

## TRA-000671 - TfNSW GIPA Application

### Savings Measures

In respect of the questions raised by the Applicant, TfNSW advises the following:

1. Question: *“All proposed savings measures considered by the Secretary of Transport to achieve the 15 per cent cut in budgets of TfNSW divisions.”*

In October 2017, the Secretary of TfNSW announced the implementation of savings measures on the operational expenditure for the TfNSW divisions. The savings measures were applied to operational expenditure for the back office functions of TfNSW divisions and were not a blanket 15% cut to operational budgets.

Over recent years, Transport’s operating agencies have delivered significant savings by looking at their overheads and channeling their resources into the right areas.

The savings measures were applied to operational expenditure for the back office functions of TfNSW as a means of optimising the efficiency of Agency operations to enable TfNSW to continue to invest in new initiatives and programs that benefit our customers. TfNSW divisions were responsible for implementing changes to meet revised budgets. The Secretary gave specific consideration to approval of a proposed organisational change for one of TfNSW’s Divisions to achieve the saving on operational expenditure.

2. Question: *“The total budget for each TfNSW division before and after the implementation of the 15 per cent cut.”*

As noted in the answer above to question 1, savings measures were applied to operational expenditure for the back office functions of TfNSW division and were not blanket 15% cuts to operational expenditure budgets.

The table below reflects the divisional budgets before and after implementation of the savings measures.

Budget (\$ ,000)	Office of the Secretary	Customer Services	Freight Strategy Planning	Infrastructure & Services	People and Corporate Services	Finance & Investment	Transport Coordination	NSW Point2Point	Total TfNSW
<b>Total Net Cost of Services</b>	<b>5,958</b>	<b>248,412</b>	<b>679,937</b>	<b>3,812,451</b>	<b>98,018</b>	<b>5,027,962</b>	<b>67,062</b>	<b>31,709</b>	<b>9,971,509</b>
Efficiency Savings Applied	-894	-9,971	-16,762	-26,142	-14,703	-7,115	-5,777	0	-81,364
<b>Total after Efficiency Savings</b>	<b>5,064</b>	<b>238,441</b>	<b>663,175</b>	<b>3,786,309</b>	<b>83,315</b>	<b>5,020,847</b>	<b>61,285</b>	<b>31,709</b>	<b>9,890,145</b>