found on the Transport for NSW website.

Environmental Notices

No Environmental Protection Authority (EPA) or Local Government Authority (LGA) environmental penalty notices were received during 2015-16.

Environmental Incidents

A total of six environmental incidents for in-service bus operations were reported to the Environment Office in 2015-16, the same number as reported in the previous financial year. As these incidents were contained and cleaned

up, with no harm to the environment, these incidents were not deemed to be reportable to the Regulator.

Bus in-service environmental incidents primarily relate to spills or leaks resulting from accidents or mechanical failure. All such environmental incident reports are reviewed to ensure their appropriate investigation and management by the responsible depot.

Environmental Complaints Handling

In 2015-16, 382 public environmental complaints were referred to the Transport feedback line for State Transit's Sydney operations, compared with 293 for the previous year. Three public environmental complaints were received for State Transit's Newcastle bus and ferry operations compared with nine in the previous year. The majority of these complaints related to noise or smoke (exhaust fumes) from idling buses. Complaints are referred to the relevant depot for investigation, corrective action, and a response to the customer where requested.

Environment Pollution Line Referrals

Three public environmental complaints were referred from the Environmental Protection Authority's Environmental Pollution Line for investigation and resolution. Complaints included: noise from bus idling at termini and bus stops; and noise from bus reversing beepers. All referred complaints are investigated and a detailed response is provided to the regulator.

Trade Waste Notices

State Transit depots hold Trade Waste Agreements with Sydney Water or Hunter Water for the discharge of treated trade waste to sewer. Two Sydney Water Trade Waste non-compliance notices were issued against existing agreements during the year. The cause of these exceedances were investigated and quickly resolved.

Media-Based Reporting

Air Quality

The emissions profile of State Transit's bus fleet continues to improve with the acquisition of new buses and the retirement of its older fleet. Around 43 per cent of State Transit's fleet are of the latest Euro 5 or EEV standard, while 79 per cent is of a Euro 3 or higher standard. The rated emissions performance of State Transit's bus fleet is maintained via State Transit's certification against the Roads and Maritime Services' Clean Fleet Standard.

State Transit works to reduce total greenhouse emissions from its commercial/passenger fleet by leasing fuel efficient vehicles from SG Fleet Services, and through the increasing use of E10 and LPG fuel for these vehicles.

Greenhouse Gas Emissions

Transport emissions derived from fuel combustion, using National Greenhouse Accounts Factors, were calculated as follows:

GREENHOUSE GAS EMISSIONS FOR STATE TRANSIT SERVICES

State Transit service	Tonnes CO2 (e)
Passenger and service vehicles under 3.5 tonnes	203
Newcastle ferries scope 1 direct emissions	182
Diesel bus fleet scope 1 tailpipe emissions	111,270
CNG bus fleet scope 1 tailpipe emissions	46,546
Total Transport Footprint	158,201

This total transport carbon footprint equates to approximately 776 tonnes CO_2 (e) per million passenger trips.

Stationary Source Emissions

Scope 2 Greenhouse Gas Emissions for stationary sources, mainly in the form of electricity consumption by State Transit Depots accounted for 9,426,036 kWhrs or 8,295 tonnes of CO_2 -(e) and State Transit Headquarters 174,623 kWhrs or 154 tonnes of CO_2 (e). Depot natural gas consumption for small appliances equated to 2,661 GJoules of energy or 137 tonnes CO_2 (e). Total stationary source emissions equated to 8,586 tonnes CO_2 (e).

Total Greenhouse Emissions

State Transit's total carbon footprint due to stationary and mobile sources equals 166,924 tonnes of $\rm CO_2$ (e). This represents a 3.5 per cent increase on the total carbon footprint of the preceding financial year.

Greenhouse Intensity

Our combined CNG and Diesel fleet emissions intensity is calculated at 0.17 tonnes of $\rm CO_2$ (e) emissions per 100kms.

Water

State Transit's annual metered water consumption was 71,773kL in 2015-16. This represented a 10 per cent decrease in potable water consumption when compared with normalised water consumption figures for the previous financial year.

Stormwater

The prevention of stormwater pollution within depot environments is managed by a combination of the following methods: signage; yard scrubbing; spill kits and spill response; bunding of spill risk structures; stormwater containment via Penstock or stormwater isolation valves; and spill risk assessment and control of diesel fuel delivery and fuelling procedures.

For in-service prevention of spills, bus drivers contact the Network Control Centre for emergency assistance from the Fire Brigade and assistance from State Transit's fleet of customer service vehicles which carry portable spill kits to enable a response to in-service spills in the event of an accident or mechanical failure.

Noise

During 2015-16, of the 385 complaints received for Sydney and Newcastle operations, 14 of these related to complaints of depot-related noise. Depot noise complaints are investigated to determine the source and the appropriate corrective actions required. Noise from bus startups, public announcement systems and garage radios are monitored and controlled via the following operational measures: noise surveys; standard operating procedures; restricted hours of operation for noisy equipment; and staff education and awareness of the importance of minimising noise and potential nuisance to nearby neighbours.

Heritage

State Transit maintains a Heritage Register of 11 items, and inspects and maintains its heritage assets in accordance with NSW Heritage Council Guidelines.

Contaminated Lands

ENVIRONMENT PROTECTION AUTHORITY (EPA) CONTAMINATED SITE NOTIFICATIONS

No further sites were notified to the EPA in 2015-16.

MONA VALE REMEDIATION

Mona Vale lands are being remediated in accordance with a Remediation Action Plan and Voluntary Management Agreement with the EPA.

VALIDATION OF UNDERGROUND STORAGE TANK REMOVALS OR IN-SITU ABANDONMENT

All tank removal or abandonment works were validated as required by regulations, and relevant authorities were notified. Validation reports indicate that all lands were determined to be suitable for continued industrial/commercial land use

Energy

ELECTRICITY CONSUMPTION

Depot electricity consumption at 9,566,099.00 kWhrs was 4.6 per cent less than the previous year's consumption.

TRANSPORT FUEL CONSUMPTION

Around 39.6 million litres of diesel fuel and 23.2 million cubic metres of compressed natural gas were consumed by State Transit's bus fleet.

NATURAL GAS

Annual depot natural gas consumption for gas appliances equated to 2,661 GJoules of energy, emitting 137 tonnes of CO2 (e).

Fuel Storage Systems

State Transit is nearing completion of its program to replace its underground diesel storage tanks with double-walled above ground tanks. In 2015-16, new above ground storage tanks were installed at Ryde, Randwick, Willoughby, Leichhardt and Hamilton depots, bringing the total number of depots with self-bunded above ground tanks to 13.

Waste

Suez Environments (formerly known as SITA Australia) has provided licensed total waste management solid and liquid waste collection and recycling services for all State Transit depots, as part of the Total Waste Management contract. During 2015-16, State Transit's total waste management contractor collected the following approximate quantities of waste for recycling:

QUANTITIES OF WASTE RECYCLED

Waste Product	Tonnes
Paper and cardboard recycled waste	62
Recycled batteries	30 (est.)
Recycled metals	142
Fluorescent tubes	0.4
Liquid oily waste oil	907
Recycled waste oil	199
Recycled coolant	253

Approximately 771.5 tonnes of general waste was sent to landfill in 2015-16, compared with 885 tonnes in the previous financial year. State Transit achieved a combined waste stream recycling rate of 67.4 per cent.

Finance



In accordance with Section 41B(1)(d) of the Public Finance and Audit Act 1983, the following is a summary of State Transit's land holding as at 30 June 2016 according to actual use of the land.

SUMMARY OF LAND

Land use classification	\$'000
Bus Depots	166,187
Minor Operational Assets	2,297
Commercial Properties	8,740
Total	177,224



During the year State Transit did not dispose of any land.



4.16) Appendix 15: Income and Expenditure

INCOME

	2014-15 Actual \$'000	2015-16 Actual \$'000	2015-16 Budget \$'000	2015-16 Variance \$'000	2015-16 Variance %
Operational Revenue	590,916	603,423	609,775	(6,352)	(1.04)
Interest	29,509	28,944	29,046	(102)	(0.35)
Other Revenue	40,280	40,227	31,564	8,663	27.45
Total Income	660,705	672,594	670,385	2,209	0.33

EXPENDITURE

	2014-15 Actual \$'000	2015-16 Actual \$'000	2015-16 Budget \$'000	2015-16 Variance \$'000	2015-16 Variance %
Personnel Services	426,378	486,423	437,769	(48,654)	(11.11)
Depreciation and Amortisation	22,901	18,767	21,594	2,827	13.09
Fleet Running Expenses	102,160	99,405	102,712	3,307	3.22
Borrowing Costs	19,365	9,840	10,442	602	5.77
Other Operating Costs	70,242	87,688	76,356	(11,332)	(14.84)
Total Expenditure	641,046	702,123	648,873	(53,250)	(8.21)

PROFIT/(LOSS)

	2014-15	2015-16	2015-16	2015-16	2015-16
	Actual	Actual	Budget	Variance	Variance
	\$'000	\$'000	\$'000	\$'000	%
Profit/(Loss)	19,659	(29,529)	21,512	(51,041)	(237.27)

State Transit reported a loss of \$29.5 million for 2015-16 due to an increase in personnel services liability that was assessed by actuarial valuation. The operating budget for 2016-17 is a surplus of \$28.2 million comprising total revenue of \$669.4 million and total expenditure of \$641.2 million.

Further commentary on financial performance is included as part of Competitive Business (see page 21).



4.19 Appendix 18: Liability Management Performance

Government funding consisted of the following:

In the year ended 30 June 2016, the market cost of funds of State Transit's debt portfolio, which includes actual interest costs, accrued interest costs, the amortisation of bond premium or discount amounts, and the change in market capital value of the debt portfolio, was 5.76 per cent.

Bus Service Contracts

In 2015-16, State Transit had four separate Sydney Metropolitan Bus Service Contracts (SMBSC) and one Outer Sydney Metropolitan Bus Service Contract (OSMBSC) with Transport for NSW for the provision of bus services in Sydney and Newcastle. The term of the SMBSC was five years and the OSMBSC was for three years with the SMBSC commencing on 1 July 2013 and the OSMBSC on 1 July 2014.



Other Government Payments

Newcastle Ferry Services continued to receive payments from the Government for providing free and concessional fares in 2015-16.

Concession reimbursements were also received from the Government in the categories of pensioner and senior citizens, school students, tertiary students, the unemployed and other welfare recipients. In 2015-16, State Transit did not have funds invested in NSW Treasury Corporation's investment facility. All surplus funds generated were used to repay borrowings of approximately \$38.1 million.



State Transit made one payment to a non-Government community organisation during 2015-16. The payment was a donation to the Rotary Club of Bondi Junction / Rotary of Randwick for \$1,000.



4.21) Appendix 20: Performance in Paying Accounts

PERFORMANCE IN PAYING ACCOUNTS FOR ALL SUPPLIERS

Measure	September 2015	December 2015	March 2016	June 2016
Number of accounts due for payment	18,863	19,456	14,805	18,469
Number of accounts paid on time	18,221	18,740	13,731	17,940
Actual percentage of accounts paid on time (#)	96.6%	96.3%	92.7%	97.1%
Dollar amount of accounts due for payment	\$131,860,714	\$94,644,365	\$92,929,609	\$110,937,608
Dollar amount of accounts paid on time	\$129,841,903	\$92,380,538	\$88,743,246	\$105,127,737
Actual percentage of accounts paid on time (\$)	98.5%	97.6%	95.5%	94.8%
Number of payments for interest on overdue accounts	NIL	NIL	NIL	NIL
Interest paid on overdue accounts	NIL	NIL	NIL	NIL

PERFORMANCE IN PAYING ACCOUNTS FOR SMALL BUSINESS SUPPLIERS

Measure	September 2015	December 2015	March 2016	June 2016
Number of accounts due for payment	1,799	1,609	1,111	1,439
Number of accounts paid on time	1,682	1,550	1,091	1,402
Actual percentage of accounts paid on time	93.5%	96.3%	98.2%	97.4%
Dollar amount of accounts due for payment	\$2,180,778	\$1,460,155	\$1,160,316	\$1,593,292
Dollar amount of accounts paid on time	\$2,043,278	\$1,394,379	\$1,136,269	\$1,561,310
Actual percentage of accounts paid on time	93.7%	95.5%	97.9%	98.0%
Number of payments for interest on overdue accounts	NIL	NIL	NIL	NIL
Interest paid on overdue accounts	NIL	NIL	NIL	NIL

AGED TRANSACTIONS BY QUARTER FOR ALL SUPPLIERS

Quarter	Current count	31-60	61-50	90+	Total count
Sep 2015	9,250	478	24	117	9,869
Dec 2015	8,413	579	26	153	9,171
Mar 2016	7,087	1,040	93	191	8,410
Jun 2016	9,969	1,565	103	197	11,834

AGED TRANSACTIONS BY QUARTER FOR SMALL BUSINESS SUPPLIERS

Quarter	Current count	31-60	61-50	90+	Total count
Sep 2015	1,090	38	4	3	1,135
Dec 2015	825	82	2	4	913
Mar 2016	658	99	12	6	775
Jun 2016	905	127	7	5	1,044

AGED TRANSACTIONS BY QUARTER FOR ALL SUPPLIERS

Quarter	Current \$'000	31-60 \$'000	61-50 \$'000	90+ \$'000	Total Amount \$'000
Sep 2015	25,300	643	170	-7	26,106
Dec 2015	20,763	890	40	10	21,703
Mar 2016	33,260	4,073	726	101	38,160
Jun 2016	17,263	2,607	134	37	20,041

AGED TRANSACTIONS BY QUARTER FOR SMALL BUSINESS SUPPLIERS

Quarter	Current \$'000	31-60 \$'000	61-50 \$'000	90+ \$'000	Total Amount \$'000
Sep 2015	1,108	48	3	0	1,160
Dec 2015	783	67	1	1	853
Mar 2016	873	106	4	7	989
Jun 2016	715	351	8	2	1,076



4.22 Appendix 21: Response to matters raised by the NSW Auditor-General

There were no significant matters identified by the Auditor-General in the Statutory Audit Report.

Legal



The State Transit Authority of NSW is constituted as an operating body without policy or regulatory functions and is not charged with the administration of legislation. However, set out below is an overview of the legislation directly relevant to the State Transit Authority of NSW during 2015-16.

Transport Administration Act

The State Transit Authority of NSW is created as a corporation by the Transport Administration Act 1988 and operates pursuant to that Act and the regulations made under the Act.

Regulations

The following regulations made under the Transport Administration Act 1988 had direct application to the State Transit Authority of NSW and were in force during the year under review:

- Transport Administration (Staff) Regulation 2012
- Transport Administration (General) Regulation 2013

Orders

Section 85 of the Transport Administration Act 1988 provides that the charges to be demanded by the State Transit Authority of NSW in respect of its bus or ferry services and/or any other purpose shall be as from time to time determined by order made by the State Transit Authority of NSW.

Passenger Transport Act

The State Transit Authority of NSW, in common with other operators of public passenger services in NSW, is directly bound by the provisions of the Passenger Transport Act 1990 and the relevant regulations made under the Act.



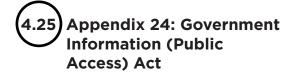
In accordance with the Privacy and Personal Information Protection Act 1998, State Transit has implemented a Privacy Management Plan.

A copy of the Privacy Management Plan has been lodged with the Privacy Commissioner.

The Plan requires staff to keep personal information secure and ensures that the information is only used for the purposes for which it is collected.

In accordance with the Plan, State Transit informs all individuals when collecting personal information how the details will be used and to whom the personal information will pass.

State Transit will continue to maintain and improve its current collection and storage of personal information to ensure it continues to satisfy the guidelines provided in the Act.



Review of proactive release program - Clause 7(a)

Under section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

State Transit's program for the proactive release of information involves the release of information concerning State Transit's operations, functions and structure and in relation to State Transit's performance in the provision of passenger transport services.

This includes:

- Publication of State Transit's Annual Report and Corporate Plan.
- Details on State Transit's fleet of buses.
- Regular updates on timetable changes, school service changes and general travel advice.
- The production and distribution of a range of publications, including timetables, flyers and brochures, to assist passengers.
- Transport news and announcements, timetable changes and other travel information regularly publicised through State Transit's websites.
- The publication of customer service, reliability and safety data.

All key publications are available on the State Transit website or through the Transport Info website at transportnsw.info.

During the reporting period, State Transit reviewed this program by:

- Examining the types of information being requested through formal and informal applications.
- Assessing the type of information held by State Transit.
- Analysing the types of information proactively released by other agencies.

Number of access applications received - Clause 7(b)

During the reporting period, State Transit received a total of 37 formal access applications (including withdrawn applications but not invalid applications).

Number of refused applications for Schedule 1 information - Clause 7(c)

During the reporting period, State Transit did not refuse any formal access applications because the information requested was information referred to in Schedule 1 to the GIPA Act.

Statistical information about access applications - Clause 7(d) and Schedule 2

TABLE A: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME*

	Access granted in full	Access granted in part	Access refused in full	Information not held
Media	8	4	0	1
Members of Parliament	4	0	0	1
Private sector business	0	0	0	0
Not for profit organisations or community groups	1	0	0	1
Members of the public (application by legal representative)	4	1	0	5
Members of the public (other)	1	1	0	2

TABLE A: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME (CONTINUED)*

	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	2
Members of Parliament	1	0	0	0
Private sector business	0	0	0	0
Not for profit organisations or community groups	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0
Members of the public (other)	0	0	0	0

^{*} More than one decision can be made in respect of a particular access application. If so, a recording will be made in relation to each such decision. This also applies to Table B.

TABLE B: NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME

	Access granted in full	Access granted in part	Access refused in full	Information not held
Personal information applications*	0	0	0	0
Access applications (other than personal information applications)	18	5	0	9
Access applications that are partly personal information applications and partly other	0	1	0	1

TABLE B: NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME (CONTINUED)

	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawal
Personal information applications*	0	0	0	0
Access applications (other than personal information applications)	1	0	0	2
Access applications that are partly personal information applications and partly other	0	0	0	0

^{*} A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

TABLE C: INVALID APPLICATIONS

Reason for invalidity	Number of application
Application does not comply with formal requirements (section 41 of Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

TABLE D: CONCLUSIVE PRESUMPTION OF OVERRIDING PUBLIC INTEREST AGAINST DISCLOSURE: MATTERS LISTED IN SCHEDULE 1 OF THE ACT

Number of times considered used*

	considered used
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

^{*} More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration will be recorded. This also applies in relation to Table E.

TABLE E: OTHER PUBLIC INTEREST CONSIDERATIONS AGAINST DISCLOSURE: MATTERS LISTED IN TABLE TO SECTION 14 OF THE ACT

Number of occasions when application not successful

Responsible and effective government	4
Law enforcement and security	0
Individual rights, judicial processes and natural justice	6
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	3
Exempt documents under interstate Freedom of Information legislation	0

TABLE F: TIMELINESS

Number o	f
application	S

	аррисаціона
Decided within the statutory timeframe (20 days plus any extensions)	29
Decided after 35 days (by agreement with applicant)	2
Not decided within time (deemed refusal)	0
Total	31

Number of

Number of

TABLE G: NUMBER OF APPLICATIONS REVIEWED UNDER PART 5 OF THE ACT (BY TYPE OF REVIEW AND OUTCOME)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	1	0
Internal review following recommendation under Section 93 of Act	0	1	0
Review by ADT (NCAT)	0	0	0
Total	0	2	0

^{*} The Information Commissioner does not have the authority to vary decisions, but can make recommendation to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made.

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)

	applications for review
Applications by access applicants	4
Applications by persons to whom information the subject of access application relates (see Section 54 of the Act)	0

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)

	applications transferred
Agency-initiated transfers	1
Applicant initiated transfers	0

tate Transit

Administration



4.28 Appendix 27: Mobile phones

Procedures for issuing mobile telephones to staff

Mobile Telephones Manual. The Chief Executive,

when a business need is demonstrated. In 2015-16 there were 221 mobile telephones in use (267

are outlined in State Transit's Telephone and

General Managers and Depot Managers are responsible for issuing mobile telephones as and

This is to certify that Corporate Credit Cards are issued to State Transit's staff for business purposes and used in accordance with the Credit Card Use Best Practice Guide (TPP05-01).

Certified by:

Pon

Peter RowleyChief Executive
State Transit

4.29 Appendix 28: Overseas travel

in 2014-15).



During the year, no overseas travel was undertaken by State Transit staff.

The following table is a summary of consultancy fees incurred during the year. Expenditure relating to high-level specialists or professional advice that assists managerial decision-making is classified as a consultancy fee.

CONSULTANCY FEES

Consultancy fees	\$'000
Where consultancy fees exceeded \$50,000	Nil
Where consultancy fees paid were less than \$50,000	Nil



State Transit has established the capability to formally manage digital records in accordance with Government policies and standards. The use of this capability has commenced, with increasing take-up underway across the organisation.

4.31 Appendix 30: Customer Response

State Transit's Customer Relations staff – located in each depot with a coordinating group in the corporate area – provide timely and accurate responses to customer feedback. Localised staff ensure effective resolution of issues in each operational area.

Customer feedback on State Transit's bus services in Sydney and bus and ferry services in Newcastle includes queries, compliments, feedback and complaints that are received via Transport Info (131500 and website), letters and from other sources.

Putting customers at the centre of everything we do, State Transit continues to encourage its customers to report all feedback via the appropriate channels - transportnsw.info or the 131500 feedback line – to assist with the improvement of our overall service. Internally, State Transit has a strong commitment to responding to feedback. It ensures the promotion of the customer feedback process is a focus within the organisation.

In 2015-16, State Transit saw an increase in the total number of feedback cases received from customers. A large proportion of these cases related to the reliability of bus services, coinciding with changes to the road network during construction of major public transport infrastructure projects.

We also now have more ways than ever to communicate with and get feedback from our customers, through the web, social media and real-time transport apps.

The main sentiment of customer feedback during 2015-16 related to the bus being late, the bus failing to stop, staff behavior and bus service reliability.

BREAKDOWN OF COMPLAINTS RECEIVED BY CHANNEL

Source	2014-15	2015-16
Phone 131500	27,236	25,448
Online channels	12,237	19,439
Letters	143	82
Ministerial Correspondence	432	345
Total	40,048	45,314

4.32 Appendix 31: Service Changes

In 2015-16, State Transit made a number of service changes to accommodate Transport for NSW infrastructure projects, as well as additional services added as part of the Transport for NSW Growth Services Program.

CBD Bus Plan and Light Rail Construction

In October 2015, State Transit implemented a redesigned CBD bus network in response to the closure of George Street for the construction of the CBD and South East Light Rail.

The CBD Bus Plan, designed by Transport for NSW, re-routed buses in the city centre to operate predominately along new priority routes on Elizabeth, Castlereagh, Park, Druitt, Clarence and York streets.

A number of new cross-city links were created, connecting more destinations and reducing the number of buses that start and finish in the CBD. These routes included:

- Routes 273/343 (now Route 343) operating between Chatswood and Kingsford via North Sydney, the City and Rosebery.
- Routes 378/440 (now Route 440) operating between Bronte and Rozelle via Bondi Junction, Paddington, Railway Square and Leichhardt.
- Routes 389/443 (now Route 389) operating between North Bondi and Pyrmont via Bondi Junction, Paddington, Darlinghurst and the City.

Other major changes included:

- Routes 345, 448, 998 and the 555 Free CBD Shuttle were discontinued.
- Routes 326 and 327 now operate between Bondi Junction, Bellevue Hill and Edgecliff only.
- New Route 328 operating between Darling Point, Edgecliff and Bondi Junction.
- Changes to bus stops on Route 355 in the Redfern area.

On 5 June 2016, a number of bus services in the Eastern Suburbs were also adjusted as a result of construction of the CBD and South East Light Rail.

These changes included:

- Routes 393 and X93 Some weekday peak hour Route 393 trips were converted to operate as an express service and were re-numbered X93.
- Routes 392, 394, 396, 397 and 399 Some peak hour all-stops services were converted to express services, operating as route X92, X94, X96, X97 and X99 services.
- Evening services on Route X74 now commence from Spring Street, City, instead of Circular Quay.

Additional trips were also introduced from this date on two Eastern Suburbs routes, in response to customer feedback following the implementation of the CBD Bus Plan:

- Route 338 An additional weekday evening trip, departing Railway Square, with minor adjustments to the timetable to improve trip spacing.
- Route 324 Two additional weekday AM peak services from Vaucluse Heights to Edgecliff, and two additional weekday PM peak services from Edgecliff to Vaucluse Heights. Additional Saturday evening trips in both directions.

Changes also occurred to Epping Road routes 288 and 292, which now start and end at Sussex and Erskine streets instead of King Street Wharf. Minor adjustments to other Victoria Road and Epping Road services were also introduced.

2016 Growth Services Program

In 2016, State Transit introduced additional services as part of the Transport for NSW Growth Services Program.

In February 2016, additional services were added on the following routes:

- Route E65 Additional weekday AM trips from South Curl Curl to the City.
- Route E50 An additional AM weekday trip from Manly to Milsons Point.
- Route L88 Additional weekday trips to and from the City

Following community consultation, routes E32 and E35 to Manly Wharf were discontinued due to low patronage, however additional services were added to routes 132, 139 and 142 to connect with Manly Ferry services.

In addition, an extra stop was added at Pitt and Griffin roads, North Curl Curl for E36 passengers as well as an extra stop at Balgowlah Shops for E41 passengers.

In June 2016, additional services were added on the following routes:

- Route M54 now operates between
 Parramatta, Epping and Macquarie Park until midnight, seven days a week.
- Route 289 A new bus service operating from Lane Cove Industrial to Wynyard via Mowbray Road and Centennial Avenue. Some Route 285 services were also converted to Route 289.
- Route 301 Additional weekday AM peak trips, some Saturday evening services extended to operate to and from Eastgardens and later Sunday evening services.
- Route 348 Additional weekday and Saturday trips to Bondi Junction and Wolli Creek with extended evening operating hours. Buses now operate every 30 minutes on Sundays and public holidays, with operating hours extended into the evening.
- Route 370 Additional Saturday morning and evening trips in both directions. Additional evening trips in both directions on Sundays and public holidays.
- Routes 373 and 394 Additional Friday and Saturday late night service departing the City.
- Route 520 late night services now operate seven nights a week, resulting in bus services operating 24 hours a day along Victoria Road between Parramatta, Ryde and the City.

A number of services also had minor adjustments made to timetables to provide a better spacing of trips.

Bennelong Bridge opening

The new Bennelong Bridge opened on Sunday, 22 May 2016, linking Rhodes and Wentworth Point and reducing the travelling distance between the two locations from about eight kilometres to less than one. State Transit operated a temporary shuttle, Route 529, from Monday, 23 May 2016 between Newington, Wentworth Point and Rhodes.

With the introduction of Growth Services from Sunday, 5 June 2016, two bus routes commenced permanent operation across the new bridge:

- Route 526 was extended from Sydney
 Olympic Park Wharf to Rhodes Waterside
 Shopping Centre, with an increase in
 frequency on weekends.
- Route 533 was adjusted to travel via the Bennelong Bridge instead of Homebush Bay Drive, with extra trips introduced between Ryde and Olympic Park Station.

Minor adjustments were also made to timetables for Routes 458, 459 and 525.

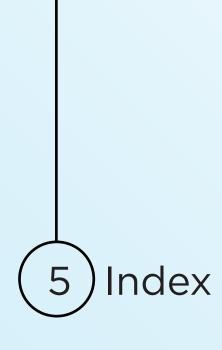


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To minimise environmental and financial costs, State Transit does not produce paper copies of its Annual Report.

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State Transit's Financial Statements in Volume 2 of this report are not WCAG 2.0 compliant. If assistance is required to access this volume of the report, please call State Transit on 9245 5488.



59

D Α Aboriginal and Torres Straight Islander Depot Refresh Program, 20 Employment, 10, 24, 27 Digital Information Security Annual Attestation, 40 About State Transit, 5 Digital Recordkeeping, 54 Agreements with Multicultural NSW, 35 Disability Inclusion Action Plan, 35 Air Quality, 41 Disposal of Property, 43 Appendix, 29-57 Drug and Alcohol Testing, 18 Apprenticeships, 25 Assurance Activities, 18 Auditor-General, 47 Ε Electricity Consumption, 28 Emergency Response Plans, 23 В Employees, 5 Bennelong Bridge Opening, 15,57 Energy, 42 Budget, 44 Enterprise Agreements and Awards, 26-27 Bus Fleet, 5, 10, 12-13, 28 Environment Pollution Line Referrals, 41 Bus Operator Training, 24 Environment, 28, 40-43 Bus Service Contract, 21-22 Environmental Complaints Handling, 40 Environmental Incidents, 40 Environmental Notices, 40 C Ethics, 36 Capital Expenditure, 21 CBD Bus Plan, 10, 56 Chemical Rationalisation, 28 F Chief Executive's Foreword, 3 Financial Review, 21 Christmas Buses. 16 Fire Suppression Systems, 10, 17 Competitive Business Performance, 21-23 Fleet Operations Training, 25 Consultancy Fees, 54 Flexible Work Arrangements, 27 Consultation, 20 Fraud and Corruption Prevention, 37 Contact Details, ii Fuel Storage Systems, 28, 42 Contaminated Lands, 42 Funds Granted to Non-Government Community Corruption Prevention and Ethics, 36 Organisations, 45 Credit Card Certification, 54 Customer Experience, 11-16 Customer Feedback, 12 Government Funding and Social Program, 45 Customer Information, 5,11 Government Information (Pubic Access) Customer Response, 55 Applications, 48-53

Greenhouse Emissions, 28, 41

Grow Perform Succeed Program, 26 Growth Services Program, 10, 15, 57

Greenhouse Intensity, 41

H Heritage, 42 HUB, 20 Opal, Human Resource Statistics, 32 Organ Overs I Income and Expenditure, 44 Information Technology Management, 22 Insurance, 36 Peopl

Internal Audit and Risk Management Attestation, 39

Internal Audit, 38

Investment Performance Management, 45

L

Leadership Development, 25
Legislation, 6, 48
Letter to the Minister, iii
Liability Management Performance, 45
Logistics Cadetships, 25
Lost Time Injury Frequency Rate, 17

М

Management and Structure, 30-31 Mobile Phones, 54 Multicultural Policies and Services Plan, 34-35

Ν

Network Control Centre, 15 Network Maps, 7 Newcastle Buses and Ferries, 6 Newcastle Service Area, 8 Noise, 42 On-time Running, 13-14 Opal, 22 Organisational Development, 24 Overseas Travel, 54

Patronage, 5
People and Organisational Sustainability, 24-27
Performance Agreements, 25
Performance Highlights, 10
Performance in Paying Accounts, 46-47
Privacy Management, 48
Public Interest Disclosures, 37
Publication Details, 57

R

Real-time Information, 11
Recruitment, 10, 24
Reliability, 15
Retreat Spaces, 27
Revenue Protection, 23
Risk Management, 19, 23, 36
Routes, 5

S

Safeguard Mechanism, 28
Safety, 5, 17-20
Safety Awareness Campaigns, 19-20
Safety Community of Practice, 19
Safety Compliance, 17-18
Safety, Customer, 17
Safety, Employee, 17
Safety Management System, 18
Safety Performance, 10
Safety Programs, 18
Safety, Road User, 17
Safety Training, 19

Security Coordination, 23 Senior Service Contracts and Remuneration, 32 Service Changes, 56-57 Special Events, 16

Staff Recognition Scheme, 26-27

Stationary Source Emissions, 41

Stromwater, 42

Succession Planning, 26

Summary of Land, 43

Supporting the Community, 16

Sydney Service Area, 7

Т

Timetable Information, 11

Trade Waste Notices, 41

Transport Awards, 10

Transport Management Centre, 12

Transport Shops, 12

Transportnsw.info, 12

W

Waste, 43

Water, 28, 42

Websites, 11-12

Women, 27

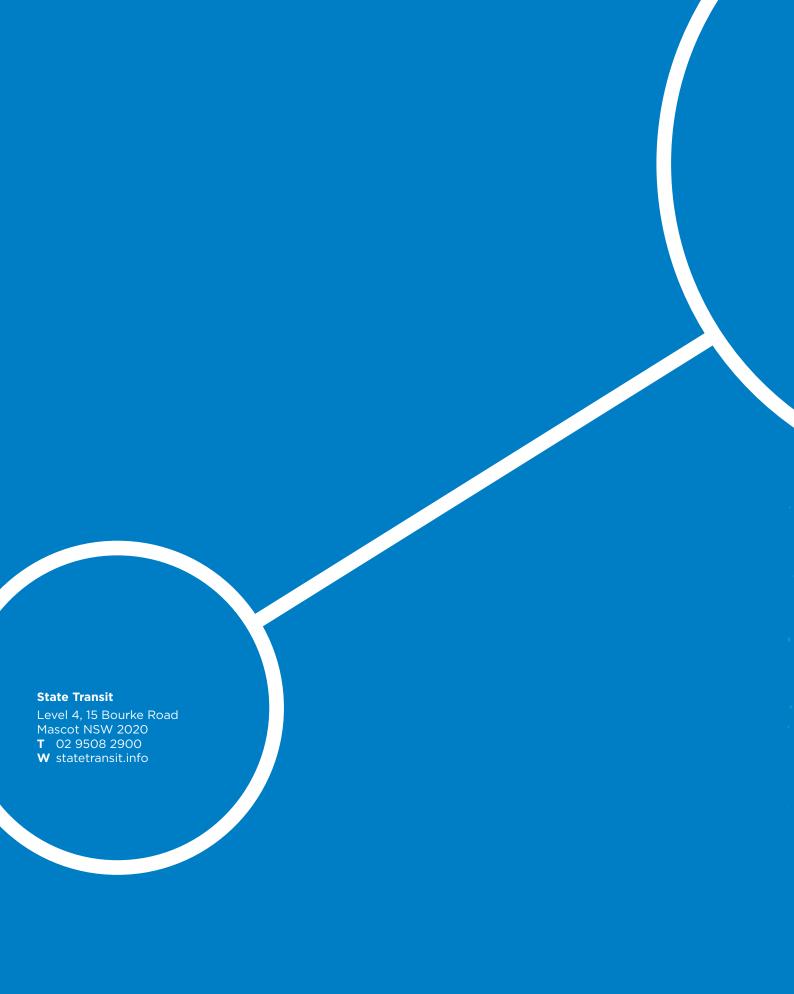
Workers Compensation, 20

Workforce Diversity, 33

WRAPP Report, 40-43

Υ

Year in Review, 9



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