



State Transit

Annual Report

Volume 1 • 2020-21





Letter to Minister

The Hon. Rob Stokes, MP
Minister for Transport and Roads
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 2021.

This report has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Government Sector Finance Act 2018*. The financial statements, which have been audited by the Audit Office of NSW and the Auditor-General's report, are also included.

Yours sincerely,

Daniela Fontana
Chief Executive
State Transit

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Leichhardt NSW 2040

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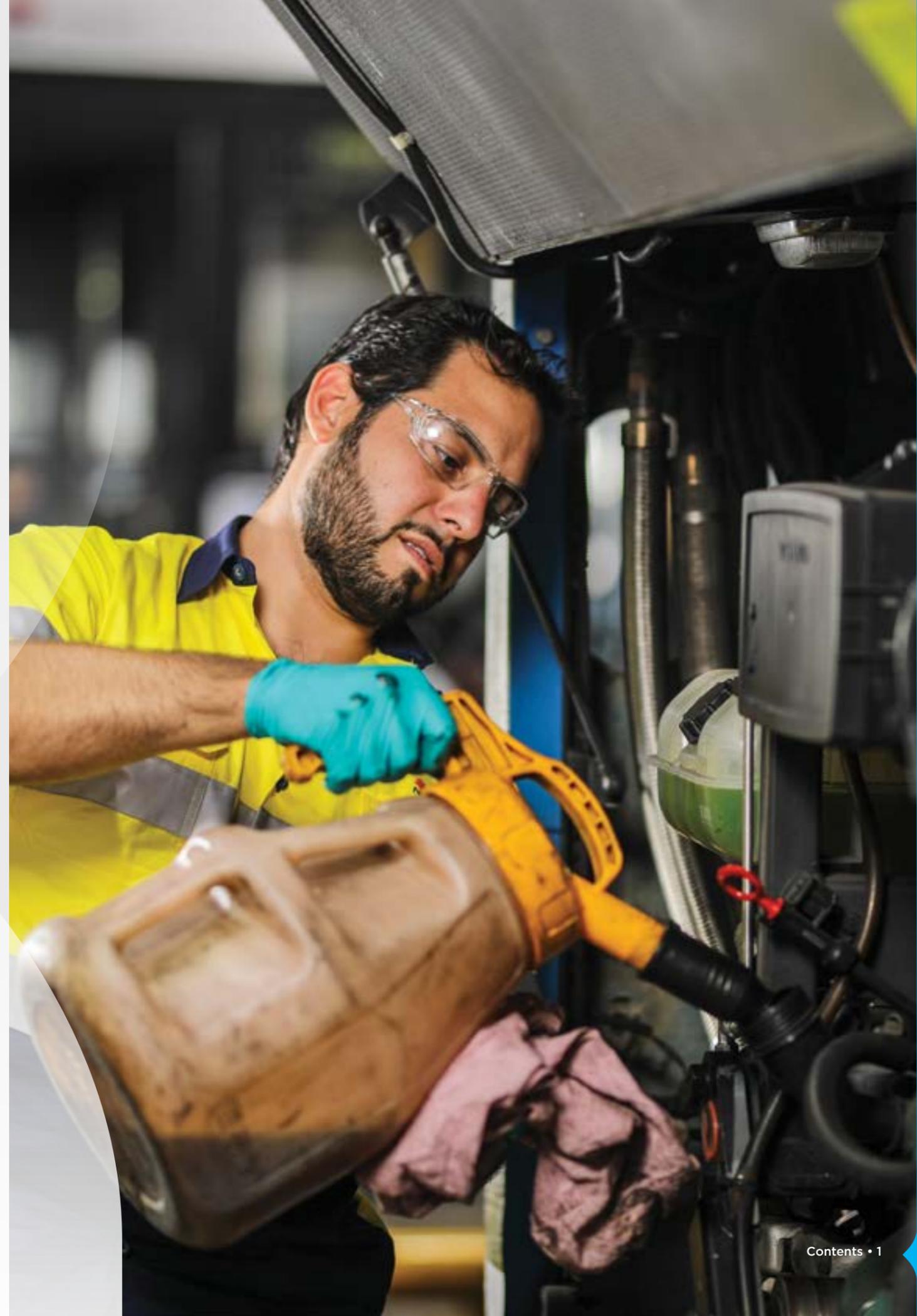
www.transport.nsw.gov.au/state-transit

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Contents

	Letter to the Minister	iii
	Chief Executive's forward	2
1	Overview	6
2	About us	8
	2.1 About State Transit	8
	2.2 Network map	9
	2.3 Our vision	10
	2.4 Our operating model	10
	2.5 Delivering on our purpose	10
	2.6 Our strategic direction	11
	2.7 Key facts	12
	2.8 Our assets	13
	2.9 Our organisation	14
3	Delivering outcomes for the people and communities of NSW	16
	3.1 Key highlights	18
	3.2 Connecting our customers' whole lives	19
	3.3 Successful places	24
	3.4 Enable economic activity through transport systems and solutions	30
	3.5 Thriving people doing meaningful work	32
4	Financial performance	42
5	Corporate governance	44
	5.1 Legislation	46
	5.2 Governance	46
	5.3 Audit and risk management	47
6	Appendices	50
	Appendix 1 - Customer feedback	52
	Appendix 2 - Disability Inclusion Action Plan	53
	Appendix 3 - Multicultural policies and services	53
	Appendix 4 - Access to government information	54
	Appendix 5 - Privacy management	58
	Appendix 6 - Environmental compliance	58
	Appendix 7 - Waste reduction	59
	Appendix 8 - Summary of land and property	59
	Appendix 9 - Audit and risk management/Internal audit and risk management attestation statements	60
	Appendix 10 - NSW Cyber Security Policy attestation statement	61
	Appendix 11 - Public interest disclosures	62
	Appendix 12 - Accounts payments and grants	63
	Appendix 13 - Overseas travel	65
	Appendix 14 - Work health and safety performance	65
	Appendix 15 - Executives and staff by classification	66
	Appendix 16 - Executive and employee remuneration	67
	Appendix 17 - Workforce diversity	68
	Appendix 18 - Industrial and workplace relations policy	69
	Appendix 19 - Response to matters raised by the NSW Auditor-General	70
	Appendix 20 - Annual Report accessibility requirements	70



Chief Executive's foreword





It was a privilege to lead State Transit during the 2020–21 financial year, our 89th year as the NSW Government's bus operator. The focus was on supporting customers and our people delivering our bus services, to the same high standards we are proudly known for.

This financial year State Transit achieved great results in what was a challenging operating environment. Like our colleagues across the Transport cluster, the safety of our customers and people was top priority as we continued to respond to the evolving COVID-19 pandemic. Through COVIDSafe Transport Plans we helped support the easing of restrictions in NSW, providing continuity of transport services across Greater Sydney to keep workers in work.

We were able to innovate across many areas of our business this financial year but by far the most important was our ability to be agile and provide over 51,000 additional services to assist our customers with physical distancing on board. We achieved this while running our normal 80,000 weekly timetabled services and with our existing fleet of buses.

We took every precaution to ensure each of the 69.5 million customer journeys made with State Transit were as safe as possible, despite seeing a patronage level that was down 40 per cent compared to the previous financial year.

We also made important adjustments inside our buses to provide a safer environment for our 2672 bus operators; frontline workers required to deliver essential services to keep Sydney moving. We designed and fitted 1280 enhanced driver protection screens to eligible buses in our fleet, which resulted in a 40 per cent drop in assaults on our drivers.

While our patronage was low so too was traffic, despite our extra bus services. This played a part in an improvement to our on-time running, rising to 96.73 per cent across our three regions and not dipping below the 95 per cent benchmark once in any area. This result is also attributable to efficiencies found and executed by our people in operating our services.

Our customers showed they appreciated the extra efforts our people went to in providing safe and reliable bus services. State Transit recorded our highest Customer Satisfaction score of 94 per cent in the Transport for NSW (TfNSW) Customer Satisfaction Index, a survey that brings together the voices of thousands who rely on public transport.

We will continue to put our customers at the centre of everything we do, and I also remain committed to ensuring we live Transport's 'People at the Heart' strategy. At State Transit that is as important as it has ever been.

With State Transit winding up before the end of next financial year we are in the process of transitioning our operations and people to new incoming operators. Our people are the most important asset and the focus is on ensuring they are well informed and feel supported throughout this transition.

We want to hand over a high performing operation that sets up the incoming operators for success from the moment they take over. My Executive Team and the frontline leaders at State Transit will continue to drive a culture of continuous improvement and maintain it until that last bus leaves the depot.

Daniela Fontana
Chief Executive, State Transit



Overview

About this report

The State Transit Authority Annual Report 2020–21 provides an overview of our achievements during the financial year.

Our Annual Report aims to meet the statutory requirements set out in the *Government Sector Finance Act 2018* and the *Annual Reports (Statutory Bodies) Act 1984*, as well as to keep our customers, community, partners, government and industry informed about our performance.

The structure of the report is as follows.

About us

This chapter provides a profile of who we are, what we do, our purpose, our values, an overview of our strategic priorities and our asset portfolio.

Delivering outcomes for the people and communities of NSW

This chapter presents our key achievements for the year aligned to our primary outcomes: Connecting our customers' whole lives; Successful places for communities; Enable economic activity through transport systems and solutions; and Thriving people doing meaningful work.

Financial overview

This chapter presents an overview of our financial results for 2020–21. We provide a comprehensive set of financial statements in Volume 2 of this report.

Corporate governance

This chapter sets out our governance framework and key corporate management functions.

Appendices

The appendices cover our reporting requirements according to our statutory obligations.

Volume 2

This volume contains the audited financial statements and Independent Auditor's Report for State Transit.



About us

2.1 About State Transit

State Transit is the Government-owned bus operator in NSW that provides public transport services across Greater Sydney.

State Transit has a proud 89-year history and is one of the largest and most modern providers of public transport in Australia. Deploying the biggest connected public bus fleet in the country, the footprint of State Transit's bus network makes it one of the biggest operations in the world.

Since 1 July 2019, the Transport cluster has been operating in a newly integrated structure and environment. This operating model is organised around the customer, better supporting integrated service delivery and giving greater focus to the different transport needs of Greater Sydney and regional areas. State Transit sits within the Greater Sydney division.

As a contracted bus operator to Transport for NSW (TfNSW), we run services in the following areas:

- **Region 7:** North West, which includes depots in Ryde and Willoughby
- **Region 8:** Northern Beaches and Lower North Shore, which includes depots in Brookvale, Mona Vale and North Sydney
- **Region 9:** Eastern Suburbs, which includes depots in Waverley, Randwick and Port Botany

2.2 Network map

Sydney Service Area

○ Depot



2.3 Our vision

State Transit's vision is to be a world-class bus service provider that puts the customer at the centre of all we do. Our vision also encompasses the importance of the safety of our customers and workforce, as well as the reliability and sustainability of our services.

We want to provide our customers with the safest and most reliable bus experience in Sydney, delivered by passionate people who will always be the best they can be.

2.4 Our operating model

'Customer at the Centre' is at the heart of State Transit's operating model. Good customer service is at the core of our approach to ensure we meet community expectations of bus services.

is an attractive alternative to travelling in a car. Our key performance areas are increasing customer satisfaction, improving punctuality and increasing service reliability.

Our focus is on continually enhancing the overall customer experience to ensure the bus

We focus on On-Time Running, aligning and updating our network and services to meet a standard that our customers have come to expect.

2.5 Delivering on our purpose

Our purpose

State Transit will continue to deliver quality bus services across three Sydney Metropolitan Bus Service Contracts (SMBSCs) with TfNSW until April 2022. We have commenced transitioning our operations to new operators, undertaking the planning and management of residual functions as we ensure we look after our people and our customers.

Our values

Our people are committed to upholding our core values, which are:

 <p>Work Safe, Home Safe</p> <p>We do not compromise on safety and we will challenge unsafe practices</p>	 <p>We're Moving Sydney</p> <p>We are proud of the great customer service we provide</p>	 <p>One Team</p> <p>We are proud to be part of State Transit and work as one team to achieve our goals together</p>
 <p>Good, Better, Best</p> <p>We continuously improve to be the best we can be each day. We will listen to our people and value their experience, and we will look for opportunities for innovation, and take action</p>	 <p>Value for Money</p> <p>We will measure performance and balance efficient service delivery with the principles of safety, quality and customer service</p>	

2.6 Our strategic direction

The TfNSW 'Connecting to the future - Our 10 Year Blueprint' outlines the strategic direction of Transport. It sets out where we need to focus our efforts in the near term to move us towards our long-term vision outlined in *Future Transport 2056*.

The four primary outcomes describe the highest order of value we aim to create for customers, communities, the people of NSW and the people of transport.

Connecting to the future - primary outcomes are:

 <p>Customers</p> <p>Connecting our customers' whole lives</p>	 <p>Communities</p> <p>Successful places for communities</p>	 <p>People of NSW</p> <p>Enable economic activity through transport systems and solutions</p>	 <p>People of Transport</p> <p>Thriving people doing meaningful work</p>
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2.7 Key facts

Employees

- 3300 employees.

Patronage

- State Transit made around 69.5 million customer journeys in 2020-21.
- We delivered more than 80,000 timetabled weekly services and over 4000 school trips each week during school terms.

Routes

In 2020-21:

- State Transit operated around 4.5 million timetabled services.
- We operated 185 regular routes in the metropolitan area of Greater Sydney.
- We ran 561 dedicated school routes every school day during school terms.
- Our fleet of 1404 buses travelled more than 75 million kilometres.

2.8 Our assets

A breakdown of our bus fleet



1404
buses are
air-conditioned
(100 per cent of
the fleet)



1404
buses feature
Closed Circuit
Television
(CCTV)
(100 per cent of
the fleet)



1360
buses are
wheelchair
accessible
(96.86 per cent of
the fleet)



202
buses are Euro 3
compliant (CNG
or Euro 3 diesel)



725
buses are Euro 4
CNG and Euro 5
Diesel



292
buses are
Enhanced
Environmentally
Friendly Vehicles
(EEV)



65
buses are Euro 6
compliant Diesel



177
buses are
high-capacity
articulated buses



38
buses are
high-capacity
double-decker
buses



2.9 Our organisation

State Transit is led by Daniela Fontana, who was appointed Chief Executive in June 2020. She is the first female chief executive.

Daniela, through her Executive Team, has clear oversight of the business. The following six business areas work together to ensure we provide the best service for our customers and a great place for our 3300 people to work:

People and Culture

We attract, develop and help retain a skilled workforce to deliver effective services for our customers. We provide support to employees and managers, engage and train our people so we have a capable, diverse and inclusive workforce.

Customer Operations

Our focus is on delivering streamlined, customer-focused service by providing capable staff, accurate and timely information, on-time running, and safe, clean services for our passengers. We are responsible for resourcing, managing and rostering of bus operators and support staff. We also manage service planning and timetabling.

Asset Management

We manage the maintenance program for our depots and bus fleet to ensure we have a clean, safe, reliable fleet to meet growing customer demand. We also ensure the security of the network, manage network incidents and emergency response.

Safety, Health, Environment and Quality

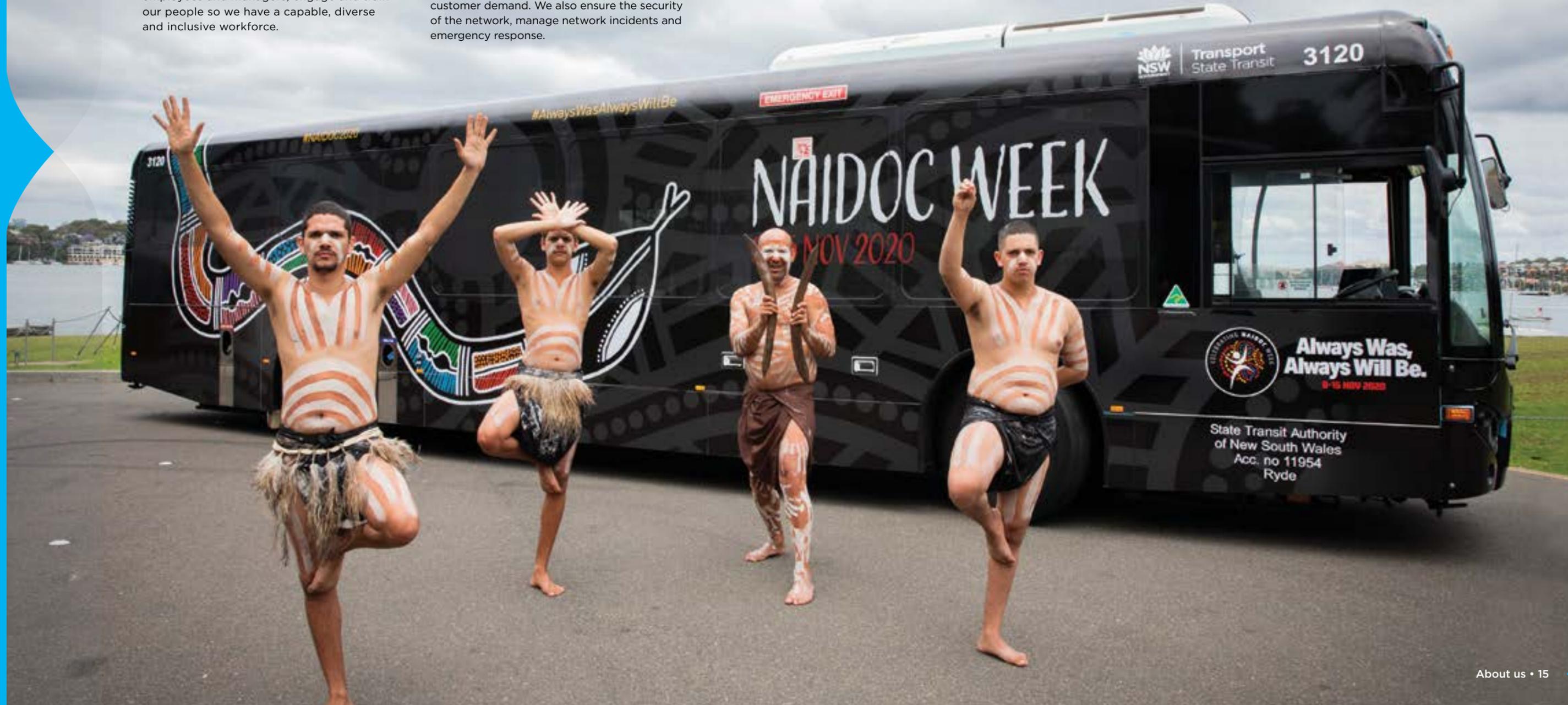
We keep employees and customers safe through a robust safety program and embedded safety culture that ensures safety management requirements are undertaken by all staff. Our role includes minimising the impact of our operations on the environment and managing operations to ensure they are sustainable and adaptable.

Finance and Corporate Services

We provide finance, procurement, information technology, governance, contract management, transformation and investment management services to assist the business to meet its cost saving goals and deliver value to the people of NSW.

Media and Communications

We produce and promote communication across a diverse range of internal and external channels with our customers, stakeholders and the media – with the main objective of keeping our people informed and proudly sharing our stories.



Delivering outcomes for the people and communities of NSW



3.1 Key highlights

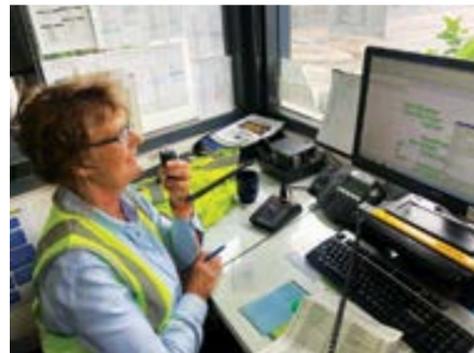
In 2020-21 State Transit introduced measures to deliver better outcomes for our people and customers. The key highlights achieved by the business this financial year are detailed below.

COVID management of the bus network

State Transit successfully managed the busiest part of Greater Sydney's bus network for our customers and people, with extra services, cleaning and other measures to keep everyone safe.

We ran more than 51,000 additional services to support physical distancing through the COVIDSafe Transport Plans, on top of existing timetabled trips and with no extra buses. This continuity of service also played a role in keeping Sydney moving to ensure economic activity.

Our bus fleet underwent over 2000 extra hours of sanitising weekly to keep our customers safe,



which helped reduce the risk of community transmission of COVID-19 on our services.

Network changes

State Transit introduced over 2700 new weekly services for customers this financial year.

In December 2020, over 2000 extra weekly services were introduced for bus customers on the Northern Beaches and Lower North Shore. The popular B-Line bus service is one

of five routes that now operates 24/7.

In January 2021, more than 700 weekly services were introduced for bus customers in Sydney's North West. Two new all-day frequent routes were introduced to operate every 10 minutes, seven days a week between both West Ryde and Chatswood and the City.

Enhanced driver protection screens

To better protect our frontline people State Transit installed enhanced driver protection screens in 1280 eligible buses in our fleet. As a result of these screens, assaults on bus operators dropped by 40 per cent to

31 compared with 51 reported incidents last financial year. State Transit worked to develop a prototype before trialling the new screens, as well as seeking driver feedback across our eight depots and from their industrial representatives.

First NSW-built electric bus trial a success

State Transit ran a trial of the first NSW-built electric bus in March 2021 to help support the NSW Government's plan to electrify the State's bus fleet by 2030.

The trial of Custom Denning's Australian-made 'The Element' zero emissions bus led to it being approved by TfNSW and made available

for purchase by bus operators through Bus Procurement Panel 3.

Work commenced to install electrical infrastructure at Waverley Depot to support the operation of an electric bus fleet. State Transit has approval to purchase up to 12 electric buses in 2021-22.

Financial savings

State Transit made significant savings throughout our business in the 2020-21 financial year, returning \$62.6 million to TfNSW through efficiencies delivered in our operational expenditure.

On top of agreed savings with TfNSW (which was to reduce costs by more than \$180 million over five years), we saved a further \$18.8 million in addition to this year's savings goal of \$43.8 million.

3.2 Connecting our customers' whole lives

The customer is at the centre of everything we do and improving our customers' experience remains our focus. State Transit is continually enhancing the overall customer experience to ensure the bus is an attractive alternative to the car.

Key performance areas

- Increasing customer satisfaction
- Improving punctuality
- Increasing service reliability

Customer Service

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

We work with TfNSW in designing and implementing programs to ensure the customer is the core focus when delivering services and providing customer information.

Our people are trained to ensure customer service is part of our culture. We are committed to ensuring we appropriately identify, train and assess all staff in accordance with our service standards for reliability, convenience, efficiency, customer service, comfort, security and safety.

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 State Transit's Customer Relations staff. Feedback statistics are analysed to generate customer insights and identify trends. These customer insights are then used to enhance the overall performance of services for the benefit of all customers.

In 2020-21, customer feedback topics ranged from the reliability of bus services to interactions with staff, including compliments for excellent service provided by bus operators. Our centralised team works

closely with operational staff at depots to resolve customer concerns. This team looks to understand customer feedback to further investigate and take a more analytical approach in identifying trends and recurring themes. This is to improve each individual customer experience and find a resolution. Each team member has excellent customer service and conflict resolution skills.

In the latest Transport Customer Satisfaction Index results, State Transit was given an overall satisfaction score of 94 per cent by our customers, a record high.

In 2020-21, patronage on State Transit's buses reduced by 40 per cent, a decrease of over 37 million when compared to the previous financial year. As a result of COVID-19, State Transit operated over 51,000 extra services as part of our response to implementing the COVIDSafe Transport Plans, which allowed for increased physical distancing on services. This increase was on top of an uplift in regular timetabled trips that saw over 2700 additional weekly services added to our bus network between December 2020 and January 2021 to better support customer journeys.

We continue to work closely with TfNSW and regularly monitor our services and customer feedback to ensure the right levels of services are in the areas where they are needed.

Supporting our customers

State Transit continues to work closely with the Transport cluster and the COVID-19 Taskforce to implement the NSW Government's COVIDSafe Transport Plan.

This was crucial to provide an effective and agile response to the challenges posed by COVID-19. A dedicated team within State Transit coordinated our planning, preparation and operational response to the situation as it evolved. Targeted approaches were taken to address crowd mitigation, physical distancing as well as increased cleaning and disinfection.

State Transit undertook significant measures to ensure the safety and confidence of our employees and customers using our network, following the initial outbreak of COVID-19, that continue presently.

Measures include:

- daily sanitising of buses and depots, including the driver's controls and cabin
- closing the front Opal reader and seat to ensure social distancing is maintained for staff
- all drivers being provided with access to hand sanitiser and disinfectant wipes
- posters installed and on board announcements made to encourage physical distancing
- up to 1080 extra trips operated weekly to target customer loading and capacity hot spots
- support for additional terminus cleaning of buses across eight different locations
- security teams and marshals to oversee and manage physical distancing
- detailed communication to all staff, including those on the frontline, for any services identified as positive case locations and contact tracing before alerts are made public.

Improved customer communication

To assist our customers, individual timetables for every bus route are available online from www.transportnsw.info. Stop-specific timetable information is also displayed at bus stops along main routes and corridors in our contract regions.

Real-time arrival information for all of State Transit's bus routes is available through transport apps using data made available by TfNSW. Transport Customer Service Centres at Central and Circular Quay train stations can assist with trip planning for all public transport in NSW.

State Transit, through our Customer Operations team and Network Control Centre, continues to work with the Transport

Management Centre to provide updates on peak-hour conditions to the public via radio announcements and social media platforms.

Transportnsw.info provides information for customers to plan their trips using buses, trains and ferries. Services include trip planning, timetables, news and special events. Transportnsw.info includes web-based information and the Transport Infoline (131 500).

The transportnsw.info website enables customers to provide feedback on services. All feedback received is important, and is used to continuously improve and deliver quality, timely information. This ensures the customer remains at the centre of everything State Transit does.



GETTING OUR CUSTOMERS PLACES ON TIME

We put the customer at the heart to ensure they get to their destination as quickly and safely as possible, in a challenging operational environment.

Key performance areas

- Improving services for customers
- Ensuring bus service efficiency
- Improvements in productivity

In recent years there has been a significant and sustained improvement in On-Time Running (OTR) performance from an average of 92.41 per cent in 2017-18, to 95.02 in 2018-19 to 96.10 per cent in 2019-20 and culminating in 96.73 this financial year. The contractual target is 95 per cent.

Despite the COVID environment, scheduling efficiencies and depot initiatives introduced across State Transit played a large part in continued improvement in On-Time Running results for our customers.

State Transit On-Time Running Performance July-September Quarter

	Jul-20	Aug-20	Sep-20
Region 7	98.0%	97.7%	97.5%
Region 8	97.9%	97.6%	97.4%
Region 9	97.4%	97.0%	96.8%
Total Average	97.7%	97.4%	97.1%

State Transit On-Time Running Performance October-December Quarter

	Oct-20	Nov-20	Dec-20
Region 7	97.3%	96.5%	97.0%
Region 8	97.2%	96.4%	97.5%
Region 9	96.8%	96.2%	96.4%
Total Average	97.0%	96.3%	96.9%

State Transit On-Time Running Performance January-March Quarter

	Jan-21	Feb-21	Mar-21
Region 7	97.9%	95.6%	95.4%
Region 8	97.7%	96.2%	96.2%
Region 9	97.2%	95.0%	95.0%
Total Average	97.5%	95.5%	95.4%

State Transit On-Time Running Performance April-June Quarter

	Apr-21	May-21	Jun-21
Region 7	96.4%	95.2%	96.5%
Region 8	97.2%	96.6%	97.3%
Region 9	96.4%	95.6%	97.0%
Total Average	96.6%	95.8%	96.6%

State Transit operates two services to a frequency rather than a timetable, which is referred to as headway management. These turn up and go services are:

- B1 - Mona Vale to Wynyard
- 333 - North Bondi to Circular Quay.

Reliability of headway services is not included in State Transit's OTR performance results.

As a contracted bus operator to Transport for NSW (TfNSW), we run services in the following areas:

- Region 7: North West, which includes depots in Ryde and Willoughby
- Region 8: Northern Beaches and Lower North Shore, which includes depots in Brookvale, Mona Vale and North Sydney
- Region 9: Eastern Suburbs, which includes depots in Waverley, Randwick and Port Botany.

Network Control Centre

State Transit's Network Control Centre (NCC) is structured to provide support to all three of our contract regions (eight depots) and promotes proactive 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 bus operator 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 operator fatigue issues which may arise from late running. Headway management is undertaken by NCC on routes B1, 333 and 379.

Additional focus has been placed on providing commuters with live up-to-date service interruptions due to traffic and incidents or accidents via Transport Management Centre media and its bus related social media offering. Customers can follow region specific bus Twitter accounts to receive notifications of any impacts to their services and can adjust their trip to minimise travel time.

Sydney Metropolitan Bus Service Contracts

During the 2020-21 financial year, State Transit operated its bus services through three Sydney Metropolitan Bus Service Contracts (SMBSCs):

The three SMBSCs comprise:

- 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

Contracts for regions 7, 8 and 9 commenced on 1 July 2017 for a period of five years. All contracts include the provision of additional services for specific special events such as New Year's Eve, Australia Day, ANZAC Day and Mardi Gras.

State Transit has a monthly reporting regime - an obligation under each contract. The reporting principally takes the form of strict Key Performance Indicator (KPI) benchmark comparison. The benchmarks cover various aspects including: On-Time Running; accessible services; customer satisfaction; customer complaints and complaints' resolution; fare compliance and bus cancellations.

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

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

Franchising of State Transit operations

In October 2019, the Minister for Transport and Roads announced State Transit's operation would be franchised. The transition dates were staggered for handover of our three Sydney Metropolitan Bus Service Contracts, with the transition set to be completed by April 2022.

The tender for the operation of the Northern Region was awarded to Keolis Downer on 28 May 2021 after detailed tender processes. The

same process will occur in the 2021-22 financial year with the new operator appointed for the Western Region in July 2021 and Eastern Region expected to be announced in November 2021.

It is anticipated that the STA commercial entity will continue to operate until 30 September 2022, when all the financial requirements of the cessation of the business are planned to be completed.

3.3 Successful places for communities

Transport plays a key role in creating successful places. State Transit is aligning with the new Transport cluster operating model and its customer-centred program of change. Instead of organising the transport cluster by modes, TfNSW is aligned with the needs of our customers and communities — it's a model where the places they live, work and visit play the central role.

The NSW Government's vision is in delivering a metropolis of three cities of Sydney — the Eastern Harbour City, the Central River City and the Western Parkland City — where people can live, work and play within 30 minutes of any of these cities. Public transport plays a pivotal role in realising this vision and bus services will play a vital role in connecting customers to an integrated network.

This vision is supported by State Transit, which aims to deliver our passengers safely, reliably and efficiently to the areas we service. With eight depots, we play an integral role in providing a safe and reliable end-to-end public transport solution. We are working in partnership with other transport divisions and across government on planning, delivery and operations to help make Sydney's transport system world class while investigating ways to reduce our environmental footprint.





Photo courtesy Conor Magee.

ENVIRONMENT AND SUSTAINABILITY

One of Transport's core principles, which State Transit shares, is 'For the Greater Good'. We make decisions that balance the needs of customers, communities and the people of NSW, both current and future. We want to make a positive difference to people's lives and understand the success of communities is enhanced by the public transport service we provide.

At the heart of this is the understanding that we must strive to improve our performance by reducing our impact on the environment. Our focus has been on increasing energy efficiency, reducing emissions and minimising waste.

Our focus is to minimise the impact of State Transit operations on the environment, and manage operations to ensure they are sustainable and adaptable.

Key performance areas

Ensuring our staff understand and action their responsibilities to protect the environment and prevent pollution by:

- Improving fuel efficiency in the bus fleet
- Reducing electricity consumption in State Transit facilities
- Increasing rates of recycling of renewable resources

Environmental Management Policy

In 2020-21 State Transit continued to implement its Environmental Policy objectives via its ISO 14001:2015 aligned Environmental Management System.

Environmental incidents

A total of 4 environmental incidents were recorded, 3 for buses in-service and 1 for Depot operations in 2020-21. Each environmental incident report is reviewed by the Environment Manager for its content, appropriate response, effectiveness of controls and if 'duty to report' criteria has been triggered.

Environmental Pollution Line referrals

There were three public environmental complaints referred from the Environment Protection Authority (EPA) Environmental Pollution Line for investigation and resolution. Complaints related to noise from bus idling at termini, and bus noise from Depot. All EPA referred complaints are investigated and a detailed response is provided to the regulator.

Environmental notices

No Environmental Protection or Local Government Authority environmental penalty notices were received during 2020-21.

Environmental complaints handling

In 2020-21, 196 public environmental complaints were recorded on the Customer Information Line for our buses compared with 264 for the previous year. The majority of these environmental complaints related to noise or smoke (exhaust fumes) from idling buses. Complaints are referred to relevant depots for investigation, corrective actions and a response to the customer where requested.

Trade waste notices

State Transit depots hold eight industrial trade waste agreements with Sydney Water for the discharge of treated trade waste to sewer. Waverley Depot's Trade Waste Agreement was renewed in 2021. During the year there were two occasions in which Trade Waste Agreement conditions were temporarily exceeded. These occasions were investigated and rectified within two sampling intervals.

AIR QUALITY AND EMISSIONS, WATER, NOISE, LANDS, ENERGY AND WASTE

Air quality

The emissions profile of State Transit's bus fleet has improved over the year, with some 62.5 per cent of the bus fleet being of the latest Euro 5 or Enhanced Environmental Friendly Vehicle standard, while 86.9 per cent

is of a Euro 3 or higher standard. State Transit's fleet received reaccreditation against the TfNSW Clean Fleet Program, for maintenance of its fleet emissions standards until May 2023.

Transport Greenhouse Gas emissions

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

State Transit Service	Tonnes CO ₂ (e)
Passenger and service vehicles under 3.5 tonnes	47.7
Diesel bus fleet scope 1 tailpipe emissions	86,575.3
CNG bus fleet scope 1 tailpipe emissions	13,125
Total Transport Carbon Footprint	99,748

Stationary source emissions

Scope 2 Greenhouse Gas emissions for stationary sources included:

Source	Consumption	Tonnes CO ₂ (e) corrected for 6% greenpower
State Transit depots	5,076,495 kWhr	3865
State Transit small sites	163,758 kWh	125
Total stationary footprint		3990

Total Greenhouse Gas emissions

State Transit's total carbon footprint due to stationary and mobile sources equals 103,738 tonnes of CO₂(e). This represents a 5.6 per cent decrease on the total carbon footprint of the preceding financial year.

Water

State Transit's annual metered water consumption was 66kl in 2020-21. Several of our depots utilise rainwater harvesting to supplement or displace potable water consumption processes.

Solar PV production

Some 650kWhrs of electrical energy was exported to the grid as excess energy generated from the 10KWh Ryde Regional rooftop Solar PV system.

Noise

During 2020-21, of the 196 public environmental complaints received for our bus operations, 14 of these related to complaints of depot-related noise. Depot noise complaints are investigated to determine the source and appropriate corrective actions. Noise from bus start ups, public announcement systems and garage radios are monitored and controlled via operational measures including noise surveys, standard operating procedures, restricted hours of operation for noisy equipment, plus staff education and awareness of the importance of minimising noise and potential nuisance to nearby neighbours.

ENERGY

Electricity consumption

Depot electricity consumption at 5,076,495 kWhrs was 4.06 per cent less than the previous year's consumption.

Natural Gas

Depot Natural Gas consumption for cooking purposes was measured at 1,931,584MJ of energy compared with 1,738,432MJ in the previous financial year, an increase of 11.1 per cent.

WASTE

Waste recycling and Government Resource Efficiency Policy target P1

Based upon available waste data, projected volumes of waste collected by our waste management contractors during 2020-21 approximated the following recycled waste quantities:

Paper and cardboard recycling	2 tonnes
Recycled metals	340 tonnes
Liquid oily water waste	228 tonnes
Recycled waste oil	189 tonnes
Recycled coolant	151 tonnes

General waste sent to landfill approximated 66 tonnes. Accounting for all waste streams State Transit achieved a recycling rate in excess of 90 per cent.

CONTAMINATED LANDS

Mona Vale remediation

The remediation of Mona Vale Depot and Taronga Place surrounds continued in 2020-21 with the development of the Remediation Implementation Plan, and the installation of a more aggressive Total Liquids Remediation System. The system has been achieving target extraction rates, with future system performance to be reported quarterly and within biannual community forums.

The legislative framework under which remediation is managed changed in February 2021, with the EPA's withdrawal of the Voluntary Management Agreement and the application of a Management Order 20201403 on STA for the ongoing remediation of contaminated lands. State Transit has met all of the requirements of the Management Order, as required for the financial year — including provision of auditor endorsed reports, groundwater monitoring rounds and community forum meetings.

3.4 Enable economic activity through transport systems and solutions

The maintenance of our bus fleet is critical to keeping our customers moving across Sydney. Managing and maintaining our assets effectively allows us to provide safe, customer-focused, reliable and clean bus services. Our focus is on managing and maintaining assets, managing emergency response plans and coordinating security.

Key performance areas

- Providing efficient maintenance programs
- Improving asset presentation, performance, reliability and availability
- Ensuring security of assets

Emergency response plans

State Transit has trained all operational, key management and supervisory staff in Emergency and Crisis Management procedures. The Asset Management Division (AMD) facilitates the program, which focusses 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.

The emergency response teams operate from AMD at Leichhardt. The teams consist of:

- network supervisors, providing site supervision of incidents on the bus network, minor repairs to buses and bus stop signage. These officers are also Authorised Enforcement Officers and

undertake enforcement of parking in relation to bus operations.

- the mobile mechanical breakdown and heavy vehicle recovery team, providing assistance and support to any bus-related incidents within the collective bargaining agreement as requested by the Transport Management Centre.
- additional network supervisor positions, which were created and tasked to undertake duties with the TfNSW COVIDSafe operation to oversee and report on TfNSW Bus Marshal Operations and COVIDSafe functions on the bus network.
- State Transit-supplied liaison officers to NSW Police during operations conducted by NSW Police that impact on the bus network during planned and emergency policing activities.

Security coordination

State Transit's Security Unit provides customised intelligence reports of incidents that occur on the bus network to NSW Police and TfNSW Security Unit. Members of the Unit represent State Transit in the NSW Police Transport and Public Order Commands Joint Transport Intelligence Group. Detailed reports with data analysis are provided on a quarterly basis to provide analysis of the network. High profile areas of the network are identified and the NSW Police Transport Command can be provided with intelligence suitable for tasking their resources to areas of concern to State Transit.

The Security Unit provides a conduit for all police requesting on-board bus Closed Circuit Television (CCTV) footage to assist with their investigations. It facilitates the delivery of footage and provides evidence in court in relation to the continuity of the CCTV system. During 2020-21, the unit processed 476 requests for information, down from 552 requests in the 2019-20 financial year.

In response to COVIDSafe operations, the unit coordinated the establishment and ongoing oversight of Rapid Response Teams (RRTs) at bus interchanges and terminals across State Transit's and private bus operators' networks.

The RRT undertook:

- marshalling of intending passengers to promote social distancing at major interchanges
- provision of assistance to bus operators when buses reach social distancing capacity
- maintenance of social distancing signage
- emergency response to assist drivers during bio-hazard incidents on the bus network
- monitoring and reporting loading at bus interchanges.

The Security Unit continues to undertake compliance work in accordance with the Passenger Transport Acts and Regulations in relation to the operation of buses on the network.

Revenue protection

Checking whether our bus customers travel with valid Opal cards is the responsibility of Sydney Trains Transport Officers. The State Transit Revenue Protection Unit performs the following functions:

- investigates allegations of theft or the misuse of State Transit property or equipment by any employee or member of the public
- conducts internal investigations regarding the misuse of employee Opal cards by an employee's family or friends
- adjudicates infringements issued by State Transit Authorised Officers

- collects and manages payment of fines received by Revenue NSW and the Local Courts for penalty notices issued by State Transit enforcement officers to vehicles illegally parked in bus zones and/or on State Transit premises.

For 2020-21, the total amount received by State Transit in relation to the above, and including fare evasion, was \$405,363.48. This amount was distributed as follows:

- State Transit received \$145,519.63
- Revenue NSW received \$45,783.25 (processing fees)
- NSW Treasury received \$214,060.60.

Making public transport accessible

Community is about including everyone and we are committed to providing bus services where our customers are comfortable, whether they have limited mobility or are mums and dads with prams.

Of the 1404 buses in our fleet, 1360 buses are wheelchair accessible. This represents 96.86 per cent of the fleet. State Transit continues to purchase only wheelchair-accessible buses.

Timetabled wheelchair-accessible bus services now operate on all main corridors. 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.

In 2020-21, no new replacement buses were ordered for State Transit. There were 52 buses formerly operated by State Transit transferred back into the fleet. These buses were 5.1 average years of age.

State Transit's operating contract requires an average fleet age of no more than 12 years. The transfer replacement of the 52 buses and subsequent retirement of older ones has kept the average age of State Transit's fleet to 10.48 years as at 30 June 2021.



All new buses acquired by State Transit feature:

- kneeling suspension for level entry to make entry and exit easier for less mobile passengers
- an extended wheelchair ramp and accommodation for two wheelchairs
- priority seating for less mobile passengers
- high visibility handrails
- improved interior lighting
- improved LED destination signs.

Following consultation with Vision Australia, all new buses now feature LED destination signs on the outside front of the bus. They were chosen for their strong contrast between the large white writing on black background, making it easier for customers to read.

3.5 Thriving people doing meaningful work

SAFETY OF OUR CUSTOMERS AND PEOPLE

The safety and wellbeing of our customers and our staff is our top priority. We keep our employees and customers safe through a robust safety program and an embedded safety-first culture.

Key performance areas

- Providing safe and accessible services and workplaces
- Ensuring safety management requirements are understood and undertaken by all staff

Safety performance

During 2020-21 the total number of employees injured increased by 11.3 per cent or 30 employees. However, 56 per cent of the employees injured in 2020-21 were a 'Report Only or First Aid injury', indicating a pleasing reduction in severity of injuries and this is also evidenced by less Lost Time Injuries incurred and a 12.4 per cent decrease in Workers Compensation claims lodged over the previous year. The trend in employees injured across the last 4 years at STA has been decreasing and shows a 17.8 per cent overall reduction.

Lost Time Injuries reduced by 2 compared to the prior year. The Lost Time Injury Frequency Rate (LTIFR) for the year was 3.1 which is an 11.4 per cent reduction over the prior year and is a good result in the public transport industry.

The Total Recordable Injury Frequency Rate (TRIFR) increased by 13.9 per cent, driven by the slight increase in employees injured over the prior year. STA achieved a TRIFR of 23.8 against the prior year result of 20.9. The 4-year trend in TRIFR demonstrates a reducing trend of 30.8 per cent. Pedestrian collisions increased by 1 over the prior year (12 versus 11). The 4-year trend in pedestrian collisions shows a reduction of 33 per cent which is very pleasing.

The number of 'at fault' bus collisions (insurance claims) reduced by 8.6 per cent compared to the prior year. All bus collisions (insurance claims) also reduced by 10.5 per cent.

There were no reportable environmental incidents in 2020-21. No Environment Protection or Local Government Authority environmental penalty notices were received during 2020-21.



Safety compliance

State Transit maintained its Bus Operator Accreditation Scheme (BOAS) accreditation, Advanced Fatigue Management Accreditation, TfNSW Clean Fleet Program and Workers Compensation Self Insurance Licence.

The State Insurance Regulatory Authority (SIRA) tiered supervisory model acknowledges exemplary and acceptable workers' compensation performance. It also detects risks to the achievement of workers' compensation system objectives, prompting

Safety programs for our people

At State Transit the safety of our people is top priority. Key strategies or programs we implement to support our people at work include:

Health and wellbeing

State Transit aims to promote and encourage positive health and wellbeing outcomes for all staff. Free depot based physiotherapy sessions are available for staff each week. The Employee Assistance Program (EAP counselling service) continues to be available to employees, as does the Fitness Passport. A mental health peer support program was implemented, and those who volunteered have

a risk-based regulatory response form SIRA. SIRA awarded State Transit 'top tier' Self Insurance status and licence renewal for an eight-year period from 2017-2018.

The regulators are:

- Transport for NSW
- SafeWork NSW
- State Insurance Regulatory Authority (SIRA)
- National Heavy Vehicle Regulator (NHVR)
- Office of Transport Safety Investigations (OTSI).

been trained in mental health first aid. Further training occurred this year with another 23 Mental Health First Aiders graduating and every depot has Mental Health First Aid trained employee representatives. Men's Health Week was also run as an initiative for staff this year and included a doctor and health nurse on site at depots, talking about fitness, health checks and good nutrition.

Drug and alcohol testing

All State Transit employees are subjected to random drug and alcohol testing. Post-incident, reasonable cause and target testing regimes also take place when necessary. Breath testing for alcohol and saliva swab testing for drugs remain the testing methods utilised, with urine

testing taking place when an employee returns a non-negative saliva swab.

Various measures are taken when positive tests occur, including disciplinary action, counselling and support services, and target test programs.

Drug and alcohol testing in 2020-21		
	Alcohol	Drugs
Number of tests	3560	877
Number of positive results	0	0

Bus operator reconnect (BORC) safety training

So far 744 bus operators have attended BORC training sessions. This one-day training session covers situational awareness and defensive driving, emergency situations and procedures, customer service, bus maintenance, fitness for work, drugs and alcohol policy, mobile phone policy plus

bullying and harassment. The purpose of this training is to reinforce with staff their obligations and role in driving a culture of continuous improvement in safety. BORC was suspended for part of this financial year due to COVID-19, which hampered face-to-face learning.

Safety days

Safety days were held at all eight of our depots. The focus was on raising safety awareness in our operational environment,

discussing our safety performance and results, promoting the EAP, stress maintenance and preparing the body for work through exercise.

Safety promotions

Safety promotional materials, including posters and performance signboards, were displayed at all depots. We also promote safety through various signs or non-slip stickers placed on our buses. We undertake targeted engagement with seniors who rely on our services.

Within our business we encourage healthy safety competition. The annual safety performance premiership competition continued with depots competing against each other on a range of safety metrics and the winning depot receiving a perpetual shield. We also ran a competition called 'Smooth Operator', in an effort to bring about better driving.

Safety Management System

State Transit's Safety Management System provides a framework of detailed safety policies and procedures, risk management guidelines, safe work instructions and documentation for employees to use. It is regularly reviewed in consultation with staff to ensure currency, compliance and ease of use.

Just prior to this financial year, a new safety incident management solution was

implemented. After a detailed procurement process, ISOPro was awarded the contract. The system records all on road incidents, digitised accident incident forms, investigations and injury management. The system has built in workflows and notifications to ensure State Transit has greater visibility over all incidents and subsequent investigations are completed. ISOPro has also improved accountability owing to reporting that provides visibility over reporting of incidents and corrective actions.

Assurance activities

In accordance with continuous improvement principles, State Transit is continuously refining its systems and processes. During 2020-21 the organisation achieved positive results in various audits and compliance verification activities, both external and internal, including the BOAS audit, TfNSW Clean Fleet audit, and an Advanced Fatigue Management (AFM) internal accreditation audit.

the National Heavy Vehicle Regulator (NHVR), State Transit has an internal assurance program to ensure that annual medical assessments for employees aged 50-59 years who undertake AFM work have been completed. After a driver turns 59 they are required to undertake annual medical checks. The positive results from these audits and assurance activities indicate that the organisation's Safety Management System is effective and well positioned to maintain its various accreditations and licences.

In accordance with the AFM standards set by

Engaging the community

State Transit, in partnership with SafeWork Australia, wrapped a bus for SafeWork Month in October 2020. It was in regular service across Sydney, advertising the importance of being safe at work and in life and drew many compliments from the community.

such as 'Buses can't stop quickly', to highlight to the public the importance of safety around buses.

Bus Safety Week was held from 22 February to 28 February 2021 to raise awareness among all road users to stay alert on and around buses. As part of the 'Be Bus Aware' campaign we wrapped a bus in bright yellow with messages

The campaign targets the community — whether they are walking, driving or riding — and is an important initiative that reminds pedestrians to cross the road safely, avoid walking in front or behind a bus, obey traffic signs and don't get distracted by your phone. Our depots support the work of local NSW Police Highway Patrol officers to make our roads safer.

SUPPORTING AND DEVELOPING OUR PEOPLE

Our people are proud to work within Transport. Our leaders connect with our people, empowering them to succeed and making everyone part of something bigger. We are an integrated, flexible, diverse and inclusive business that delivers for customers and communities across Greater Sydney.

People are at the heart of our organisation and we continue to give our workforce the support and capacity they need to do their jobs, and are committed to supporting them when our business transitions to private operators.

State Transit has a diverse workforce of 3300 people, of which 2672 are bus operators. We recognise that our people are at the heart of

everything we do and we must continue to focus on attracting and retaining appropriately skilled staff so that we can meet our business objectives that underpin our success and ensure the transition of our business is a smooth one.

State Transit is undergoing a period of major change as a result of transition activity. It is a priority of all management to lead effectively to support our staff by embodying and demonstrating a positive change management culture.

Our focus is supporting the business in maintaining performance, building workforce capability and diversity plus leading our people through transition.

Key performance areas

- Successfully managing the people processes associated with the transition
- Maintaining good employee relations
- Maintaining a full establishment of bus operators
- Maintaining staff retention
- Developing a more inclusive and diverse workforce.

DIVERSITY AND INCLUSION

In 2020-21, we will continue to identify opportunities to increase female and Aboriginal representation. One of the great aspects of State Transit is that it is a cultural melting pot. People are the heart of our organisation and whatever race, gender or sexuality we want to foster a supportive, safe, empowering and inclusive environment for all. We make sure everyone feels they belong, are safe and supported. This inclusive culture reflects the diversity of the communities we serve (see also Appendix 17).

Aboriginal employment

The current representation of people at State Transit who identify as Aboriginal and Torres Strait Islander is 0.6 per cent. State Transit's target is to increase this to 3 per cent until the business is transitioned to private operators in 2022.

We continue to foster awareness and pro-active community engagement with Indigenous Australians. This has been supported by the continuing efforts of our Aboriginal Liaison Officer.

Women in State Transit

Women represent 6.5 per cent of State Transit's total workforce. Bus operators make up over 80 per cent of the entire workforce, with women representing 4.6 per cent of all bus operators.

Led by our first female Chief Executive, women at State Transit also work as depot directors, duty managers, duty officers, yard supervisors, senior staff supervisors, bus operator trainers and tradespersons.

Disability commitment

Until transition, State Transit is dedicated to meeting Transport's commitment to the Premier's Priority #14, which is to achieve 5.6 per cent of roles held by people with disability by 2025.

Organisational development

State Transit is committed to developing a capable and resilient workforce by investing in its people. The organisation works in partnership with TfNSW to deliver targeted training and development programs to ensure it has the right organisational capability and culture to deliver effective services. In the 2020-21 financial year, the focus has continued to be supporting and enabling frontline staff through professional development, quality training, and increasing the capability of trainers.

The representation of women in State Transit Senior Service roles was 33.3 per cent as at 30 June 2021. The number of Senior Service positions is relatively small (21), so any increase or decrease has a significant impact on overall percentages. Within the Transport cluster, State Transit's target is to increase this to at least 41.6 per cent by April 2022.

Our depot supervisors and duty officers are often the first line of leadership in our business and as such it makes sense that we invest in their development. Accordingly, we developed and conducted specific development programs for these groups of staff.

Our focus for the remaining time for STA will be to provide career support for non-operational staff who are not guaranteed a job with the incoming private operators. Equally, we will be supporting our operational staff with maintenance of competencies prior to the transition.

Bus operator training and development

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
- quality checks for existing bus operators.

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.

In the 2020-21 financial year, State Transit consolidated the restructured bus operator training team and moved to a centrally based training model. This model allows driver capability trainers (all previous bus operators) to focus full-time on upskilling existing bus operators and assessing and training new bus operators. In addition, driver coaches are now deployed at each depot to provide on-the-job training and support to our bus operators.

Recruiting new bus operators

State Transit continues to maintain a highly successful recruitment campaign in partnership with TfNSW. A total of 181 bus operators were employed in the 2020-21 financial year. Attracting new bus operators is essential for the organisation to meet growing demand for public transport in Sydney, and to replenish our ranks following natural attrition.

Advertisements on social media, careers websites, via Google search, on buses and

Competency development

As part of State Transit's commitment to ensuring the competency, ongoing development and safety of the maintenance and asset management workforce, a comprehensive program of structured and informal learning and assessment was again delivered during the financial year.

While COVID-19 brought about delivery challenges, all stakeholders continued to work in partnership to ensure our staff had access to excellent training on our fleet. Training on Volvo and Scania buses included engine and servicing, Euro 6 familiarisation, brakes, suspension, air and electrical systems, turntable servicing, diagnostic systems, coolant and fuel systems, transmissions and prop shafts, front and rear axles, hubs and wheels.

Apprentices

Heavy vehicle mechanical and panel beating apprenticeships are an essential element of State Transit's fleet operations. The apprentice program continued to develop a highly-skilled workforce with comprehensive technical and safety competencies as well as strong workplace standards.

State Transit's last intake for apprentices occurred in the 2019-20 financial year. This financial year we had 22 apprentices working with State Transit. This financial year we had one panel beater apprentice and five mechanic apprentices appointed to full-time trade positions with State Transit

Apprentices undertook on-the-job training in the workshops, ongoing technical training and assessment on the State Transit fleet and workplace plant and processes, in addition to trade qualifications from TAFE. Both 2020 and 2021 brought about new and innovative ways of learning and apprentices demonstrated

at train stations prompted interested people to visit the State Transit website and register to attend an open day at a bus depot. After learning more about the salary, working conditions and flexibility, potential bus operators had the opportunity to begin the thorough recruitment process. Following recruitment, new employees enjoy an extensive induction program as part of the traineeship regime facilitated through the registered training organisation (RTO) via TfNSW.

Delivery of on-the-job plant and equipment training and assessments, fleet assessments and toolbox talks continued concurrently with classroom based training to ensure staff competency in safety critical areas.

The Technical Fundamentals program continued to be a valuable offering for new and current trade staff as well as apprentices. This classroom-based program provided comprehensive instruction, coaching and development opportunities in automotive electrical systems, heavy vehicle engine fundamentals, suspension systems, transmissions and drive lines, door systems and braking systems.

resilience and agility in all aspects of their development.

Apprentices participated in blended learning as TAFE moved to a combination of on-line and classroom based delivery. Individual performance coaching sessions were held at regular intervals throughout the year and utilised virtual platforms ensuring apprentices were equipped to remain motivated, focused and engaged.

Supporting and developing our apprentices to gain full-time employment in their chosen trade or in their ongoing apprentice journey continued to underpin all aspects of the program.

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.

Leadership development

All State Transit senior executives and people leaders attended the ongoing series of Extended Leadership Programs throughout the year.

These programs are designed to bring together the leadership of State Transit to ensure a consistent approach across the organisation, to share ideas and innovative ways of working,

Enterprise Agreements and Awards

The industrial instruments applicable to groups in State Transit include:

- The State Transit Authority Bus Engineering and Maintenance Enterprise (State) Award 2020 — this covers all trades and non-trades staff who maintain the State Transit bus fleet, operative to 31 March 2023
- The State Transit Authority Bus Operations Enterprise (State) Award 2021 — this covers all bus operators and related classifications, operative to 31 December 2022
- The State Transit Authority Senior and

Retreat spaces

State Transit demonstrates its commitment to ensuring employees from culturally diverse backgrounds can meet their religious obligations while at work.

Staff engagement

The State Transit vision is 'Providing our customers with the safest and most reliable bus experience in Sydney, delivered by passionate people who will always be the best they can be.'

The vision encompasses important themes central to our purpose, including putting the customer at the centre of what we do, highlighting the importance of safety, reliability and timeliness.

In its second year, the staff app Blink — with a Facebook-style feed — allows our people to connect across all areas of our business, giving

and encourage better communication between the Executive Team and the next level of management. This group will be critical to the success of the transition, so our focus has shifted to Leading through Change.

The Extended Leadership Team included all depot directors, and managers in specialist and corporate areas.

Salaried Officers Enterprise (State) Award 2021 — this covers all administrative, managerial and operational (non-bus or maintenance) staff, operative to 31 December 2022.

All instruments were negotiated 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.

Employees can utilise the 11 established retreat spaces across the organisation for religious, spiritual or contemplative purposes.

everyone access to a two-way communication tool and access to people who would not ordinarily be connected. This internal communications platform allows everyone to share their voice across State Transit and allows teams and colleagues to share content, message one another and stay up to date on State Transit's latest news.

Many of the features on the app are designed to make the lives of State Transit's frontline workers easier. 'Blinkers' at all depots can also swap shifts or leave, submit forms digitally and access work manuals.

ABORIGINAL RECONCILIATION ACTION PLAN

We celebrated — with the Transport cluster — the inaugural Reconciliation Action Plan (RAP) in 2019. The RAP acknowledges and pays respect to the role of Aboriginal people and Torres Strait Islander people as traditional owners and custodians of lands where we work. It demonstrates our commitment to working towards reconciliation within our cluster and the community at large.

The appointment of State Transit's first Aboriginal Liaison Officer in the previous

financial year has helped State Transit deliver on our commitments in the RAP, including supporting increased opportunities for Aboriginal staff and ensuring our people, practices and services are truly inclusive of Aboriginal colleagues and communities.

State Transit regularly connects with Indigenous initiatives and colleagues across the cluster, as well as recognising, hosting and celebrating key events including NAIDOC Week, National Sorry Day and National Reconciliation Week.

RECOGNISING OUR PEOPLE

The Annual Service and Achievement Award presentations were held in a combined event in December 2020. These award recipients and categories largely reflect the State Transit values.

COMMUNITY INITIATIVES

Mardi Gras bus

To help promote diversity and inclusion, State Transit wrapped a bus in a rainbow design for the 43rd Sydney Gay and Lesbian Mardi Gras celebrations. Emblazoned with the 2021 Mardi Gras theme, 'Rise', the bus

was in service for our customers from mid-February until the end of March, running from Randwick Depot and operating services from the Eastern Suburbs into the City.

NAIDOC bus

State Transit acknowledged and honoured our Indigenous community with a bus wrapped in artwork celebrating NAIDOC Week in November 2020. The bus, operating from our Ryde Depot, was cleansed and welcomed to the fleet with a traditional smoking ceremony. The theme of 2020's delayed

NAIDOC celebrations was: 'Always Was, Always Will Be.' Our people painted a canvas that illustrated the traditional songlines our services travel along. The canvas was presented to Ryde and copies made for our seven other depots to mark our third consecutive celebration of NAIDOC Week.

20 years since the Sydney Olympics

In September 2020 a group of 16 State Transit staff, along with colleagues from Sydney Trains who worked during the 2000 Sydney Olympic Games, visited Sydney Olympic Park to celebrate 20 years since the 'best Games ever'. To mark the anniversary, we partnered with the Australian Olympic Committee to create

a commemorative #MySydney2000 wrapped bus for the community to share memories of what was a magical time for our city. The bus that was wrapped in the special livery, bus number 2000, was purchased for the Olympics and used during the Games in the Athletes' Village.

50 years of female bus drivers in Sydney

November 2020 marked 50 years since the first female bus driver operated a service in Greater Sydney. State Transit celebrated the milestone with a staff event at Brookvale Depot, where it all started back on 27 November 1970. The

first driver rostered on was June Lusk, who was honoured on a plaque unveiled at the main entrance to the depot's administration building. Today there are more than 400 female bus operators working across Greater Sydney.



Financial performance

State Transit reported a surplus of \$33.4 million in 2020-21 following a \$1.4 million deficit in the previous financial year.

The favourable financial performance this reporting period was mainly due to a significant decrease in the defined benefits superannuation liability of \$16.1 million and staff provisions (annual leave, long service leave and workers compensation) of \$1.8 million. This was primarily due to an increase in the 10-year Government bond rate from 0.87 per cent in 2020 to 1.49 per cent in 2021, as assessed by actuarial valuation.

The operating budget for 2020-21 is a deficit of \$1.3 million, comprising total revenue of \$312 million and total expenditure of \$313.3 million.

State Transit capitalised \$0.3 million of capital works in 2020-21. Capital works expenditure remains low due to the transfer of land, buildings and buses to TfNSW in accordance with the Ministerial Order. Capital works included motor vehicles, plant and equipment plus IT hardware.

	2019-20 Actual \$'000	2020-21 Actual \$'000	2020-21 Budget \$'000	2020-21 Variance \$'000	2020-21 Variance %
Income					
Operational revenue	424,860	428,903	422,950	5953	1.41
Interest	420	75	500	(425)	(85.00)
Other revenue	24,811	38,951	31,096	7,855	25.26
Total income	450,091	467,929	454,546	13,383	2.94
Expenditure					
Personnel services	331,844	319,008	338,766	19,758	5.83
Depreciation and amortisation	3337	4011	4544	533	11.73
Fleet running expenses	61,493	54,500	64,528	10,028	15.54
Other operating costs	54,817	56,976	51,328	(5,648)	(11.00)
Total expenditure	451,491	434,495	459,166	24,671	5.37
Profit/(loss)	(1400)	33,434	(4620)	38,054	(823.68)

Further commentary on financial performance is included as part of Volume 2.

Corporate governance



5.1 Legislation

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 during 2020-21.

Transport Administration Act

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

Regulations

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

- Transport Administration (Staff) Regulation 2012
- Transport Administration (General) Regulation 2018.

Fares orders

The maximum fares for services provided by State Transit are determined by TfNSW by order section 125 of the *Passenger Transport Act 2014*.

Passenger Transport Acts

The State Transit Authority, in common with other operators of public passenger services in NSW, is directly bound by the provisions of the *Passenger Transport Act 1990 (NSW)*, the *Passenger Transport Act 2014* and the relevant regulations made under these Acts.

5.2 Governance

The Chief Executive is appointed by the Transport Secretary with the approval of the Minister for Transport and Roads. The affairs of State Transit are managed and controlled by the Chief Executive in accordance with any directions of the Transport Secretary or the Minister for Transport and Roads.

Governance framework

The Executive Team is the principal governing body of the Agency. The Executive Team's role is to support the Chief Executive in leading and monitoring the operation and performance of the organisation. The team is comprised of all Executive Directors and the Principal Manager Media and Communications.

Other committees include:

Governance and Risk Committee

The Committee is established to oversee and monitor State Transit's governance, risk, business management systems and control frameworks plus its external accountability requirements to foster corporate governance and risk management outcomes focused on continuous improvement.

Emergency Security Management Committee (ESMC)

The ESMC is responsible for providing advice to the Chief Executive and Executive Team on emergency management, security, incident response and business continuity.

Audit and Risk Committee

The Audit and Risk Committee responsibility under the 'Internal Audit and Risk Management Policy for the General Government Sector' (TPP20-08) published by NSW Treasury is to provide independent assistance to the Secretary by monitoring, reviewing and providing advice about the agency's governance processes, risk management control frameworks, internal and external audits, corruption prevention, and its external accountability obligations.

5.3 Audit and risk management

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 2020-21, Deloitte 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, an audit support service and Deloitte 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 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.

In accordance with requirements of NSW Treasury 'Internal Audit and Risk Management Policy for the NSW Public Sector' (TPP 15-03) and the 'International Standards for the Professional Practice of Internal Auditing' (Internal Audit Standards), the STA requested an independent Quality Assessment of its Internal Audit function. This was performed by the Institute of Internal Auditors-Australia (IIA-Australia) in November 2020.

The Internal Audit Standards are contained in the 'International Professional Practices Framework' (IPPF) issued by the IIA internationally. The Internal Audit Standards require Internal Audit functions to develop and maintain a quality assurance and improvement program which includes an independent Quality Assessment of Internal Audit at least once every five years.

The findings of this Audit by the Institute of Internal Auditors-Australia was that the STA Internal Audit function generally conforms with the Internal Audit Standards (this is the highest rating that can be achieved); and the Internal Audit is operating effectively and has adapted to support the impending transition to private operation in 2022.

Risk management

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

State Transit is compliant with the Internal Audit and Risk Management Policy for the General Government Sector (TPP20-08) 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 the organisation's operational activities, reputation, compliance with regulators and the safety and security of employees, passengers and road users.

Activities relating to risk management are reviewed by State Transit's Governance and Risk Committee, comprising senior

Ethics and corruption prevention

State Transit is committed to operating efficient, safe and reliable bus services, consistent with its legislative responsibilities. The organisation conducts its business in an ethical manner, having regard to NSW Government, TfNSW 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 State Transit expects its staff to behave ethically and comply with the Code of Conduct, it expects high

executives of State Transit, which oversees the implementation, operation and review of the risk management program. 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 plus 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 its control. To assist in managing such events, State Transit has emergency management procedures that provide 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.

standards of behaviour from organisations and individuals that it does business with.

The Transport Statement of Business Ethics, which is published on State Transit's website, provides clear guidelines on how the organisation expects its business partners to behave. It tells them what they can expect from State Transit, particularly in relation to procurement practices, safety, 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.

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 fraudulent or 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 maintains a Fraud Control Plan compliant with the NSW Treasury 'Fraud and Corruption Control Policy' (TC 18-02), which details the fraud and corruption prevention activities aimed at reducing fraud and corruption risk within the workplace. The program is supported by a suite of procedures providing guidance and advice to staff and management on a wide range of corruption risks, ethical, probity and policy issues.

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

Insurance

Appropriate insurances are purchased to cover material liability, physical damage, business interruption, and other exposures arising out of normal business operations. Due to the use of deductibles, insurance may not provide 100 per cent cover and the Authority would retain direct responsibility for some portion of the losses.

To raise general awareness of corruption prevention issues, information is regularly published in State Transit's staff newsletter. An annual review of policies and procedures ensures currency with obligations under legislation. Training courses conducted by the education units of the Independent Commission Against Corruption and NSW Ombudsman on corruption awareness, corruption prevention and internal investigations of corrupt conduct are scheduled bi-annually. Training occurred for all senior Managers in STA and delivered by the NSW Ombudsman's Office in 2020-21.

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

guidelines for public interest disclosures issued by the NSW Ombudsman.

State Transit undertook activities to promote staff awareness of the protections available, and organisational responsibilities and obligations under the Act. These included information updates to all staff on our engagement app Blink, in the monthly magazine *We're Moving Sydney* and on State Transit's intranet. See Appendix 11 for more.

Provisions are made for future costs associated with liability claims occurring in the financial year, for which insurance may not provide cover. These provisions are assessed at their present value by independent actuaries.

Appendices



Appendix 1 – Customer feedback

State Transit's Customer Relations staff provide timely, accurate responses to customer feedback and ensure effective resolution of issues in each contracted region.

State Transit's centralised Customer Feedback Team manages cases, enabling quicker and more meaningful responses to manage individual customer experiences. Customer feedback on State Transit's bus services in Sydney includes queries, compliments, feedback and complaints that are received via a number of transport apps, Transport Info (www.transportnsw.info and via the 131 500 feedback line), letters and from other sources.

State Transit continues to encourage its customers to report all feedback via the above channels to assist with the improvement of its overall service. Internally, State Transit has a strong commitment to responding to feedback. This ensures that promotion of the customer feedback process is a focus within the organisation.

In 2020–21, State Transit saw a 25 per cent decrease in the volume of customer feedback cases received (12,986 compared to 17,304 in 2019-20). The impact of the COVID-19 pandemic influenced the customer feedback volumes. However, a decrease in complaints can also be attributed to various initiatives introduced by State Transit to increase the standard of customer service and improve overall customer satisfaction.

In 2020–21 State Transit received 8,792 customer complaints which equates to 12.56 complaints per 100,000 passenger boardings. The KPI contract target is under 22 complaints per 100,000 boardings.

State Transit continues to listen to customer feedback on bus services and is committed to investigating and responding to feedback where required. The primary triggers for customer feedback during 2020–21 related to buses being late, failing to stop, staff behaviour and service reliability. A large proportion of complaints relating to late or unreliable buses continue to be attributable to construction works associated with major infrastructure projects. A reduction in total numbers of complaints for each category was achieved in 2020–21 compared to the previous year.

Breakdown of Complaints Received by Channel

Source	2019-20	2020-21
Phone via 131 500	2130	1748
Online channels	10,864	7765
Letters	1	0
Total complaints	12,995	9513
Other feedback	4309	3473
Total customer feedback	17,304	12986

Appendix 2 – Disability Inclusion Action Plan

State Transit maintains Disability Inclusion Action Plans for each of its bus service contracts with TfNSW. These plans are regularly reviewed, in conjunction with TfNSW, to ensure they conform to the requirements of the *Disability Inclusion Act 2014* (NSW).

State Transit also implements the requirements of the *Disability Standards for Accessible Public Transport 2002* (Cth) under the *Disability Discrimination Act 2012* (Cth).

Progress in this area includes:

- Continual benchmarking of State Transit's Disability Inclusion Action Plan against external best practice organisations
- Progressive upgrading of the fleet, increasing the total number of wheelchair accessible buses to 96.86 per cent of the fleet (1360 buses in total)
- More than 90 per cent of scheduled route services (excluding school services) each week are wheelchair-accessible. Wheelchair accessible buses are scheduled to operate on all trips catering for major Sydney events
- Timetabled wheelchair-accessible bus services now operate on all main corridors and cross-regional routes. Competency assessment is included in training of bus operators.

Appendix 3 – Multicultural policies and services

State Transit provides mainstream services for all people of NSW. We are committed to delivering services within a culturally, linguistically and religiously diverse society. Network service planning and community stakeholder engagement for service change programs are now the principal responsibility of TfNSW. State Transit's role is to assist and support TfNSW in service change management programs.

State Transit 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, materials are produced in the predominant languages of the area where the service changes are to be implemented.

The cluster-wide Multicultural Policies and Services Plan outlines how TfNSW and State Transit respond to the NSW Government's multicultural objectives and incorporate multicultural principles into their processes and systems.

We continue 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.

Appendix 4 – Access to government information

Under Section 7 of the *Government Information (Public Access) Act 2009* (GIPA), government agencies must review their programs to identify information that can be made publicly available. This review must be undertaken at least once every 12 months. State Transit's Agency Information Guideline is published annually on its website.

State Transit's program involves the proactive release of information concerning State Transit's operations, functions and structure and its 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
- Transport news and announcements, timetable changes and other travel information regularly publicised through the TfNSW and State Transit websites
- The publication of performance information
- Customer Service Charter
- Accessible Transport Plan
- Environmental Management Plan
- Passenger Relations Plan
- Code of Conduct
- Statement of Business Ethics.

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

During the reporting period, State Transit received a total of 17 formal access applications under the GIPA Act (including withdrawn applications but not invalid applications).

Number of Refused Applications for Schedule 1 Information

During the reporting period, State Transit refused 2 applications (wholly or partly) because the information requested was information referred to in Schedule 1 to the GIPA Act.

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	1	1	0	1
Members of Parliament	0	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)	1	5	1	5
Members of the public (other)	1	4	1	1
	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0
Members of Parliament	0	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)	1	0	0	1

*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*	2	6	2	4
Access applications (other than personal information applications)	1	4	0	3
Access applications that are partly personal information applications and partly other	0	0	0	0
	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	1	0	0	0
Access applications (other than personal information applications)	0	0	0	1
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 applications
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*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	2
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	1
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	4
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	3
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	16
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	16

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	0	0
Internal review following recommendation under Section 93 of Act	0	0	0
Review by ADT (NCAT)	0	0	0
Total	0	0	0

*The Information Commissioner does not have the authority to vary decisions, but can make recommendations 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)

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

Table I: Applications Transferred to Other Agencies under Division 2 of Part 4 of the Act (by Type of Transfer)

	Number of applications transferred
Agency-initiated transfers	0
Applicant initiated transfers	0

Appendix 5 – Privacy management

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.

Appendix 6 – Environmental compliance

In 2020–21 State Transit continued to implement its Environmental Policy objectives via its ISO 14001:2015 aligned Environmental Management System.

Nil Environment Protection Authority (EPA) or Local Government Area (LGA) notices or penalties were issued during the financial year, meeting a key environmental performance target.

A total of four environmental incident reports were received and reviewed by the Principal Environment Manager. Nil incidents were required to be notified to the regulator as having a potential to cause material harm.

There were 196 public environmental complaints recorded on our system, approximately half of the number recorded for the previous year. The majority of these complaints related to noise from buses or exhaust fumes from prolonged idling.

State Transit's fleet emissions profile has improved over the last financial year, with 87 per cent of the fleet of a Euro 3 or higher emissions standard.

Our total greenhouse emissions for the 2020–21 financial year decreased by 1.3 per cent to approximately 103,738 tonnes CO₂(e).

Total potable water consumption was metered at 66 kL. Several depots utilise rainwater harvesting to supplement or displace potable water use, to minimise potable water consumption.

Appendix 7 – Waste reduction

In 2020–21, State Transit recycled some 1491 tonnes of solid or liquid wastes while sending 467 tonnes of waste to landfill, to achieve a recycling rate of 76 per cent – a three per cent decrease on the previous year's rate.

The top three waste streams collected for recycling included:

Recycled Metals	213 tonnes
Recycle Waste	Oil 145 tonnes
Recycled Coolant	103 tonnes

Appendix 8 – Summary of land and property

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 and property holdings as at 30 June 2021 according to actual use of the land and property.

	Table: Summary of land
Land use classification	\$'000
Bus depots	Nil
Minor operational assets	Nil
Commercial properties	Nil
Total	Nil

There was no disposal of land or property by State Transit this financial year.

Appendix 9 – Audit and risk management / Internal audit and risk management attestation statements

Internal Audit and Risk Management Attestation Statement for the 2020-2021 Financial Year for the State Transit Authority of New South Wales

I, Daniela Fontana, am of the opinion that the State Transit Authority of New South Wales has internal audit and risk management processes in operation that are compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core Requirements	For each requirement, please specify whether compliant, non-compliant, or in transition
Risk Management Framework	
1.1 The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2 The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
Internal Audit Function	
2.1 The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2 The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3 The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Audit and Risk Committee	
3.1 The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2 The Accountable Authority shall ensure the Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'.	Compliant

Membership

The independent chair and members of the Audit and Risk Committee are:

- Independent Chair, Carolyn Walsh, (July 2018 to 31 December 2022).
- Independent Member, Greg Fletcher, (1 July 2017 to 30 June 2022).
- Independent Member, Robert Mason, (1 September 2018 to 1 September 2023).



Daniela Fontana
Chief Executive
State Transit Authority

Date: 13/08/2021

Appendix 10 – NSW Cyber Security Policy attestation statement



Cyber Security Annual Attestation Statement for the 2020-2021 Financial Year for State Transit Authority

I, Daniela Fontana, am of the opinion that State Transit Authority complies with the NSW Government Cyber Security Policy.

Cyber security is an evolving landscape that requires an ongoing program of work. Transport governs and manages cyber investment through the Transport Cyber Defence Rolling Program.

State Transit Authority has identified its critical assets, the security-related risks, and has an ongoing program of work to manage security-related risks.

State Transit Authority manages its cyber security risks using the TfNSW enterprise risk management framework and continues to improve the management of its cyber risks. An executive governance forum is in place which is supported by a network of steering committees, portfolio boards and subject matter experts to manage the cyber-security maturity and cyber initiatives across the cluster.

Transport for NSW has a cyber incident response plan that undergoes regular updates and is tested annually. State Transit Authority has Information Security Management Systems (ISMS) in place covering all identified critical assets and is committed to maturing cyber security controls.



Daniela Fontana
Chief Executive Officer

Appendix 11 – Public interest disclosures

The *Public Interest Disclosures Act 1994* and *Public Interest Disclosures Regulation 2011* requires agencies to report the number of public interest disclosures received during the reporting period. In accordance with Clause 4 of the Regulation and Section 31 of the Act, there were three public interest disclosures received by State Transit this financial year.

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	3
Number of public interest disclosures finalised	3

Main Concerns Identified in Public Interest Disclosures Received

	Number
Corrupt conduct	3
Maladministration	0
Serious and substantial waste	0
Government information contravention	0
Local government pecuniary interest contravention	0

Appendix 12 – Accounts payments and grants

Performance in Paying Accounts for All Suppliers

Outstanding invoices by age at the end of each quarter for STA					
Measure Count #	Financial Year 2020-2021 Quarter Average	Q1	Q2	Q3	Q4
Suppliers					
Current (i.e. within due date)	61	38	164	28	13
Between 0 and 30 days overdue	28	24	8	11	69
Between 30 and 60 days overdue	0	0	0	0	0
Between 60 and 90 days overdue	0	0	0	0	0
More than 90 days overdue	0	0	0	0	0
Small Business Suppliers					
Current (i.e. within due date)	0	0	0	0	0
Between 0 and 30 days overdue	0	0	0	0	0
Between 30 and 60 days overdue	0	0	0	0	0
Between 60 and 90 days overdue	0	0	0	0	0
More than 90 days overdue	0	0	0	0	0
Measure Amount \$'000	Financial Year 2020-2021 Quarter Average	Q1	Q2	Q3	Q4
Suppliers					
Current (i.e. within due date)	56.9	34.8	250.6	36.3	-94.2
Between 0 and 30 days overdue	868.5	58.5	512.6	2,878.3	24.7
Between 30 and 60 days overdue	0	0	0	0	0.0
Between 60 and 90 days overdue	0	0	0	0	0.0
More than 90 days overdue	0	0	0	0	0.0
Measure Amount \$'000	Financial Year 2020-2021 Quarter Average	Q1	Q2	Q3	Q4
Small Business Suppliers					
Current (i.e. within due date)	0	0	0	0	0
Between 0 and 30 days overdue	0	0	0	0	0
Between 30 and 60 days overdue	0	0	0	0	0
Between 60 and 90 days overdue	0	0	0	0	0
More than 90 days overdue	0	0	0	0	0

Accounts paid on time within each quarter for STA					
Measure Amount \$'000	Financial Year 2020-2021 Quarter Average	Q1	Q2	Q3	Q4
Suppliers					
Number of accounts due for payment	41,587	10,232	11,962	8,633	10,760
Number of accounts paid on time	36,990	8,800	10,836	7,729	9,625
Target % accounts paid on time	90.00%	90.00%	90.00%	90.00%	90.00%
Actual % accounts paid on time	88.95%	86%	90.59%	89.53%	89.45%
\$'000 amount of accounts due for payment	259,368.0	60,867.8	63,711.5	59,800.5	74,988.3
\$'000 amount of accounts paid on time	254,420.7	59,176.1	62,853.2	58,039.3	74,352.2
Actual % accounts paid on time (based on \$)	98.09%	97.22%	98.65%	97.05%	99.15%
Number of payments for interest	0	0	0	0	0
Interest paid on overdue accounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Small Business Suppliers					
Number of accounts due for payment	4,133	978	1,137	853	1,165
Number of accounts paid on time	4,097	969	1,133	832	1,163
Actual % accounts paid on time	99.13%	99.08%	99.65%	97.54%	99.83%
\$'000 amount of accounts due for payment	4,447.0	1,064.7	1,158.1	845.1	1,379.0
\$'000 amount of accounts paid on time	4,425.4	1,057.8	1,156.0	833.8	1,377.8
Actual % accounts paid on time (based on \$)	99.52%	99.35%	99.82%	98.66%	99.91%
Number of payments for interest	0	0	0	0	0
Interest paid on overdue accounts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Funds Granted to Non-Government Community Organisations

There were no donations to non-Government community organisations during the 2020-21 financial year.

Consultancy Fees

No consultancy fees were paid in the 2020-21 financial year.

Appendix 13 - Overseas travel

There was no overseas travel undertaken by any State Transit employee in this financial year.

Appendix 14 - Work health and safety performance

The successful management of workplace injuries and return to work is a key work, health and safety strategy at State Transit. Whilst 2020-21 saw a small increase in people injured, the four-year trend has seen a 27.5 per cent reduction in the number of claims. This has also resulted in our claims cost stabilising.

The organisation is self-insured and delivers its own 'return to work' functions. It is supported by TfNSW Shared Services, which continues to provide workers' compensation services to State Transit as governed by a Service Level Agreement.

The workers' compensation component of State Transit's Safety Management System complies with the requirements of the State Insurance Regulatory Authority (SIRA). Workers' compensation claims fell by a further 12.4 per cent, which is pleasing on top of the decrease the year before.

Work, health and safety performance

Performance indicator	2019-20	2020-21
Total of Significant Incidents* in NSW	44	22
Lost Time Injury due to workplace-related injuries or illness	22	20
Loss Time Injury Frequency Rate (per 1 million hours)	3.3	3.1
Percentage of planned WHS consultation meetings held	100%	100%
Compensable workplace injuries	202	177
Total claim costs, i.e. only state "Total claim costs"	\$746,830	\$839,488
Prosecutions reported	0	0
Prosecutions under Act	0	0

*A significant incident is defined as a workplace / worksite or asset related incident that impacts workers, customers and/or community members, with any of the following critical consequences:

- A fatality
- Hospitalisation admitted due to injury (including passenger taken to hospital / suicide / self-harm).

Appendix 15 – Executives and staff by classification

Name	Position	Periods position held	Qualifications
Daniela Fontana	Chief Executive	June 2020–Present	Bachelor of Commerce (Management/Marketing) Member Australian Institute of Company Directors
Wayne Potter	Executive Director, Safety, Health, Environment and Quality	November 2017–Present	Bachelor of Arts (Psychology), Bachelor of Arts in Social Work, Graduate Diploma in Occupational Health and Safety Management
Mark Cox	Executive Director, People and Culture	October 2017–Present	Bachelor of Business, Masters in Human Resources
Michael Reardon	Executive Director Asset Management	October 2017–Present	Certificate of Transport Management
Darani Brown	Executive Director, Finance and Corporate Services	February 2019–Present	Bachelor of Economics, Member Institute of Chartered Accountants, Member Institute of Internal Auditors
Mitchell Compton	Principal Manager Media and Communications	January 2020–Present	Bachelor of Arts (Media and Communications), Diploma of Journalism

Staff by classification

The below table shows a comparison of State Transit's staff by classification (and full-time equivalent) over a five-year period from July 2016 to June 2021.

HEAD COUNT	2016-17	2017-18	2018-19	2019-20	2020-21
Operations	4115	4047	2917	2995	2810
Maintenance	318	287	216	230	214
Administration	429	336	277	286	262
Senior Executive Service	0*	0*	0*	0*	0*
Transport Senior Service	34*	24*	23*	21*	21*
Total	4892	4694	3433	3532	3307
Full-Time Equivalent	4695	4479	3275	3380	3160
Casuals (included above)	124	181	107	88	83

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 2016-17 to 2019-20 exclude positions assigned to TfNSW and Transport Shared Services.

Former Senior Executive Service and various Senior Officers were transferred to Transport Senior Service classification (Level 1 to 6) when this classification was discontinued in 2013-14. Transport Senior Service (Level 2 to 6) transitioned to Transport Service Senior Executive (Band 1 to 3) from 1 July 2017.

Appendix 16 – Executive and employee remuneration

Executive remuneration

This table shows the percentage of total employee-related expenditure in the reporting year that relates to senior executives, compared against the percentage at the end of the previous reporting year.

TSSE* Band	Female	Male	Total	Average of TRP**
TSSE Band 4				
2020-21	-	-	-	-
2019-20	-	-	-	-
TSSE Band 3				
2020-21	1	-	1	\$452,371
2019-20	1	-	1	\$430,000
TSSE Band 2				
2020-21	1	3	4	\$348,657
2019-20	1	3	4	\$338,000
TSSE Band 1				
2020-21	2	4	6	\$233,843
2019-20	3	4	7	\$245,000
2020-21 Total	4	7	11	-
2019-20 Total	5	7	12	-

*Transport Service Senior Executive ** Average Total Remuneration Package

All employee remuneration

Annual Salary	2018-19 Total Count			2019-20 Total Count			2020-21 Total Count		
	F	M	TOTAL	F	M	TOTAL	F	M	TOTAL
<\$50,000	1.84	8.00	9.84	3.84	26.55	30.39	3	28	31
\$50,001 - \$75,000	154.42	2622.06	2776.48	148.34	2712.40	2860.74	156	2764	2920
\$75,001 - \$100,000	32.04	250.55	282.59	24.52	248.57	273.09	30	248	278
\$100,001 - \$125,000	11.57	28.00	39.57	20.93	37.00	57.93	16	43	59
\$125,001 - \$150,000	18.42	39.00	57.42	10.63	29.00	39.63	10	19	29
>\$150,000	13.00	29.00	42.00	21.00	42.00	63.00	7	27	34

Note 1: Employees in acting arrangements more than 90 days are recorded in the applicable (effective) salary range.
Note 2: Excludes cadets in Transport, and no casuals, contractors or labour hire.

Appendix 17 – Workforce diversity

Trends in the representation of workforce diversity groups

Workforce diversity group	Benchmark	2017	2018	2019	2020	2021
Women	50%	7.2%	6.3%	7.4%	7.2%	6.5%
Women in leadership		5 females in Senior Service as at June 17	6 females in Senior Service as at June 18	7 females in Senior Service as at June 19	7 females in Senior Service as at June 20	7 females in Senior Service as at June 21
Aboriginal and Torres Strait Islander Peoples	3.3%	0.7%	0.9%	0.8%	0.8%	0.7%
Aboriginal and Torres Strait Islanders in leadership positions		Not provided				
People whose first language spoken as a child was not English	23.2%	29.4%	48.5%	43.1%	40.1%	39.3%
People with a disability	5.6%	2.1%	1.8%	1.6%	1.4%	1.3%
People with a disability requiring work-related adjustment*	N/A	2.1%	0.0%	0.0%	0.0%	0.0%

Trends in the distribution index for workforce diversity groups

Workforce diversity group	Benchmark	2017	2018	2019	2020	2021
Women	100	124	130	131	133	133
Aboriginal and Torres Strait Islander Peoples	100	89	87	90	93	95
People whose first language spoken as a child was not English	100	93	93	93	93	93
People with a disability	100	114	121	124	130	134
People with a disability requiring work-related adjustment*	100	114	N/A	N/A	N/A	N/A

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 18 – Industrial and workplace relations policy

Personnel policies and practices:

Our Human Resources policy framework aligns to State Transit values, and modern, streamlined Human Resource management approaches. During 2020-21, the following procedures were reviewed and updated:

- Flexible Work Practices Procedure
- Grievance Resolution Procedure
- Military Leave Procedure
- Long Service Leave Procedure
- Leave Without Pay Procedure
- Special Leave Procedure
- Parental Leave Procedure
- Career Break Procedure.

Movements in wages, salaries and allowances

Salaries, wages and allowances moved in accordance with scheduled increases contained in the relevant Awards, which are in line with the provisions of the NSW Government Wages Policy. Staff employed under the following Awards received an annual increase of 2.5 per cent from the first full pay period after 1 January 2020:

- State Transit Authority Bus Operations Enterprise (State) Award 2018
- State Transit Authority Senior and Salaried Officers' Enterprise (State) Award 2018.

Staff employed under the State Transit Authority Bus Engineering and Maintenance Enterprise (State) Award 2020 received an annual increase of 2.5 per cent from the first full pay period after 1 April 2020.

Industrial relations policies and practices

We communicate with our people through a variety of channels to ensure they are informed about a broad range of topics and issues. In addition, senior management consults with employees and relevant unions, including the peak union body (Unions NSW) where appropriate, on matters that impact staff, including restructure and other changes, following the consultation principles outlined in the Awards.

Appendix 19 – Response to matters raised by the NSW Auditor-General

The State Transit Authority prepared its financial statements on a non-going concern basis. The Authority's principal activities will not operate for a full 12 months in the 2021-22 financial year. In October 2019, the Minister for Transport and Roads announced that the Authority will no longer operate in the Eastern, Western and Northern Regions. Private sector operators will be invited to run the bus services in three stages from October 2021, with expected completion by April 2022. The Statement of Financial Position is presented on a liquidity basis and does not distinguish between current and non-current classification.

In 2021-22, net assets are expected to be equity transferred to TfNSW.

Appendix 20 – Annual Report accessibility requirements

The State Transit Annual Report was produced in-house and complies with Web Content Accessibility Guidelines (WCAG) 2.0, as per the NSW Premier's Circular 2012-08 *NSW Government Website Management*.

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 (02) 8202 2200.



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