Finance and Investment Policy

CP23002.1

1. Purpose

This policy sets out principles and high-level requirements to:

- ensure Transport achieves value for every dollar we spend, so that positive outcomes are delivered for customers, the community, and the environment
- drive effective and sustainable management of finance and investment throughout the Transport portfolio.

This is a Transport-wide policy to achieve effective financial and investment management.

2. Who does it apply to?

This policy applies to permanent, temporary, and casual staff, staff seconded from another organisation, and contingent workers including labour hire, professional services contractors and consultants performing work for any of the following agencies:

Department of Transport	YES
Transport for NSW	YES
NSW Trains	YES
Sydney Trains	YES
Sydney Metro, subject to the Sydney Metro Collaboration Agreement	YES
Sydney Ferries	YES
State Transit Authority	YES
Transport Asset Manager of NSW (TAM)	YES
The Point to Point Transport Commissioner	YES
NSW Motorways	YES

3. Principles and requirements

3.1 Principles

Transport's commitment is underpinned by the following principles, applied when making both capital expenditure (CAPEX) and operational expenditure (OPEX) decisions:

- Adhering to the Transport Portfolio Executive Committee approved Portfolio Management Principles (see Appendix A noting that the principles will be periodically updated as part of the Statewide Operating model changes) which give effect to the Group Finance, Investment and Assurance and Financial Sustainability branches within the Finance, Technology and Commercial (FTC) Division's accountability for leading financial governance, frameworks, reporting and capabilities across the Transport portfolio. This is to ensure compliant management of investments and financial risk, providing strategic advice, achieving confident outcomes based on focused decision making and guiding organisation design impacts.

- Being strategic and sustainable in how we spend money by partnering business areas to identify better ways of delivering Transport's objectives.
- Being outcome-focused to ensure enterprise planning, resource allocation, and investment decisions maximise benefits and achieve equitable results.
- Taking an evidence-based approach to decision making based on reliable forecasting, analysis, and insights.
- Ensuring reporting is supported by effective systems and reliable data so that decision making is informed.
- Being a trusted adviser on finance and investment matters, achieved through effective stakeholder engagement and responsiveness to stakeholder needs.
- Leading effective capital portfolio management to ensure the capital pipeline of investments is delivered on time and on budget.
- Having robust governance, risk and compliance management arrangements to provide assurance to Transport that finance and investment risks are effectively managed.
- Evaluating and improving our performance on a continual basis and being adaptable and responsive to change.

These principles support effective stewardship of public monies for the benefit of customers, the community, and the environment. They are also integral to a financially sustainable future.

3.2 Requirements

The Group Finance, Investment and Assurance and Financial Sustainability branches, within FTC must manage finance and investment on behalf of Transport divisions and agencies. This is underpinned by a collaborative approach based on the Statewide Operating Model and the Transport Portfolio Executive Committee approved Portfolio Management Principles.

Transport divisions and agencies must collaborate with FTC branches to achieve effective portfolio management in accordance with the above principles, the Statewide Operating Model and the Transport Portfolio Executive Committee approved Portfolio Management Principles.

FTC and Transport divisions and agencies must collaborate and engage in a way that is consistent with Transport's Values and which demonstrate the Five Ways of Leading, so that there is effective leadership in relation to financial and investment decisions and practices.

4. Compliance and breach

You are required to comply with this policy and its related procedures and standards. If you do not do so, this may result in disciplinary action up to and including termination of your employment or contract.

5. Accountabilities and responsibilities

Who	Accountability
Group Chief Financial Officer (CFO)	Accountable for owning this policy and setting the strategic direction for how finance and investment objectives are achieved in Transport, in line with our organisational objectives and compliance obligations.
Chief Executives of the Transport agencies and Deputy Secretaries of Transport Divisions	Accountable for ensuring program areas in their agencies align and comply with this policy.
All staff to whom the policy applies	Responsible for complying with the principles and requirements in this policy and any related standards and procedures.
Executive Director - Group Finance, FTC	Lead planning and prioritisation (in conjunction with Planning, Integration & Passenger (PIP) division) based on strategic and informed decision making, which enables efficient and effective resource allocation to achieve Transport's objectives. Lead the transformation and continuous improvement of finance systems and frameworks which enables reliable data capture and reporting, sound governance and effective risk and compliance management.
Executive Director - Investment and Assurance, FTC	Develop, prioritise (in conjunction with PIP division) and assess Transport's investment portfolio by providing assurance that investment decision making is evidence-based and delivers value-for-money solutions aligned to Transport's objectives. Also acts as the primary liaison with other state and Federal agencies. Provide the Secretary, Investment and Assurance Committee (IAC) and the NSW Government with reliable and timely portfolio performance reporting, insights and analysis, rigorous processes and strategic perspectives, to support informed decision-making.
Executive Director - Financial Sustainability, FTC	Drive financial sustainability by identifying enterprise-wide improvements that improve efficiency and effectiveness Provide the Secretary, Financial Sustainability (FS) Committee with reliable and timely reporting, insights, analysis, strategic options, risks and opportunities with regard to the FS savings portfolio.
Executive Director - Financial Accounting and Control, Group Finance, FTC	Lead the delivery of statutory accounting, management and compliance across Transport by providing expertise on technical accounting and specialist financial services such as treasury, taxation and insurance.

Executive Director - Finance Partnering and Insights, Group Finance, FTC	Act as a trusted finance and investment adviser to all divisions and agencies by providing reliable advice, expertise, and support to help drive business performance.

6. Document control

6.1 Superseded documents

This Policy supersedes Finance and Investment Policy CP23002.1.

6.2 Document history

Date and Policy number	Document owner	Approved by	Amendment notes
31 July 2023 CP23002	Group Chief Financial Officer	Secretary	Consolidation of multiple documents.
12 November 2025 CP23002.1	Deputy Secretary Finance, Technology & Commercial	Deputy Secretary Finance, Technology & Commercial	Scheduled review.

7. Feedback and help

For advice on interpreting or applying this document, please contact the [Divisional Management Office of the Deputy Secretary FTC and Group Chief Financial Officer].

Appendix A: Transport Executive Committee Portfolio Management Principles

The purpose of the Portfolio Management Principles is to enable FTC's accountabilities for leading governance, frameworks, reporting and capabilities across the Transport portfolio to ensure compliant management of investments and financial risks, including strategic advice and confident outcomes focused decision making and guide organisational design impacts.	
1	FTC is accountable for financial management policy and will lead, own and advise the portfolio on the Finance and Investment Management (FIM) Framework, including budgeting, forecasting, portfolio contingency, portfolio assurance, portfolio investment prioritisation (in conjunction with PIP division), benefits realisation, and costing and outcomes framework, noting PIP owns the Asset Management Framework.
2	Equip is the single source of truth for financial management for a minimum data set (project data and portfolio requirements) and defined by FTC. OneStream is the single source of truth for financial data.
3	FTC will issue the funding allocation and adjustments to divisions, as required.
4	FTC leads engagement with Treasury, Gateway Coordination Agencies (GCAs) and the Federal Department of Infrastructure, Transport, Regional Development and Local Government.
5	FTC controls the management of the capital and operational funding envelope, including source of funds, and is accountable and responsible for consolidated capital and consolidated recurrent budgets and leads alignment to outcomes.
6	FTC leads the integrated annual internal business planning (in conjunction with Secretary Functions) and budgeting process that governs how divisions plan and prioritise their budgets with alignment to outcomes.
7	FTC will be represented in governance structures including high risk programs, the Investment and Assurance Committee (IAC) and divisional investment governance committees.
8	FTC is accountable for the management of Strategic Reserves to fund any cost over-runs as per the approved thresholds in IAC terms of reference and all proposals to fund such requests must proceed to IAC for approval.
9	FTC will oversee the investment prioritisation to fund any cost over-runs and scope changes as per the approved thresholds in the IAC terms of reference and all proposals to fund such requests must proceed to the Deputy Secretary FTC and Group CFO for approval per IAC delegation and reportable to IAC. • Typically, capital allocations to projects will initially be at P50. Divisions will return to IAC for drawdowns from P90 contingency (if available) .
10	FTC is accountable for the management of Strategic Reserves to fund any potential new unfunded proposals. All proposals to fund such requests must proceed to IAC for approval.
11	FTC will support the divisions in financial planning and analysis of their forward funding requirements, prepare budget submissions to Treasury and to upload the approved budgets into the Equip system.
12	Every division must provide an accurate pipeline (quarterly) of a 10 year look ahead (OPEX and CAPEX)) to FTC to allow the business support functions to: • Improve holistic portfolio prioritisation and visibility to support the maximisation of customer outcomes and value for money. • Improve opportunities to engage the right stakeholders at the right time and maximise the opportunity to receive financial/assurance/economic advice. • Provide opportunities for efficiency of business case development such as program strategic business cases to reduce effort, time and assurance. • Develop fund strategies and provide visibility of start/stop points as part of portfolio prioritisation.
13	Divisions must nominate a single point of contact for programs shared across more than one division.
14	Divisions will return unused budget and/or savings on projects to the Strategic Reserves as per the thresholds in IAC terms of reference.
15	Divisions are accountable for project status, gate management and contingency management at project level.