

Auditor-General's Report

Delivery of ACTION Bus Services

**Department of Territory and Municipal
Services**

August 2010



ACT AUDITOR-GENERAL'S OFFICE



The Speaker
ACT Legislative Assembly
Civic Square
London Circuit
CANBERRA ACT 2601

Dear Mr Speaker

I am pleased to forward to you a Performance Audit Report titled '**Delivery of ACTION Bus Services**', for tabling in the Legislative Assembly, pursuant to Section 17(5) of the *Auditor-General Act 1996*.

Yours sincerely

Tu Pham
Auditor-General
26 August 2010

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ABBREVIATIONS AND GLOSSARY

ACT	Australian Capital Territory
ACTIA	ACT Insurance Authority
ACTION	ACT Internal Omnibus Network
ACTPLA	ACT Planning and Land Authority
ATS	Automated Ticketing System for ACT buses
Bus infrastructure	Includes depots, bus stations, interchanges, bus stops, signage, shelters, seats and mobility aids
Bus services	Includes buses, printed and web based timetables, route maps and communication
CCTV	Closed Circuit Television
CNG	Compressed National Gas
DDA	<i>Disability Discrimination Act 1992 (Commonwealth)</i>
Dallas Key	A GPS activator, using driver identification codes
DVD	Digital Video Disc
DSAPT	<i>Disability Standards for Accessible Public Transport 2002 (Commonwealth)</i>
Easy Access	ACTION's DDA compliant 'green' buses
Fuel scan	A commercial software program that monitors and reports on fuel usage
GPO	Government Payment for Outputs
GPS	Global Positioning Service
HASTUS	An integrated and modular software solution for scheduling, operations, and customer information, produced by the GIRO company
ICT	Information and Communications Technology
IMS	ACTION's Incident Management System software program
INDEC Benchmarking	A national benchmarking survey of over 50 bus operators across Australia
Intertown	Description of the 300-series bus routes that cover services between the main interchanges at Tuggeranong, Woden, City and Belconnen
MIS	ACTION's overarching Management Information System, incorporating a range of integrated software applications
NetBI	A web-based information system for providing MIS data across a range of operational areas like payroll, ticketing (ATS), fleet and incidents (IMS)
OH&S	Occupational Health and Safety
REDEX	Allocated name for trial of 15 minute services between Gungahlin Market Place and Kingston Railway Station
Risk Matrix	The process of identifying potential risks, quantifying their likelihood of occurrence and assessing their likely impact on the project
Route	An identifying number allocated to a linkage of bus stops, with a specified start and finish

RTA	ACT's Roads Transport Authority, that also regulates accredited bus services and ACTION
Running times	The time taken to travel the length of a route
Runs	A single journey from start to finish along a route
Service Delivery Reports (formally Service Failure Reports)	Twice-daily reports identifying which runs were dropped each day from routes originating at either depot
Shift card	Defines bus-driving work for the day and can consist of several runs from a range of routes
Smartcard	A mechanism for passengers to use to validate their tickets
SOP	Standard Operating Procedure
Tactile pad	The colour-contrasted non-slip device that assists visually impaired people to navigate within the built environment
TAMS	ACT Department of Territory and Municipal Services
Xpresso	ACTION abbreviation for peak-hour routes with limited stops after departing outer locations

1. REPORT SUMMARY AND AUDIT OPINION

INTRODUCTION

- 1.1 This report presents the results of a performance audit that reviewed the delivery of ACTION bus services to the residents of the ACT by the Department of Territory and Municipal Services (TAMS).
- 1.2 Audit acknowledges the complex working environment in which ACTION operates, particularly in relation to industrial relations. Audit appreciates the cooperation and assistance of ACTION and TAMS staff during this audit.

BACKGROUND

- 1.3 ACTION is one of the last wholly government-run bus services in Australia (Hobart also has a wholly government-run bus service). ACTION was a statutory authority until 2006, when it was integrated as a business unit into TAMS.
- 1.4 Canberra's bus network consists of major arterial trunk routes, connecting the town centres of Tuggeranong, Woden, Civic, Belconnen, and Gungahlin, and a series of suburban routes connecting with these town centres.
- 1.5 ACTION's strategies outlined in the 2010-11 Budget Papers, include:¹

ACTION's business and corporate strategies are to facilitate the achievement of key performance objectives, which include: reliability; safety; accessibility; responsiveness; efficiency; effectiveness; and improved staff capability.

Strategies to improve reliability, responsiveness, efficiency and effectiveness will focus on the alignment of services and infrastructure with a long term strategic transport policy currently being finalised.
- 1.6 Funding to deliver ACT bus services was provided in the ACT Budget as outlined in Table 1.1 on the following page.
- 1.7 ACT Government subsidies have steadily increased from \$60 million in 2005-06 to \$77 million in 2010-11. In 2009-10, the Government provided an estimated \$76 million to supplement ACTION's operations.

¹ 2010-11 Budget Papers No. 4, page 14

Table 1.1: Summary of ACTION's finances

	2005-06 (1) \$'000	2006-07 (1) \$'000	2007-08 (1) \$'000	2008-09 (1) \$'000	2009-10 (2) Estimated Outcome \$'000	2010-11 (2) Budget Estimates \$'000
Expenses	93 975	88 883	98 471	107 859	105 804	111 812
Income	19 233	21 211	21 331	22 543	23 374	26 630
Net cost of services	74 742	67 672	77 140	85 316	82 430	85 182
ACT Government contributions	60 589	62 187	67 256	73 959	76 245	77 329
Operating (Deficit)	(14 153)	(5 485)	(9 884)	(11 357)	(6 185)	(7 853)

Source: ACTION Annual Reports and 2010-11 Budget Papers

- Notes: 1. ACTION Annual Reports
2. 2010-2011 ACT Budget Paper No 4, p. 114

1.8 Table 1.2 summarises a range of operating statistics for ACTION.

Table 1.2: Operating statistics

Operating Statistics	2008-09	2007-08
Number of buses	411	396
Number of employees ¹	855	797
Number of bus drivers	664	610
Percentage of spare buses	14%	13%
Average bus age (years)	13.9	12.5
Average distance travelled per bus (kilometres)	53 344	52 592
Annual kilometres travelled (kilometres)	21 925 000	20 826 000

Source: INDEC Benchmarking Report 2008-09

- Note: 1. ACTION had 855 staff, equivalent to 753.75 full-time employees, including 745 permanent staff, 43 temporary and 67 casual employees.

AUDIT OBJECTIVE

1.9 The objective of the audit was to provide an independent opinion to the Legislative Assembly on the effectiveness of the delivery of bus services to the ACT community. The audit focused on the operational performance of ACTION and management by TAMS of the delivery of bus services.

1.10 Appendix A provides details of the audit criteria, approach, and methodology.

AUDIT CONCLUSIONS

1.11 The audit conclusions drawn against the audit objective are set out below.

The Department of Territory and Municipal Services (TAMS) has not coordinated, managed, and delivered bus services in an effective manner.

There is significant scope for TAMS and ACTION to improve their performance by addressing deficiencies in compliance with legislation, governance framework and the delivery of reliable services. In particular:

- TAMS has not fully complied with aspects of the Road Transport (Passengers Services) Act, Regulations and Minimum Standards, Disability Discrimination Act, Regulations and Standards and the ACT Human Rights Act;
- there was a lack of approved policies, procedures, and guidelines to support sound management of the safety, reliability, timeliness of bus services, and the provision of infrastructure; and
- data collected was not always reliable and was not used effectively by ACTION. This was likely to impede its ability to improve services and provide the government with sound advice on meeting the current and future needs for public bus services in the ACT.

KEY FINDINGS

1.12 The audit conclusions are supported by the following key findings:

Governance and management (Chapter 2)

- The delivery of bus services and associated infrastructure is a complex arrangement involving ACTION, other business units within TAMS (particularly, Roads ACT and Transport Regulation and Planning) and other ACT Government agencies such as ACTPLA. The various activities were not well coordinated and lacked proper planning.
- TAMS has not fully complied with key legislation including the *Road Transport (Public Passenger Services) Act 2001* and Regulations, the Minimum Service Standards for Bus Services, *Disability Discrimination Act 1992*, and the *Discrimination Act 1991*.
- ACTION did not have an overarching governance framework for the development and application of business Information Communication and Technology systems and processes. This increased the risks of reducing the integrity and validity of data, poor coordination and integration of all ICT applications and duplication of systems and information across the organisation.
- Although ACTION collected a significant amount of data, this data was not managed in a manner that supported detailed analysis and management reporting. This can impede ACTION's ability to improve services and provide the Government with sound advice on meeting the current and future needs for bus services in the ACT.
- Benchmarking studies showed that there was significant scope for ACTION to improve operational performance and cost effectiveness.

- ACTION had a reasonably comprehensive risk plan, and had managed some of the risks as identified in the plans.

Timeliness and reliability of bus services (Chapter 3)

- On each weekday, ACTION manages almost 3 000 service runs, and about 1 540 runs each weekend. Services may be cancelled if buses or drivers are unavailable when the service commences, a breakdown or accident occurs, or a driver becomes unavailable en-route (for example through illness).
- ACTION's reports for the Tuggeranong Depot showed an average 'failed runs rate' of 0.2 percent for weekdays, and 0.4 percent for weekends. This rate was likely to be understated as the underlying data was inaccurate and incomplete.
- Of 500 cancelled services reviewed by Audit, cancellations were due to either a shortage of drivers (83 percent), or of buses (16 percent). There was no evidence of ACTION having developed and implemented strategies to effectively address these issues.
- ACTION had considerable fleet management knowledge, including information on cancellation of runs and routes, but this knowledge was not supported by approved policies and procedures. There were no approved guidelines for relevant staff about which runs should be cancelled. This was addressed mostly through the corporate knowledge of the staff involved. Further, there were no performance indicators or standards established for the reliability of bus services to guide ACTION's operations and to increase its accountability.
- ACTION collected useful information to monitor and analyse service reliability issues, but poor data management practices undermined the completeness and integrity of the data. ACTION did not effectively use relevant data to determine whether there were discernible characteristics or trends that would assist in the management of service reliability.
- ACTION's measure of timeliness was based on a user satisfaction survey. A more appropriate measure of the timeliness should relate to whether a service arrives at a timing point (for example, a bus stop, station, or interchange) within a certain interval from the advertised time. ACTION's new ticketing system has provision for such measurement.

Safety (Chapter 4)

- ACTION had processes in place to report and record incidents and accidents relating to the safety of drivers and passengers. However, inadequate procedures and a lack of quality review reduced the accuracy of the data and impeded management's ability to fully and reliably analyse incident and accident reports. There was inadequate use of the collected data to improve the overall safety aspects of its operations.
- The *Road Transport (Public Passenger Services) Act 2001* requires ACTION to report all bus accidents to the Road Transport Authority. Although ACTION's records showed 219 bus accidents during 2009-10, Audit found no evidence of ACTION reporting them to the Road Transport Authority.
- Where a driver is consistently observed to have accidents or incidents, he or she may be counselled, or other action taken. There were no approved procedures

prescribing circumstances that would require general counselling, referring the driver for retraining or other actions. There was a lack of consistency that followed identification of potentially unsafe driving.

- There was no formal process in place for scheduled refresher courses for ACTION's drivers to update their knowledge and driving skills, or to refresh and develop skills in other aspects of safety, security, and customer service.
- ACTION has not prepared procedures for operations of its CCTV on-bus systems, as required under the ACT Government's 2009 *Code of Practice for Closed Circuit Television Systems*. There was a risk that ACTION's practices did not adequately protect the privacy of the individual or prevent possible misuse of the system as required by the Human Rights Act. Further, ACTION may not be meeting legislated requirements regarding the CCTV system, such as keeping the CCTV footage for a minimum legislated period.
- The rate of bus accidents in the ACT was within a range of accidents that occurred in other jurisdictions in Australia. However, the rate of collisions in the depots (10 percent) and on the road in which liability was accepted by ACTION (23 percent) suggested there was significant scope for improved safety through reducing preventable collisions. Bus accidents increased by 39 percent from 157 in 2008-09 to 219 in 2009-10.
- There were cases where passenger and public safety had been compromised during construction and maintenance of bus stops. Such matters ranged from poor lighting at bus stops to occasions where passengers were unable to safely access the bus stop for embarking and disembarking purposes.
- The *Road Transport (Public Passenger Service) Regulations 2002* and the Scania bus warranty required pre-departure bus checks to be undertaken daily. ACTION was unable to supply documentation to confirm that such important safety checks were being performed.

Ticketing (Chapter 5)

- Problems with ACTION's current Automated Ticketing System had been documented for several years. Plans to introduce a replacement system have been frequently delayed. This has led to the:
 - collection of inadequate and unreliable data on types of passengers and their travel patterns;
 - lack of reliable data to better plan, develop, fund and deliver services;
 - substantial losses of revenue; and
 - additional financial costs for maintaining outdated equipment.
- The ACT Government has announced a new ticketing system to be trialled in 2010. This new system should be capable of capturing a substantial amount of data, for example, passenger travel patterns, and fare types. This data can be used for operational and management purposes. TAMS may need to upgrade its ICT capabilities, if it is to maximise the data collection and utilisation capacities of the new system.

Bus Infrastructure and Services (Chapter 6)

- Coordination between various business units within TAMS and other relevant ACT Government agencies did not provide for effective planning and management of bus services and infrastructure:
 - there was no overall master plan to coordinate the planning and provision of bus infrastructure; and
 - there was no robust governance and accountability structure to clarify responsibilities for construction, maintenance, performance, and reporting mechanisms for the management of bus infrastructure.
- Much of the bus infrastructure did not meet standards prescribed under the Commonwealth *Disability Discrimination Act 1992* and the ACT *Discrimination Act 1991*.

Customer Service (Chapter 7)

- ACTION did not have a customer service charter that outlined the nature and standard of services, rights, and responsibilities of ACTION and passengers, feedback mechanisms available to customers and how such feedback will be handled (including timeframes). Although such a charter existed when ACTION was a statutory authority, it is now aligned to the generic TAMS charter, notwithstanding ACTION's specific and significant services to the community.
- ACTION provided a good front portal through Canberra Connect for receiving complaints and feedback; and responded to the majority of complaints on a timely basis. However, ACTION did not have an integrated complaints management framework that included documented policies and procedures and a mechanism to support the capture and analysis of complaints information for the improvement of service delivery.
- ACTION's responses to complaints often advised that investigations would be made or that policies and procedures existed. ACTION was unable to provide evidence that the obligations made to customers were followed through, or that the purported documented policies existed.

RECOMMENDATIONS AND RESPONSE TO THE REPORT

1.13 The Audit made twelve recommendations to address the audit findings detailed in this report.

1.14 In accordance with section 18 of the *Auditor-General Act 1996*, a final draft of this report was provided to the Chief Executive of TAMS for consideration and comments. The Chief Executive's overall response is shown below:

Corporate systems, governance and capability in ACTION have been somewhat compromised over the past three to four years. Management prerogative has also been compromised by the industrial relations environment and the current enterprise agreement negotiations represent a significant first step in the reform of and continued improvement of ACTION. Through this process it will be imperative that ACTION reclaims

its management prerogative to make the business decisions that it will ultimately be held accountable for.

ACTION staff and management are acutely aware of the importance of accessible public transport to the ACT community and are committed to improving the efficiency and effectiveness of the business. To this end, it should be noted that TAMS and ACTION Management have already taken steps to address many of the issues raised in this Performance Audit.

- 1.15 In addition, the Chief Executive provided responses to each recommendation, as shown below.

Recommendation 1 (Chapter 2)

ACTION should review all legislative requirements and develop and implement strategies to meet the requirements of the following legislation:

- (a) *Road Transport (Public Passenger Services) Act 2001 (ACT);*
- (b) *Road Transport (Public Passenger Services) Regulation 2002 (ACT);*
- (c) *Road Transport (Public Passenger Services) (Minimum Service Standards for Bus Services) Disallowable Instrument DI2006–40 (ACT);*
- (d) *Human Rights Act 2004 (ACT);*
- (e) *Discrimination Act 1991 (ACT);*
- (f) *Disability Discrimination Act 1992 (Commonwealth); and*
- (g) *Disability Standards for Accessible Public Transport 2002.*

Response from TAMS:

Agreed – TAMS and ACTION understand the importance of legislative compliance. By June 2011, the relevant pieces of legislation will be interpreted with assistance from the Government Solicitor’s Office to confirm compliance or otherwise, with a view to addressing areas of non-compliance if and when identified.

Recommendation 2 (Chapter 2)

The Department of Territory and Municipal Services should ensure that activities of the various business units associated with the planning for, and delivery of, bus services and relevant infrastructure are well coordinated.

Response from TAMS:

Agreed – TAMS has just created the new business unit of Transport Planning for the purpose of improving the planning for, and delivery of, bus services and relevant infrastructure.

Recommendation 3 (Chapter 2)

The Department of Territory and Municipal Services should implement a robust governance structure within ACTION that:

- (a) includes approved policies, procedures, and guidelines for business critical systems and processes; and
- (b) provides reliable data to inform management and government in decision making regarding delivery of bus services.

Response from TAMS:

Agreed. ACTION requires a dedicated Corporate Governance officer for this purpose. Within existing resources, ACTION is progressing a management restructure that includes this position to concentrate on improving the framework and development of policies, procedures and guidelines with the view to providing reliable data to management and government for decision making. A governance framework and updated and approved policies, procedures and guidelines for business critical systems and processes is aimed for delivery by June 2011.

Recommendation 4 (Chapter 3)

ACTION should improve information management by implementing systems and processes that can provide:

- (a) real time data;
- (b) accurate and valid data;
- (c) consistency in reporting; and
- (d) storage of data in an accessible manner.

Response from TAMS:

Agreed – ACTION will work with the new business unit of Transport Planning in the Department to coordinate the development and implementation of a Real Time Information System by June 2013, funding for which was provided over three years to Transport Planning as part of Transport for Canberra in the 2010-11 budget.

ACTION agreed to pursue improved accuracy and validity of data, consistency in reporting and improved data storage for ease of accessibility by June 2011.

Recommendation 5 (Chapter 3)

ACTION should:

- (a) effectively use collected data to improve the reliability and timeliness of bus services and inform decisions regarding the cancellation of bus services; and
- (b) assess the impact of cancelled services on the community.

Response from TAMS:

Agreed – ACTION will continue to improve its analysis of collected data for the purpose of improving reliability and timeliness of bus services and in particular, to inform decisions regarding the cancellation of bus services. This will rely in part on the implementation of the new ticketing system as well as the real time information system, which combined will offer improved trip and travel data. The new ticketing system is due for implementation in late 2010 and the real-time information system is due for implementation by June 2013. ACTION will investigate options for assessing the impact of cancelled services on the community by June 2011.

Recommendation 6 (Chapter 4)

ACTION should develop processes for validation of the transfer of data from its Incident Management System to the ACT Insurance Authority stand-alone database to improve the accuracy of data used for management of risks and liability.

Response from TAMS:

Agreed – ACTION will develop a process for validation of the transfer of data from the IMS to the ACTIA claims database by December 2010.

Recommendation 7 (Chapter 4)

ACTION should provide regular retraining for all drivers, including:

- (a) safe driving techniques;
- (b) road rules update; and
- (c) customer service skills, including de-escalation of conflict.

Response from TAMS:

Agreed - ACTION will seek funding through the normal budget process to develop a comprehensive program for driver refresher training for implementation by December 2011.

Recommendation 8 (Chapter 4)

ACTION should implement and monitor a documented pre-departure bus inspection procedure that meets legislative, warranty, and safety requirements

Response from TAMS:

Agreed – New drivers are trained to undertake pre-departure checks and have time available on their shift to do so; however, by June 2011, ACTION will develop a pre-departure bus inspection procedure that meets legislative, warranty and safety requirements and effectively monitors this task.

Recommendation 9 (Chapter 5)

In implementing the new ticketing system, the Department of Territory and Municipal Services should ensure:

- (a) ACTION's ICT systems and staff have the capacity to effectively use the capabilities of the new system; and
- (b) policies and procedures to manage the new system have been developed and approved.

Response from TAMS:

Agreed – ACTION will work with the new Transport Planning business unit in the Department to assess ACTION's ICT system and staff capacity and to develop and have approved policies and procedures to manage the new system by December 2010.

Recommendation 10 (Chapter 6)

The Department of Territory and Municipal Services should:

- (a) coordinate the development of a master plan for the installation and maintenance of all bus infrastructure across the ACT; and
- (b) ensure legislated obligations regarding bus infrastructure are met.

Response from TAMS:

Agreed – By June 2012, ACTION will work with Roads ACT and Transport Planning to coordinate the development of a master plan for the installation and maintenance of all bus infrastructure across the ACT with the view to ensuring legislated obligations regarding bus infrastructure are met.

Recommendation 11 (Chapter 6)

ACTION should provide information (web-based or otherwise) that can be accessed equally by all groups in the community, such as large-print timetables, route maps on buses and at bus stops, or announcements on the buses of ‘next stop’ information.

Response from TAMS:

Agreed – By June 2011, ACTION and Transport Planning will investigate and implement what improvements can be made to its web-based and printed information to improve equality of access for all groups in the community.

Recommendation 12 (Chapter 7)

ACTION should improve its feedback and complaints system, to ensure it contributes to service improvements, by including:

- (a) an approved Customer Service Charter;
- (b) approved policies and procedures for complaints handling;
- (c) complaints data and record management;
- (d) the use of complaints information to improve services;
- (e) staff training; and
- (f) information about referral to external agencies including the ACT Ombudsman and the Human Rights Commission.

Response from TAMS:

Agreed – By June 2011, ACTION will deliver:

- a) an approved Customer Service Charter;*
- b) approved policies and procedures for complaints handling;*
- c) improved complaints data and record management;*
- d) improved analysis of complaints information for the purposes of decision making;
and*
- e) information about referral to external agencies including the ACT Ombudsman and
the Human Rights Commission; and*
- f) ACTION will seek approval from the Department for Customer Service staff to
access appropriate training.*

2. GOVERNANCE AND MANAGEMENT

INTRODUCTION

- 2.1 This chapter considers whether ACTION has the capacity to meet legislative requirement and to implement a robust governance structure for the management of its performance.

KEY FINDINGS

- The delivery of bus services and associated infrastructure is a complex arrangement involving ACTION, other business units within TAMS (particularly, Roads ACT and Transport Regulation and Planning) and other ACT Government agencies such as ACTPLA. The various activities were not well coordinated and lacked proper planning.
- TAMS has not fully complied with key legislation including the *Road Transport (Public Passenger Services) Act 2001* and Regulations, the Minimum Service Standards for Bus Services, *Disability Discrimination Act 1992*, and the *Discrimination Act 1991*.
- ACTION did not have an overarching governance framework for the development and application of business Information Communication and Technology systems and processes. This increased the risks of reducing the integrity and validity of data, poor coordination and integration of all ICT applications and duplication of systems and information across the organisation.
- Although ACTION collected a significant amount of data, this data was not managed in a manner that supported detailed analysis and management reporting. This can impede ACTION's ability to improve services and provide the Government with sound advice on meeting the current and future needs for bus services in the ACT.
- Benchmarking studies showed that there was significant scope for ACTION to improve operational performance and cost effectiveness.
- ACTION had a reasonably comprehensive risk plan, and had managed some of the risks as identified in the plans.

STRATEGIC FRAMEWORK

- 2.2 To operate effectively and efficiently, ACT Government entities require a governance framework that includes components such as:
- appropriate management structures;
 - policy;
 - systems and procedures; and
 - legal and legislative requirements.

- 2.3 This framework provides guidance, clarifies decision making processes, provides a measure of accountability, and gives taxpayers assurance that the organisation meets agreed operational and financial standards.
- 2.4 Key legislation relevant to ACTION's operations includes:
- *Road Transport (Public Passenger Services) Act 2001* (ACT);
 - *Road Transport (Public Passenger Services) Regulations* (ACT);
 - *Road Transport (Public Passenger Services) (Minimum Service Standards for Bus Services) Disallowable Instrument DI2006-40* (ACT);
 - *Discrimination Act* (ACT) 1991;
 - *Disability Discrimination Act 1992* (Commonwealth);
 - *Disability Standards for Accessible Public Transport 2002* (Commonwealth); and
 - *Human Rights Act 2004* (ACT).
- 2.5 The *Road Transport (Public Passenger Services) Act 2001* and the *Road Transport (Public Passenger Services) Regulation 2002* are the primary means for the regulation of public transport services in the ACT. The Act provides for accreditation of operators of public passenger services and taxi networks operating in the ACT, the licensing of vehicles used as taxis and hire cars, and encourages public passenger services that meet the reasonable expectations of the community for safe, reliable, and efficient public passenger services. The Road Transport Authority has issued *Minimum Service Standards for Bus Services* under the Regulations, and these are binding on bus service operators.
- 2.6 The Act specifically provides that the Territory is entitled to operate a regular route service whether or not the Territory is accredited under the regulations or hold a service contract for the service; that is, the Territory is exempt from the requirement to seek accreditation or hold a service contract. In most other respects, however, ACTION is required to comply with all the above Acts, Regulations, and Standards as if it were an accredited service provider.
- 2.7 The *Commonwealth Disability Discrimination Act 1992* (DDA) seeks to eliminate, as far as possible, discrimination against persons on the ground of disability in, among other things, the provision of goods, facilities, and services. The DDA defines 'services' to include services relating to transport or travel.
- 2.8 The *Disability Standards for Accessible Public Transport 2002* were issued under the DDA. The purpose of the Standards is to enable public transport operators and providers to remove discrimination from public transport services. The Standards acknowledge certain rights of passengers, operators and providers, as well as imposing some responsibilities, particularly in regard to conveyances (e.g. buses), premises, and infrastructure (e.g. bus stops, access paths or terminals). The Standards are consistent with Australian Standards and Australian Design Rules. The Standards have graduated obligations, for example, requiring 25 percent of all bus stops to have tactile indicators by 31 December 2007. Other

examples of the obligations of the Standards include the identification of the need for all information to be accessible. The Standards (Section 27.2) state:

If information cannot be supplied in a passenger's preferred format, equivalent access must be given by direct assistance.

- 2.9 The obligation for the requirement for compliant information at bus stops is 25 percent by 31 December 2007 and 55 percent by 31 December 2012. However, the guidelines state that the provision of information at bus stops does not mean that material should not be available elsewhere. Formats that are compliant with the Standards include standard and large print, Braille, audio, touch-one telephone, TTY and online computers or disks. Passengers should anticipate that certain formats may only be available from certain outlets, for example, bus drivers may provide oral information on time tables and bus routes, but they may not have alternative format timetables on their buses.
- 2.10 If it is not possible for operators to supply information in a particular format, passengers may expect assistance to enable them to use documentation in the available formats, for example, the provision of a photocopy enlargement of a timetable, or announcement of stops on the bus as seen on some Redex Buses.
- 2.11 The ACT *Discrimination Act 1991* states that people with a disability should not be treated unfavourably in the provision of services and this applies to bus services. There are some overlaps with the Commonwealth legislation. The ACT *Discrimination Act 1991* elaborates on the rights to equity under the ACT *Human Rights Act 2004*.
- 2.12 The main objective of the *Human Rights Act 2004* is to promote the human rights and welfare of people living in the ACT. Under this Act, it is unlawful for a public authority to act in a way that is incompatible with a human right; or in making a decision, to fail to give proper consideration to a relevant human right. This includes any public authority involved in providing public transport services.

Legislative Compliance

- 2.13 Audit considered whether ACTION and TAMS were compliant with various aspects of the above legislation in the provision of bus services and infrastructure. Audit found that ACTION and TAMS were not fully compliant with key legislation.
- 2.14 Table 2.1 gives examples of compliance and non-compliance with the relevant Acts.

Table 2.1: Examples of legislative compliance requirements

Act and Regulations	Requirements	Does ACTION comply?	Risks
<i>ACT Road Transport (Public Passenger Services) Regulations</i>	Notifiable bus incidents must be reported to the Road Transport Authority as soon as practicable but within 24 hours. This is a strict liability provision	No	Failure to keep accurate records. Inability to accurately benchmark performance with other jurisdictions
	Daily bus inspections by drivers before leaving the depot	No	Buses may not be safe when leaving the depots
	Drivers must, before operating the vehicle as a bus, check whether the security camera is operating	No	Defective cameras may not be identified, leading to a failure to collect information
	CCTV footage must be kept by the operator for 30 days	No	Not protecting people's rights
<i>ACT Road Transport (Public Passengers Services) Regulations - Disallowable Instrument with Minimum Standards for Bus Services</i>	Ensure processes are in place for drivers to inspect buses prior to departure	No	Unsafe buses
	Maintain auditable records for customer service and driver training	No	Safety issues may not be addressed, including drivers may not receive regular training. Customer feedback may not be incorporated into management decision-making processes
	Maintain auditable records for incidents and accidents	Yes	
<i>1992 Commonwealth Disability Discrimination Act and the Disability Standards</i>	The international symbol of accessibility must be clearly visible on the front of accessible buses	Yes	
	Colour-contrasted tactile indicators must be installed at accessible boarding points at bus stops or in bus zones	Partial	Visually impairment people may not have a safe access to public transport
	General information about transport services must be accessible to all passengers	No	All sections of the community may not have access to transport information
	Handrails must be placed along an access path wherever passengers are likely to require additional support or passive guidance	No	Lead to additional falls by older people or people with a disability

Source: Audit summary of selected parts of relevant legislation, matched against Audit findings

2.15 Non-compliance with the relevant Acts increases the risk of:

- a lack of accountability to the ACT and Commonwealth Parliaments;

- a reduction in the community confidence in the ability of ACTION and Roads ACT to provide appropriate bus and infrastructure services;
- a lack of clarity regarding roles and responsibilities of ACTION and other agencies; and
- further exposure to litigation in the case of accidents or incidents.

Recommendation 1

ACTION should review all legislative requirements and develop and implement strategies to meet the requirements of the following legislation:

- (a) *Road Transport (Public Passenger Services) Act 2001 (ACT)*;
- (b) *Road Transport (Public Passenger Services) Regulation 2002 (ACT)*;
- (c) *Road Transport (Public Passenger Services) (Minimum Service Standards for Bus Services) Disallowable Instrument DI2006–40 (ACT)*;
- (d) *Human Rights Act 2004 (ACT)*;
- (e) *Discrimination Act 1991 (ACT)*;
- (f) *Disability Discrimination Act 1992 (Commonwealth)*; and
- (g) *Disability Standards for Accessible Public Transport 2002*.

Structures and systems

- 2.16 ACTION is a business unit of TAMS and as such falls under the governance structure of TAMS.
- 2.17 ACTION's primary responsibility is to deliver public transport services. In delivering its bus services, ACTION is particularly reliant on other business units within TAMS:
- Roads ACT, which provides the bus stop infrastructure as well as transit ways, bus interchanges and stations;
 - Transport Regulation and Planning, whose role is to plan for bus stops; and
 - Roads Transport Authority responsible for driver licences and reporting requirements.
- 2.18 ACTPLA has a limited role in the overall management of bus infrastructure. It is involved at the planning stages of new estates in regards to bus stops. There is the potential to utilise the skills and expertise of ACTPLA when reviewing routes and scheduling of services.

2.19 Although ACTION has a significant interest in planning for the delivery of services, including town planning for the delivery of transport services to new developments, and the location and nature of bus infrastructure, ACTION does not construct or own infrastructure assets. It is important, therefore, that a sound process for coordination be developed across TAMS business units and other government agencies, for the development and supply of bus infrastructure and services. Activities were not well coordinated, and communication between relevant areas was not effective. This is discussed in more detail in Chapter 6 of this report.

Recommendation 2

The Department of Territory and Municipal Services should ensure that activities of the various business units associated with the planning for, and delivery of, bus services and relevant infrastructure are well coordinated.

2.20 ACTION had numerous business systems and databases to support various aspects of its work including:

- NetBI - a web-based information system providing data across a range of operational areas like payroll, ticketing, fleet and incidents;
- HASTUS - an integrated and modular software system for scheduling, operations, and customer information; and
- IMS – a software program recording and managing incidents and accidents across ACTION’s operations.

2.21 ACTION was unable to provide evidence of an overarching governance framework to oversee and monitor the development and application of business systems and processes. For a significant operation such as ACTION, an Information Communication and Technology (ICT) governance framework provides assurance that:

- systems are compatible, integrated, and supported;
- staff are complying with agreed policies and procedures for use of the systems, including capturing and recording data; and
- all relevant information is captured and analysed to assist management in decision making.

2.22 The absence of a ICT governance framework increases the risks of:

- reduced integrity and validity of data, including data for monitoring and reporting patronage, fare collection, and safety issues; and
- poor coordination and integration across all ICT applications, leading to potential duplication and mismanagement of systems and information.

- 2.23 Audit noted some duplication of systems (for example, some data in the IMS is manually replicated in a stand-alone database used to analyse accidents) and some systems had significant potential that had not been developed further.
- 2.24 ACTION advised that it would develop a governance framework for all areas of its business, including ICT, in 2010-11.

Cost effectiveness

- 2.25 In 2009, ACTION commissioned an INDEC benchmarking assessment of its services against a selection of private bus operators in four Australian jurisdictions, with a view 'to establish the efficient cost of providing regular passenger services in the areas serviced by ACTION buses'. This benchmark report showed that between 2007-08 and 2008-09:
- bus hourly costs (direct driver wages including on-costs) increased from \$42.1 million to \$47.1 million;
 - bus kilometres costs (fuel, maintenance, cleaning, bus running expenses) increased from \$24.4 million to \$26.0 million;
 - bus overhead costs (administration salaries, including on-costs and other indirect expenses) increased from \$19.9 million to \$23.7 million; and
 - operational expenditure increased by 11.9 percent.
- 2.26 Although the report sought to 'normalise' many of the operating environment factors that distinguished the ACT from other jurisdictions, it pointed to many areas of ACTION's operations that had 'apparent inefficiencies' when compared to other bus services. Some differences may reflect higher expectations of the community, greater use of CNG and modern air-conditioned buses, but in many areas (such as driver, workshop, and administration), ACTION's costs showed unfavourable variances from the benchmarks. This suggested that ACTION has scope to be more cost effective.
- 2.27 Audit findings were consistent with those from the benchmarking assessment. For example, Audit noted that ACTION current systems and procedures had not contributed to achieving cost effectiveness:
- failures in ACTION's Automated Ticketing System led to a loss of revenue, estimated by ACTION to be in the order of \$0.5 million (or 2.8 percent of fares) in 2007;
 - ACTION managed fuel costs and monitored usage using an averaging system, which may not provide accurate information on real costs and usage; and
 - ACTION did not record bus kilometres daily. Among other things, that affected the maintenance of the bus fleet and sound contract management practices. The warranty for ACTION's Scania buses required vehicles be serviced every 30 000 kilometres, but as there was no accurate record of the kilometres travelled, the buses were serviced every 90 days.

- 2.28 ACTION advised that it had been aware of the issues relating to the measurement of fuel and kilometres travelled and would use the results of a recent assessment of its fuelling system to support a bid for funding in the 2011-12 budget for a replacement system with greater monitoring capacity.
- 2.29 ACTION’s insurance premiums were increasing, as shown in Table 2.2. High public liability insurance was a factor noted in the benchmarking assessment.

Table 2.2: ACTION insurance premiums

Year	Premiums (net of GST)
2007-08	\$1.808 million
2008-09	\$4.141 million
2009-10	\$4.841 million

Source: ACT Insurance Authority

- 2.30 The ACT Insurance Authority (ACTIA) provided insurance coverage to ACTION based on market value, and part of the recent increase in costs was the result of a whole of government review undertaken by ACTIA. Nevertheless, ACTION needs to carefully examine its practices to identify and address the primary factors behind the substantial increases in insurance.

MINIMISING RISKS AND LIMITING GOVERNMENT LIABILITY

- 2.31 Risks are normally measured in terms of a combination of the ‘consequences’ of an event and their ‘likelihood’. Elimination of risk is generally not a practical goal but risks can be managed and mitigated by various treatments. Good risk management is fundamental to good management and innovation.
- 2.32 As a significant provider of transport services within the ACT, it is critical that ACTION’s risks and liabilities are monitored and managed actively. The ACT Government, through ACTION, faces significant potential liabilities including those arising from accidents involving the public, passengers, and drivers.
- 2.33 ACTION had an approved risk plan, and risks were being monitored at a regional and corporate level.
- 2.34 In May to June 2007, ACTION commissioned a security risk assessment. ACTION had made progress in addressing some of the security risks identified through, for example, the relocation of its radio room, an assessment of its fuelling system, and installation of CCTVs at bus interchanges.
- 2.35 ACTION’s Risk Management Plan for 2008-09 outlined five risks to safety of drivers and passengers. Table 2.3 below indicates progress by ACTION in managing these risks.

Table 2.3: Implementation of ACTION’s 2008-09 Risk Management Plan

RISKS	ACTION’s measures
Failure of ACTION’s communication system	Radio room had been relocated
Drivers failing to engage the park brake on a bus, posing a safety risk issue to passengers and run away buses	ACTION has issued a DVD to drivers on the use of park brakes
Injury to ACTION staff, customers, and members of the public	ACTION had engaged a Safety and Security Manager who would work with the Corporate Manager to develop and implement policies and procedures around safety issues
Increases in Comcare and general insurance premiums due to injuries	ACTION had undertaken a Corporate restructure and ACTION would strengthen its Human Resource capability with a specific goal of reducing its Comcare premiums

Source: ACTION documentation

2.36 An updated risk register was endorsed by ACTION in May 2010.

2.37 Internal audits are a valuable means to assess and monitor risk management practices. The TAMS Strategic Internal Audit Plan (2009-12) identified the following areas of ACTION’s operations for audit:

- fuel scan;
- ticketing system;
- cash management processes;
- bus network system (HASTUS); and
- performance measurements and cost drivers for the network.

2.38 An internal audit of performance measurement and cost drivers for the bus network had been completed. This audit identified a lack of documented procedures and guidance for the development of the network budget and a breakdown in routine monitoring and analysis of performance and cost information. ACTION agreed with audit recommendations and has initiated remedial action. However, other planned audits are yet to commence. For a significant operation of ACTION’s size and complexity, better practices would require internal audits to be regularly undertaken to inform management of operational deficiencies and remedies to address them.

2.39 ACTION’s Business Plan for 2008-09 identified five key objectives. Safety is an important objective, and key performance indicators for this objective are to:

- reduce on-road incidents;
- reduce workplace accident; and
- meet legislative compliance.

2.40 The Business Plan identified several activities and projects intended to deliver against the safety performance indicators, all with a completion timeframe during 2008-09. Progress of the activities is outlined in Table 2.4 below.

Table 2.4: Progress with 2008-09 ACTION Business Plan

Activity/Project	Status as reported by ACTION
Upgrade close circuit television systems (CCTV) on Scania buses	Completed
Continue the program to upgrade CCTV at all bus interchanges	Completed
Continue to refine the Incident Management System (IMS) system and procedures	Completed
Commence work to replace the radio communication system	Ongoing
Use Shared Services Workplace Health and Safety Management System Framework to assist with ACTION's risks, safety and legislative requirements	Completed
Develop a training video for drivers on the use of brakes on buses and implement a re-training program	Video – completed Re-training – not completed
Develop information to reduce incidents in workshop	Not completed
Continue to run Year 3 and 4 bus safety education program in primary schools	Ongoing
Continue to run the bus-wash visit program for pre-school children	Ongoing
Develop a school-based DVD to be used in conjunction with the Bus Safety Education Program	Not completed
Comply with the Occupational Health & Safety Act	Ongoing
Replace four Special Needs Transport Hino buses	Completed
Maintain on-going compliance with the in-house vehicle inspection and registration process	Ongoing

Source: ACTION progress reports against the 2008-09 Business Plan

2.41 Not all of the activities and projects have been completed at the time of the Audit. Given that these were expected to be undertaken in 2008-09, some key activities were not implemented in a timely manner to address safety issues.

2.42 Further, ACTION should assess the effectiveness of some of its measures to address safety risks. For example, Audit questions the effectiveness of only issuing a DVD to drivers to address the safety issues of using park brakes. Audit noted that although drivers were required to sign a form stating they had received a copy of the DVD, there was no assurance that they had viewed or understood the DVD. A better approach would have been to require attendance of bus drivers at training sessions on this issue.

CONCLUSION

2.43 For any organisation to be accountable, systems and processes need to be in place that support the governance and accountability structures of the organisation.

These include systems to ensure compliance with legislation, the development of appropriate policies, and procedures for planning and operational performance and the management of risk.

- 2.44 Although operating as a statutory authority until 2006, ACTION now functions as a business unit within TAMS, and has adopted in a broad sense the governance structures within TAMS.
- 2.45 The current governance arrangements applied for ACTION were not sufficient to manage a range of significant performance issues specific to ACTION, and to allow ACTION, as a business within TAMS, to be fully accountable to all stakeholders. For example, ACTION will need to develop and implement relevant policies, procedures, and systems that reflect legislative and consumer requirements, including a master plan for the coordination of bus infrastructure, ICT quality framework, risk management processes, and analysis of data to inform operational and management decision-making processes.
- 2.46 The following table summarises examples of areas, assessed against the Audit criteria, that need to be addressed by ACTION and TAMS. Some of the issues identified are discussed in detail in later chapters of this report.

Table 2.5: TAMS/ACTION's performance

Audit criteria	Examples of deficiencies in TAMS/ACTION operation
Governance and management	ACTION did not have an ICT framework to coordinate and support the multiple ICT applications.
	<p>There was no overarching master plan between ACTION, Roads ACT and ACTPLA, that included:</p> <ul style="list-style-type: none"> • planning and maintenance of bus infrastructure; • DDA requirements; and • passenger movement trends.
	ACTION, RTA and Roads ACT did not comply with relevant legislation e.g. ACTION did not report accident data to the RTA, and Roads ACT was not providing signs at bus stops in accordance with the DDA standards that required 100 percent compliance in 2007.
Bus infrastructure and services	ACTION did not provide adequate relevant and accessible information including large print options and route maps on bus stops.
Timeliness and reliability	ACTION passengers could not access real time information to ascertain if their run had been cancelled or was running late etc.
	ACTION cancelled runs without notice to its passengers, which impacted on the reliability of the services.
Safety	ACTION had not provided regular safety training updates for its long-term drivers.
	ACTION was not analysing accident and incident data, to improve its safety requirements.
Ticketing	ACTION had an estimated annual loss of \$0.5 million due to faulty ticketing machines.
	There was a risk that the introduction of a new ticketing system could not be well supported by the existing systems.
Customer service	ACTION did not have a Customer Service Charter.
	ACTION's complaints system was deficient. It did not analyse relevant information, to improve its systems and processes.
	ACTION did not provide information regarding external avenues for complaints e.g. ACT Ombudsman or the Human Rights Commission.

Source: Audit Office

Recommendation 3

The Department of Territory and Municipal Services should implement a robust governance structure within ACTION that:

- (a) includes approved policies, procedures, and guidelines for business critical systems and processes; and
- (b) provides reliable data to inform management and government in decision making regarding delivery of bus services.

3. TIMELINESS AND RELIABILITY OF BUS SERVICES

INTRODUCTION

3.1 This chapter examines the timeliness and reliability of ACTION bus services.

KEY FINDINGS

- On each weekday, ACTION manages almost 3 000 service runs, and about 1 540 runs each weekend. Services may be cancelled if buses or drivers are unavailable when the service commences, a breakdown or accident occurs, or a driver becomes unavailable en-route (for example through illness).
- ACTION's reports for the Tuggeranong Depot showed an average 'failed runs rate' of 0.2 percent for weekdays, and 0.4 percent for weekends. This rate was likely to be understated as the underlying data was inaccurate and incomplete.
- Of 500 cancelled services reviewed by Audit, cancellations were due to either a shortage of drivers (83 percent), or of buses (16 percent). There was no evidence of ACTION having developed and implemented strategies to effectively address these issues.
- ACTION had considerable fleet management knowledge, including information on cancellation of runs and routes, but this knowledge was not supported by approved policies and procedures. There were no approved guidelines for relevant staff about which runs should be cancelled. This was addressed mostly through the corporate knowledge of the staff involved. Further, there were no performance indicators or standards established for the reliability of bus services to guide ACTION's operations and to increase its accountability.
- ACTION collected useful information to monitor and analyse service reliability issues, but poor data management practices undermined the completeness and integrity of the data. ACTION did not effectively use relevant data to determine whether there were discernible characteristics or trends that would assist in the management of service reliability.
- ACTION's measure of timeliness was based on a user satisfaction survey. A more appropriate measure of the timeliness should relate to whether a service arrives at a timing point (for example, a bus stop, station, or interchange) within a certain interval from the advertised time. ACTION's new ticketing system has provision for such measurement.

BACKGROUND

3.2 The ACT Government's 2004 Sustainable Transport Plan, identified reliability as an important consideration to people's transport decision making.²

² The Sustainable Transport Plan for the ACT, April 2004, page 19.

- 3.3 Timeliness of ACTION services is one of the most important aspects of its service delivery. The 2007 TAMS Communications Strategy indicated that websites should aim for the ‘Delivery of up to the minute information, interactive consultation/applications’. This could be referred to as ‘real time’ information.
- 3.4 The ACT Government has an accountability indicator for timeliness of ACTION bus services. However, there are no specific indicators for bus reliability, in terms of whether a bus will be available as advertised.

MEETING BUS SCHEDULES

- 3.5 The public should have the confidence that buses will run on schedule.
- 3.6 On each weekday, ACTION manages almost 500 shifts from the Belconnen and Tuggeranong depots.³ Drivers receive a ‘shift card’ that represented their work for the day; a shift comprises multiple runs from various routes. In all, there are almost 3 000 runs, to cover the following route types:
- general suburban routes;
 - intertown routes;
 - Xpresso direct travel routes;
 - REDEX – Rapid express Gungahlin – City – Kingston; and
 - school routes.
- 3.7 On weekends, ACTION manages around 1540 runs (about 930 on Saturdays and 610 on Sundays).⁴
- 3.8 The INDEC benchmarking report identified that ACTION was providing a greater spread of travelling hours than other bus operators in Australia. Approximately 23 percent of ACTION’s bus hours were provided after 7 pm on weekdays, weekends, and public holidays, compared to 18 percent of bus hours provided during those periods by other bus operators.

Failed Runs

- 3.9 To understand whether a bus was meeting its scheduled timetable, Audit reviewed the Tuggeranong Service Delivery Reports from November 2008 to October 2009. One measure of reliability is the rate of cancellation of services.
- 3.10 Each depot and interchange produces multiple daily reports (‘Service Delivery Reports’, formally known as ‘Service Failure Reports’) identifying which runs were dropped each day from routes. The Service Delivery Reports were emailed to various staff including staff in the ACTION Call Centre and Interchanges, Field Officers and the General Manager. The daily reports from each depot and interchange were used to compile ACTION-wide daily and monthly reports for management.

³ There were 498 weekday shifts (264 in Belconnen and 234 in Tuggeranong).

⁴ There were 216 weekend shifts (132 in Belconnen and 84 in Tuggeranong).

- 3.11 ACTION was unable to provide Audit a complete record of Service Delivery Reports in an easily accessible manner. Many of the reports provided included inconsistent use of categories and abbreviations, which raised concerns regarding accuracy.
- 3.12 ACTION's reports for the Tuggeranong Depot showed an average 'failed runs rate' of 0.2 percent for weekdays, and 0.4 percent for weekends. This rate was likely to be understated, as it appeared to include only 'services that did not run' and did not capture 'breakdowns' or 'late running' services. Further, since the data from which the reports were compiled were significantly deficient, the accuracy of the reports was open to considerable doubt.
- 3.13 For ACTION to be in a position to fully understand the service delivery failures and the impact of these on passengers, it will need to ensure data is captured accurately, completely and consistently. This is discussed further in paragraphs 3.32 to 3.37.
- 3.14 Audit notes that ACTION's risk management plan did not identify cancelled runs as a risk to the delivery of bus services.
- 3.15 The reasons for failed runs were recorded on the Service Delivery Reports. Audit examined a selection of 500 reports for the period September 2008 to March 2009 that included the required information, as summarised in Table 3.1.

Table 3.1: Reasons for failed bus runs

Reason	Number	Percentage
Driver shortage at depot	364	73
Driver not available en-route	51	10
Bus shortage at depot	79	16
Bus breakdown en-route	6	1
Total	500	100

Source: Audit analysis of Service Delivery Reports (hard copies) at Tuggeranong Bus Depot from September 2008 to March 2009

- 3.16 The most common reason for driver shortage either at the depot or on route was due to driver sickness.
- 3.17 The shortage of drivers and buses had a significant impact on the ability of ACTION to provide reliable bus services to the community. ACTION has not yet developed and implemented strategies to satisfactorily address these on-going issues.
- 3.18 ACTION advised that the higher service failure rate on the weekend over the period assessed was during a period of low spares ratio combined with the practice of weekend shifts being 'voluntary' and difficult to fill. This, and other issues relating to the workplace culture and practices and the consequent level of absenteeism, are being addressed through current negotiations for the new enterprise agreement.

Running on time

- 3.19 In 2008-09, ACTION reported that 99.8 percent of its services met the ACT Government *timeliness* indicator – the measure was defined in the TAMS Budget Papers as ‘the percentage of scheduled services that operate on time’.
- 3.20 The Auditor-General raised concerns in the Interim Audit Management Report for the year ending 30 June 2008 in regards to the measurement of timeliness of ACTION’s services. Bus timeliness was measured from when the bus left the depot, but there was no measurement of the timeliness of buses as they arrived at specified bus stops. Consequently, ACTION did not know if the scheduled timetable at bus stops was being met.
- 3.21 A new method of measuring the timeliness of ACTION services was introduced in 2008-09, based on an annual passenger survey in which passengers were asked whether they were satisfied with the timeliness of ACTION’s services.
- 3.22 In the survey, passengers were asked to rate their satisfaction, on a scale of one to five with ‘one’ being very dissatisfied and ‘five’ very satisfied. In a five-point scale, it is typical to consider the mid-point option (‘three’) as a neutral response – that is, ‘neither satisfied nor dissatisfied’. However, the absence of defined values means that this is not clear, and it is likely that different respondents will interpret the rating scale differently.
- 3.23 In its third quarter Statement of Performance for 2008-09, ACTION reported that 92 percent of customers were satisfied with the timeliness of ACTION’s services, which included a rating of ‘three’ as ‘satisfied’ in the measurement of the percentage. The results of the 2008-09 passenger survey are summarised in Table 3.2 below.

Table 3.2: Passenger satisfaction with timeliness of buses - 2008-09

Passenger Satisfaction Rates			Statement of Performance
Rating of four or five ‘satisfied’	Rating of three	Rating of one or two ‘dissatisfied’	Third quarter results reported by TAMS (including rating of three)
66%	26%	8%	92%

Source: ACTION – Interim Audit Management Report for the Year Ending 30 June 2009

- 3.24 The reported results of 92 percent for this measurement could have significantly overstated the timeliness of ACTION’s services. Audit recommended that ACTION improve its survey methodology by defining the various rating scales available to respondents. If this is not possible, ACTION should only report respondents who have indicated timeliness of services was satisfactory (that is, not include responses with a rating of ‘three’ as satisfied).
- 3.25 A more appropriate measure of the timeliness of bus services would relate to whether passengers can have confidence that a service would arrive at a timing point (for example, a bus stop, station, or interchange) within a certain interval

from the advertised time. To achieve this, a system of real time measurements should be considered, and a means of conveying that information to users. This could involve a GPS coordination of where buses are compared to planned timetables. Provision for this to occur is contained in the new ticketing system.

- 3.26 With the new ticketing system, ACTION should be able to improve its measurement of timeliness, to meet ACT Government and community expectations. A systematic data collection and analysis would assist ACTION to identify or correct the reasons for early or late running against published timetables.

MANAGING RELIABILITY

- 3.27 ACTION has established operational processes and practices, to manage replacement drivers and buses and the cancellation of runs. However, these practices relied on corporate knowledge by existing staff members and have not been formalised by management as documented policies and procedures.
- 3.28 From 4.30 am each day, ACTION staff (known as ‘starters’) begins checking actual bus numbers and driver availability against driver’s shift rosters. Drivers needing replacement are substituted with standby drivers. If there are not enough standby drivers, off-duty drivers could be called in to cover shifts. Starters use the HASTUS-based *Roster Plus* and *DDAM* (Driver Daily Administration Module) software to manage driver availability and scheduling.
- 3.29 Where ACTION can not provide a substitute driver or bus, runs are often cancelled. To avoid cancellation, ACTION has two ten-seater vans (known as ‘field vans’), one located in each region, to transport passengers along the affected routes. ACTION has multiple-run cancellations almost on a daily basis and a limited capacity to cover the cancelled services using field vans. The failure to consider a whole range of groups including people with a disability, children, young people or aged persons before deciding to cancel certain routes, could compromise the right to equality under the Human Rights Act.
- 3.30 Problems associated with a cancellation of runs include:
- delayed running times of other services;
 - less time between runs, which placed additional pressure on drivers; and
 - pressure on the starter office’s ability to manage its resources.
- 3.31 ACTION had no internal guidelines to provide guidance to Starters or Interchange Officers about which runs should be cancelled. Corporate knowledge within ACTION identified higher priority runs as being school runs and REDEX. However, the absence of guidelines means that ACTION management had less assurance that low priority runs were cancelled before higher priority runs, or how the cancelled runs were spread to avoid regular impact on the same routes.

Monitoring and analysing reliability

- 3.32 As discussed earlier, each depot produces daily Service Delivery Reports that are emailed to ACTION management.

- 3.33 For these reports to be useful, they should detail:
- the number of shifts and runs not covered due to driver absenteeism; and
 - the number of, and reasons for, shifts and runs to be cancelled.
- 3.34 ACTION did not have consistent data management practices and efficient operational systems to handle the expected and unexpected service failure cases as reported in the electronic copies of Service Delivery Reports. ACTION was unable to provide evidence of an analysis of these reports for accuracy, trends, and reasons for cancelled runs.
- 3.35 In the absence of readily available information, Audit undertook an analysis of Service Delivery Reports from November 2008 to October 2009 to assess service reliability. Tuggeranong and Belconnen depots did not use consistent and comparable definitions for service failures which complicated the analysis. This is shown in Table 3.3.
- 3.36 ACTION was able to provide accurate and complete Service Delivery Reports for only 45 percent of the nominated days within the sampled period. The remaining reports failed to record complete data sets (some did not record the total runs and shifts, or the number of runs that did not operate) or had duplicated dates but with different data.
- 3.37 The poor standard of the information available casts doubts over the reliability of the operational data, in particular, the service failures, conveyed to ACTION management.

Table 3.3: List of driver shortage abbreviations used in each depot

Abbreviation	Tuggeranong Depot	Belconnen Depot
DS	Driver shortage at depot	Driver shortage
BS	Bus shortage	Bus shortage
BD	Breakdown	Breakdown
L	Late running 2 minutes and over	Late running 2 minutes and over
O	Operational – Given reason	Operational – Given reason
SNC	Shift not covered	Shift not covered
SFD	Service failure driver en-route	Service failure driver
SFB	Service failure bus	Not used
A	Accident	Not used
S	Route service dropped to cover school runs	Not used
UD	Union duties	Not used
I	Industrial	Not used
DFI	Not used	Driver fell ill

Source: Audit Office, based on information collected from Service Delivery Reports at depots.

Recommendation 4

ACTION should improve information management by implementing systems and processes that can provide:

- (a) real time data;
- (b) accurate and valid data;
- (c) consistency in reporting; and
- (d) storage of data in an accessible manner.

Recommendation 5

ACTION should:

- (a) effectively use collected data to improve the reliability and timeliness of bus services and inform decisions regarding the cancellation of bus services; and
- (b) assess the impact of cancelled services on the community.

CONCLUSION

- 3.38 ACTION has considerable fleet management knowledge, including information on cancellation of runs and routes, but this knowledge was not supported by approved policies and procedures.
- 3.39 ACTION did not retain, maintain, and properly analyse the information collected for performance monitoring or management purposes.
- 3.40 To improve timeliness, frequency, and reliability of bus services, it is critical that information be collected and stored in a manner that allows analysis to be undertaken. This information can be used to inform management, to monitor the cancellation of specific routes and to ensure that the question of equity under the Human Rights Act is considered when cancelling a service.

4. SAFETY

INTRODUCTION

- 4.1 This chapter examines how ACTION analyses, monitors and reports on safety issues regarding drivers, passengers, and road users.

KEY FINDINGS

- ACTION had processes in place to report and record incidents and accidents relating to the safety of drivers and passengers. However, inadequate procedures and a lack of quality review reduced the accuracy of the data and impeded management's ability to fully and reliably analyse incident and accident reports. There was inadequate use of the collected data to improve the overall safety aspects of its operations.
- The *Road Transport (Public Passenger Services) Act 2001* requires ACTION to report all bus accidents to the Road Transport Authority. Although ACTION's records showed 219 bus accidents during 2009-10, Audit found no evidence of ACTION reporting them to the Road Transport Authority.
- Where a driver is consistently observed to have accidents or incidents, he or she may be counselled, or other action taken. There were no approved procedures prescribing circumstances that would require general counselling, referring the driver for retraining or other actions. There was a lack of consistency that followed identification of potentially unsafe driving.
- There was no formal process in place for scheduled refresher courses for ACTION's drivers to update their knowledge and driving skills, or to refresh and develop skills in other aspects of safety, security, and customer service.
- ACTION has not prepared procedures for operations of its CCTV on-bus systems, as required under the ACT Government's 2009 *Code of Practice for Closed Circuit Television Systems*. There was a risk that ACTION's practices did not adequately protect the privacy of the individual or prevent possible misuse of the system as required by the Human Rights Act. Further, ACTION may not be meeting legislated requirements regarding the CCTV system, such as keeping the CCTV footage for a minimum legislated period.
- The rate of bus accidents in the ACT was within a range of accidents that occurred in other jurisdictions in Australia. However, the rate of collisions in the depots (10 percent) and on the road in which liability was accepted by ACTION (23 percent) suggested there was significant scope for improved safety through reducing preventable collisions. Bus accidents increased by 39 percent from 157 in 2008-09 to 219 in 2009-10.
- There were cases where passenger and public safety had been compromised during construction and maintenance of bus stops. Such matters ranged from poor lighting at bus stops to occasions where passengers were unable to safely access the bus stop for embarking and disembarking purposes.

- The *Road Transport (Public Passenger Service) Regulations 2002* and the Scania bus warranty required pre-departure bus checks to be undertaken daily. ACTION was unable to supply documentation to confirm that such important safety checks were being performed.

BACKGROUND

4.2 Key legislation that covers ACTION in regards to safety includes the *Road Transport (Public Passenger Services) Act 2001* and the subordinate *Road Transport (Public Passenger) Regulation 2002*. The Act and Regulations contain numerous safety and security related provisions, including:

- the use of CCTV;
- bus maintenance;
- obligations of passengers including conduct and behaviour;
- inspection of tickets; and
- directing a person to leave the bus.

MANAGING OF AND REPORTING ON SAFETY

4.3 All staff has a role in contributing to a safe workplace. Particular positions within ACTION have specific responsibilities in relation to safety of drivers, passengers and the general public. All of these positions report to the General Manager. Key staff involved in safety for ACTION include:

- Manager, Safety, Security, Communications and Training;
- Accident and Insurance Officer;
- Trainers; and
- Regional Managers.

Accident reporting

4.4 ACTION used an Incident Management System (IMS) for recording and handling incidents and accidents. The IMS has 15 primary categories of incidents and accidents are divided into a further 127 sub-categories. (For example, the primary category 'bus accident' has six sub-categories including 'bus fire', 'collision with other vehicle', and 'rollaway bus'). There were no approved definitions for the Standard Operating Procedures (SOP) to support the use of the codes. Procedures were not sufficiently defined to ensure consistency in use and interpretation and did not support identification of reliable data on trends in the nature, scale and frequency of incidents and accidents.

4.5 The IMS has an automated feature that emails specific groups and persons, using a key word search whenever an entry is made; for example, when the communication centre receives advice of an incident or accident. (The feature is activated when the entry is saved into the database). In urgent matters, the

communication centre contacts key personnel, such as the Accident and Insurance Officer, General Manager of ACTION, or the Chief Executive of TAMS, by telephone.

- 4.6 Claims data from the IMS was manually re-entered into a stand-alone claim database by the Accident and Insurance Officer, for claims purposes. This database was developed by the Australian Capital Territory Insurance Authority (ACTIA), and both ACTION and ACTIA accessed information from the database.
- 4.7 ACTION did not have a validation process for the transfer of data from the IMS to the ACTIA stand-alone data base. ACTION should ensure procedures to validate information transferred between the systems as inaccurate data could impede the ability of ACTION and ACTIA to manage risks and liability to the Government.

Recommendation 6

ACTION should develop processes for validation of the transfer of data from its Incident Management System to the ACT Insurance Authority stand-alone database to improve the accuracy of data used for management of risks and liability.

- 4.8 Where a driver is consistently observed through the IMS or other accident reporting systems (including customer feedback and complaints) to have accidents or incidents, he or she may be counselled by the Customer Service Manager at the relevant depot. Identifying such circumstances may not be straightforward, especially as Audit has concerns regarding the validation and integrity of data in the IMS and other systems. Audit observed, for example, that a driver's name could be recorded in several ways (surname only, given name only, surname and given name, surname and initials etc, plus mis-spellings and other errors). Searches would need to be made using a variety of terms to correlate all reported incidents or accidents.
- 4.9 Further, there were no procedures prescribing circumstances that would warrant:
- general counselling;
 - referring a driver to the Human Resource Unit within TAMS for further counselling or other action; or
 - referring the driver for further retraining.
- 4.10 The *Road Transport (Public Passenger Services) Act 2001* requires ACTION to report all bus accidents to the Road Transport Authority. The IMS recorded that during 2008-09 there were 157 accidents involving ACTION buses and 219 during 2009-10. ACTION was unable to provide evidence of reporting accidents to the Road Transport Authority, as required.

EDUCATION AND TRAINING

4.11 For driver and passenger safety, drivers should receive relevant and timely training and passengers should be informed about safety. The relevant legislation that refers to education and training is the *Road Transport (Public Passenger Services) (Minimum Service Standards for Bus Services) Disallowable Instrument DI2006-40* (ACT).

Training for drivers

4.12 All drivers should receive adequate training, as part of an accreditation process before commencing as a bus driver and through regular refresher courses for established drivers.

4.13 Victoria adopted a good practice of including detailed information on its website, outlining community expectations of drivers and covered matters such as:

- drivers' responsibilities;
- measures for the protection of customers who are vulnerable, such as children, the elderly and people with a disability;
- legal requirements; and
- vehicle inspection, such as pre-departure inspections

New drivers

4.14 Accreditation for new bus drivers was undertaken by the Road Transport Authority (RTA) based on:

- a medical examination;
- an Australian Federal Police check;
- the completion of two compulsory units (Customer Service and Fare Collection) of an accredited Certificate III training program in Transport and Logistics (Road Transport);
- the completion of a sixteen day basic training course including accident/incident reporting, driver's responsibility, and how to prevent accidents, bus inspection and dealing with conflict;⁵
- an assessment of the new driver's ability to drive a bus undertaken by the Transport Industries Training Centre; and
- possession of a personal driver's licence. ACTION provides assistance in obtaining an 'Omnibus' endorsement from the RTA.

4.15 ACTION advised Audit that:

... as part of recruit training, the Customer Service module covers issues such as dealing with conflict and dealing with vulnerable passengers (for example those who are blind or who have a mental illness). Recruit training also covers drivers

⁵ ACTION Driver's Training Manual

responsibilities and his or her legal responsibilities in relation to the Duty of Care. Drivers are also shown how to visually inspect vehicles pre-departure.

- 4.16 After six months probation, ACT bus drivers can undertake a heavy vehicle upgrade which licensed them to drive articulated buses. Drivers who already have a heavy vehicle licence can drive the articulated buses after three months.

Established drivers

- 4.17 For many in the community, bus drivers are the ‘human face’ of the public transport system. The drivers do more than just drive the bus; they are also front-line customer service officers, safety inspectors, complaints managers and communicators. All drivers could benefit from regular training in technical matters (such as driver-skill and road-safety) as well as customer-service issues (such as conflict management, communication skills, understanding requirements for people with a disability and complaints management).
- 4.18 There was no formal process in place for scheduled refresher courses in either technical or customer-service skills for established ACTION bus drivers. The 2009-10 ACTION Business Plan stated that refresher training for drivers and transport officers would be undertaken. ACTION was unable to demonstrate that this key business initiative had been commenced within the nominated timeframe.⁶
- 4.19 Drivers who had been employed by ACTION for a significant number of years were not receiving training to update or refresh important skills and capabilities, including safety and customer service. This posed a potential risk of increased accidents, liability, or insurance claims.
- 4.20 ACTIA had commented to ACTION on several occasions that regular refresher training was important in maintaining and building the skills and capabilities of drivers, particularly established drivers.
- 4.21 ACTION advised that:
- ... refresher training is an important activity to support good customer service, safety, and security as well as to ensure drivers’ work practices are appropriate.
- 4.22 Audit considers that ACTION should implement a program to provide all drivers with regular refresher training in technical and customer-service issues, at least every two to three years, or more often if feasible.

⁶ ACTION 2009-10 Business Plan

Recommendation 7

ACTION should provide regular retraining for all drivers, including:

- (a) safe driving techniques;
- (b) road rules update; and
- (c) customer service skills, including de-escalation of conflict.

Safety education

- 4.23 ACTION produced limited documentation for users regarding safety issues. There was safety advice available on ACTION's website including:
- 'How to catch a bus'⁷; and
 - 'How to load your bike onto a bus'⁸.
- 4.24 In conjunction with ACT Policing, ACTION developed a safety awareness campaign for school children.⁹ This was part of the ACT Policing 'Constable Kenny' project and had been displayed on the ACTION website.
- 4.25 There was no evidence of similar projects for people with a disability or older people.
- 4.26 ACTION has developed a new education campaign 'Give Way to Buses' based on Australian Road Rules issued on February 2009.
- 4.27 There was little evidence that ACTION has analysed the effectiveness of its education programs, including the benefits of the campaigns to know if the campaigns to increase safety awareness have been successful.
- 4.28 ACTION has the opportunity to educate the population through a number of avenues including the development of brochures on relevant safety issues that could be distributed on buses, at interchanges and via agents who sell ACTION tickets. However, ACTION had not used these means to promote safety issues to the wider ACT community.
- 4.29 ACTION should continue to work with other organisations such as the Australian Federal Police, youth organisations, ACT Council for the Aging, representatives of people with a disability, and schools to implement educational initiatives.

⁷ ACTION website http://www.action.act.gov.au/how_to_catch_bus.html

⁸ ACTION website http://www.action.act.gov.au/bike_n_ride.html

⁹ ACTION website http://www.action.act.gov.au/safety_education.html

Driver and passenger safety

Duress alarms and tracking devices

- 4.30 There are several systems used by ACTION to address the safety of drivers and passengers. For example:
- drivers have a duress system that is activated by a button on the bus floor near the driver's right foot. This system automatically activates a GPS transponder and an audio link to the communication centre. Once the duress button is activated, the communications centre has an automatic display of the bus that provides information including the bus number and location; and
 - a 'Dallas key' system uses a driver's identification number to activate a full time GPS tracking system. This allows the communication room to monitor a bus at all times.
- 4.31 Audit noted that although it was a requirement for all drivers to use the Dallas key system, drivers were reluctant to use the key regularly. Audit understands that this is part of an ongoing industrial issue.

Closed Circuit Television System

- 4.32 In September 2009, the ACT Government released its *Code of Practice for Closed Circuit Television Systems*. This Code sets out seven principles for the operation of CCTV systems. ACT agencies are responsible for establishing and implementing procedures and protocols for the operation of the CCTV systems, consistent with the principles outlined in the Code. Such procedures and protocols must provide assurance on the appropriate use of the system, protect against possible misuse, and emphasise respect for the privacy of the individual. The procedures must include, among other things, an annual independent audit of the system.
- 4.33 ACTION operated a CCTV system on all buses; four cameras on each bus recorded any incidents, and footage could be used to identify persons who endanger the driver or passengers. At the time of Audit (August 2010), ACTION has not developed policies, procedures, or protocols concerning use of the CCTV system, including the maintenance and monitoring of the system, retention, storage and destruction of recorded images.
- 4.34 ACTION has not prepared procedures for operation of its CCTV on-bus systems. There was a risk that ACTION's practices did not adequately protect the privacy of the individual or prevent possible misuse of the system as required under the Code and the ACT *Human Rights Act 2004*.
- 4.35 In addition to the ACT Government's *Code of Practice for Closed Circuit Television Systems*, the *Road Transport (Public Passenger Services) Regulation 2001* and the *Road Transport (Public Passenger Services) (Minimum Service Standards for Bus Services)* contain provisions relevant to the operation of a CCTV system on public buses. The Regulations (Section 32) prescribe a minimum period for retention of CCTV recordings. ACTION advised that it did

not have the capacity to retain footage taken by its CCTV cameras for the minimum legislated period.

Passenger safety at bus stops

- 4.36 ACTION and Roads ACT have a shared responsibility for passenger safety.
- 4.37 Roads ACT has the responsibility for the construction and maintenance of bus stops. Audit has documented cases where passengers and public safety had been compromised, including:
- bus stops that had poor lighting which posed a particular danger for women, children and other groups waiting for buses;
 - bus stops where buses were unable to pull into the designated bus stop due to construction work; and
 - occasions where passengers were unable to safely access the bus stop for embarking and disembarking purposes.
- 4.38 Figures 4.1 and 4.2 illustrate safety concerns in regards to the maintenance of bus stops, including:
- passengers being unable to access the designated bus stop and the consequent safety risk for people attempting to embark and disembark on buses; and
 - potential confusion for bus drivers and other road users in attempting to identify a suitably safe location for the bus to stop for the collection of passengers. The *Human Rights Act 2004*, and the obligation under the *ACT Discrimination Act 1991* and the *Commonwealth Disability Discrimination Act 1992* may be compromised by a failure to provide suitable bus stops during construction work or where there are safety issues including poor lighting.
- 4.39 In circumstances such as illustrated in Figures 4.1 and 4.2, Roads ACT and ACTION should communicate effectively to designate a temporary bus stop to minimise risks to passengers, and alert/advise passengers and drivers accordingly.

Figure 4.1 Passengers moving around bus stop reconstruction



Source: Audit photo outside RTA on Northbourne Avenue

Figure 4.2 Inability to access the bus stop and connecting pathways



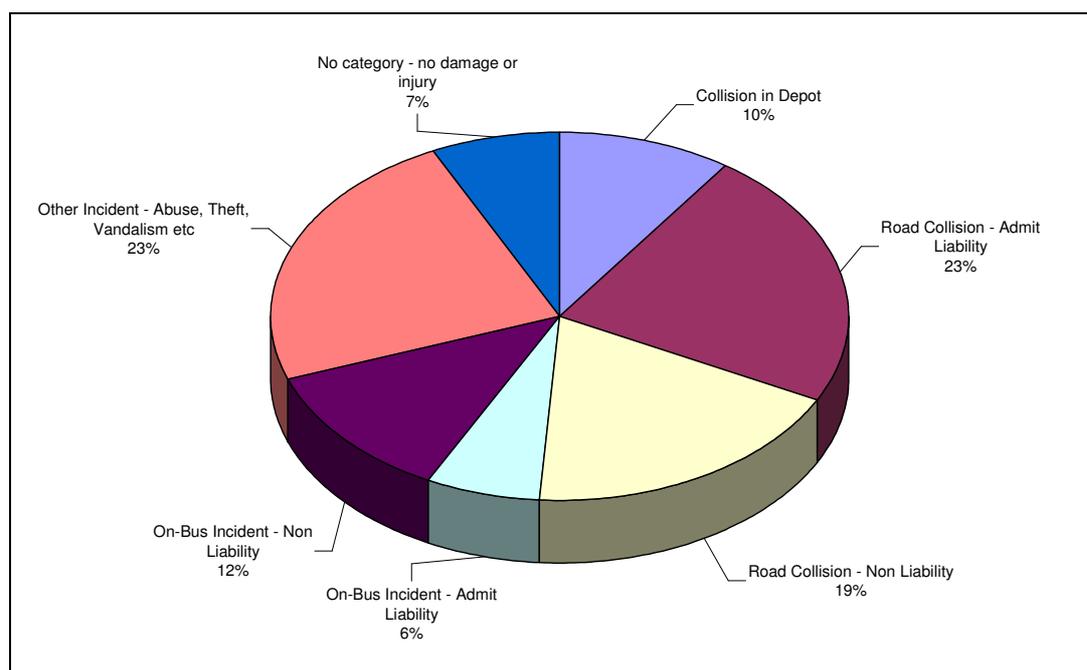
Source: Audit photo outside RTA on Northbourne Avenue

- 4.40 While on the bus, the driver has the primary responsibility for the safety of passengers. Passenger incident and accident data were difficult to analyse, as there appeared to be no approved procedures for tracking such incidents or accidents. Data available from ACTION's IMS did not differentiate between drivers, passengers, or general road users. If this data could be readily identified, it could assist ACTION management to monitor and evaluate potential areas of risk.
- 4.41 An analysis undertaken by Audit of complaints, and incident and accident reports, suggests that falls by passengers were a primary source of injury. A fall could occur, for example, if a bus moved forward before all passengers were seated or secure. ACTION did not have a policy for drivers to ensure passengers were seated or secure before a bus moved off, notwithstanding advice of such a policy had been included in Ministerial response to complainants.
- 4.42 ACTION should consider means to de-aggregate data in the IMS to identify the injured (or potentially injured) party in an incident or accident. This could assist in generating and analysing reliable data to identify policies and practices that could be developed to address passenger safety.

Accidents data

- 4.43 ACTIA in conjunction with ACTION provided Audit with an analysis of ACTION's IMS data that recorded an incident or accident with cost implications. For the twelve-month period from April 2009 to April 2010, there were 681 records, as illustrated in Figure 4.3.
- 4.44 In this analysis, the term 'accident' refers to a collision between a bus and another vehicle, animal, object or pedestrian. ACTIA advised Audit that the rate of bus accidents in the ACT was within a range of accidents experienced in other jurisdictions in Australia.
- 4.45 The rate of collisions in the depots (10 percent) and on the road in which liability was accepted by ACTION (23 percent) suggested there was significant scope for improved safety through reducing preventable collisions. Safety-related improvements are likely to reduce operating costs of the bus service such as legal costs, insurance, and repairs expenses.
- 4.46 ACTION advised Audit that:
- ... depot capacity may be a factor in the rate of collisions at depots and ACTION is addressing this through garaging alternatives at Woden Depot as well as seeking opportunities to expand the depot network as appropriate.

Figure 4.3: Bus incidents and accidents (April 2009 to April 2010)



Source: ACTION and ACTIA.

BUS INSPECTION AND MAINTENANCE

4.47 The serviceability of infrastructure and buses is critical to safety.

4.48 Skilled mechanics, drivers and staff need to be alert to safety issues and trained in how to both observe and attend to risks during:

- mechanical inspections;
- pre-departure safety inspections;
- routine operation of buses on the roads; and
- serviceability of stationary structures.

4.49 The *Road Transport (Public Passenger Service) Regulations* stated that buses must be maintained as per their warranty. There is a risk that bus manufacturers can void a warranty if its conditions are not met.

4.50 ACTION has implemented a process that scheduled buses for maintenance checks every 90 days. However, the warranty for the Scania buses provided to Audit identified the requirements for bus servicing as every 30 000 kilometres. Although ACTION had estimated that buses travel between 25 000 and 28 000 kilometres in the 90 day period, ACTION did not have an accurate system to record the actual distance travelled by the buses. The odometer inputs were only recorded when a bus was serviced and ACTION staff identified that recordings were not always accurate due to human error.

4.51 Buses can also be brought into the workshops between scheduled services, if logged by the driver with a fault or as a result of a breakdown.

- 4.52 ACTION did not have assurance that it met the warranty requirement for its buses, because it used a fixed-time interval to determine servicing points, rather than actual kilometres travelled. There is a risk that ACTION is not maintaining its buses to an appropriate safety level, should any bus travel longer distances than the 30 000 kilometres within a 90 days period. Similarly, servicing the buses more frequently than required by the warranty may not be an efficient or cost effective practice.
- 4.53 ACTION advised Audit that:
- Scania is aware of ACTION's 90 day maintenance programme and has not raised any issues with it.
- 4.54 Audit considers that to protect ACTION's interests, ACTION should seek written confirmation or approval from Scania that ACTION's maintenance practices are consistent with the warranty requirements.

Driver skills and process to inspect buses

- 4.55 The *Road Transport (Public Passenger Service) Regulations 2002* and the Scania bus warranty require pre-departure bus checks to be undertaken daily.
- 4.56 ACTION was unable to provide documentation regarding safety checks. This may indicate non-compliance with the *Road Transport (Public Passenger Service) Regulations 2002* and the Scania buses warranty conditions.
- 4.57 Audit noted that the Victoria Public Transport Authority had a documented procedure for daily bus inspections including:
- identifying what is to be inspected;
 - clearly defining the reporting mechanisms; and
 - requiring a 'sign off' by the driver that the inspection has been completed.
- 4.58 In addition, in Victoria, a daily inspection report provided data for a monthly summary including bus mileage, daily inspection, and defect reports. ACTION should develop and adapt better practices such as those used by the Victorian Public Transport Authority.

Recommendation 8

ACTION should implement and monitor a documented pre-departure bus inspection procedure that meets legislative, warranty, and safety requirements

CONCLUSION

- 4.59 ACTION had some established processes in place to ensure the safety of drivers, passengers and other road users. These included the collection and collation of various data on incidents and accidents. However, there was limited evidence that data collected was used effectively to improve safety.

- 4.60 Contrary to the ACT Government's September 2009 *Code of Practice for Closed Circuit Television Systems*, ACTION has not prepared procedures for operation of its CCTV on-bus systems. There is a risk that ACTION's practices do not protect adequately the privacy of the individual or prevent possible misuse of the system. Further, ACTION may not be meeting legislated requirements regarding the CCTV system.
- 4.61 ACTION did not provide established drivers refresher training, to reflect the changing needs of ACTION, passengers and road users.
- 4.62 ACTION did not routinely conduct or document pre-departure bus inspections. Such inspections aim to ensure the bus is suitable for operations and compliant with warranty and legislative requirements. This important safety procedure should be documented and signed off by the driver on a daily basis.
- 4.63 ACTION did not have assurance that the buses were regularly serviced in accordance with the manufacture's warranty and legislative requirements.

5. TICKETING

INTRODUCTION

5.1 This chapter examines the current and planned ticketing systems used for planning, scheduling, and improving the overall performance of ACTION.

KEY FINDINGS

- Problems with ACTION's current Automated Ticketing System had been documented for several years. Plans to introduce a replacement system have been frequently delayed. This has led to the:
 - collection of inadequate and unreliable data on types of passengers and their travel patterns;
 - lack of reliable data to better plan, develop, fund and deliver services;
 - substantial losses of revenue; and
 - additional financial costs for maintaining outdated equipment.
- The ACT Government has announced a new ticketing system to be trialled in 2010. This new system should be capable of capturing a substantial amount of data, for example, passenger travel patterns, and fare types. This data can be used for operational and management purposes. TAMS may need to upgrade its ICT capabilities, if it is to maximise the data collection and utilisation capacities of the new system.

BACKGROUND

5.2 A sound ticketing system, supported with policies and procedures, can provide opportunities for:

- collecting and monitoring ticket sales;
- identifying bus use by categories passengers e.g. older persons, youth, student and people with a disability;
- identifying travelling patterns of passengers; and
- collecting and monitoring essential data needed for planning, reporting, and decision making.

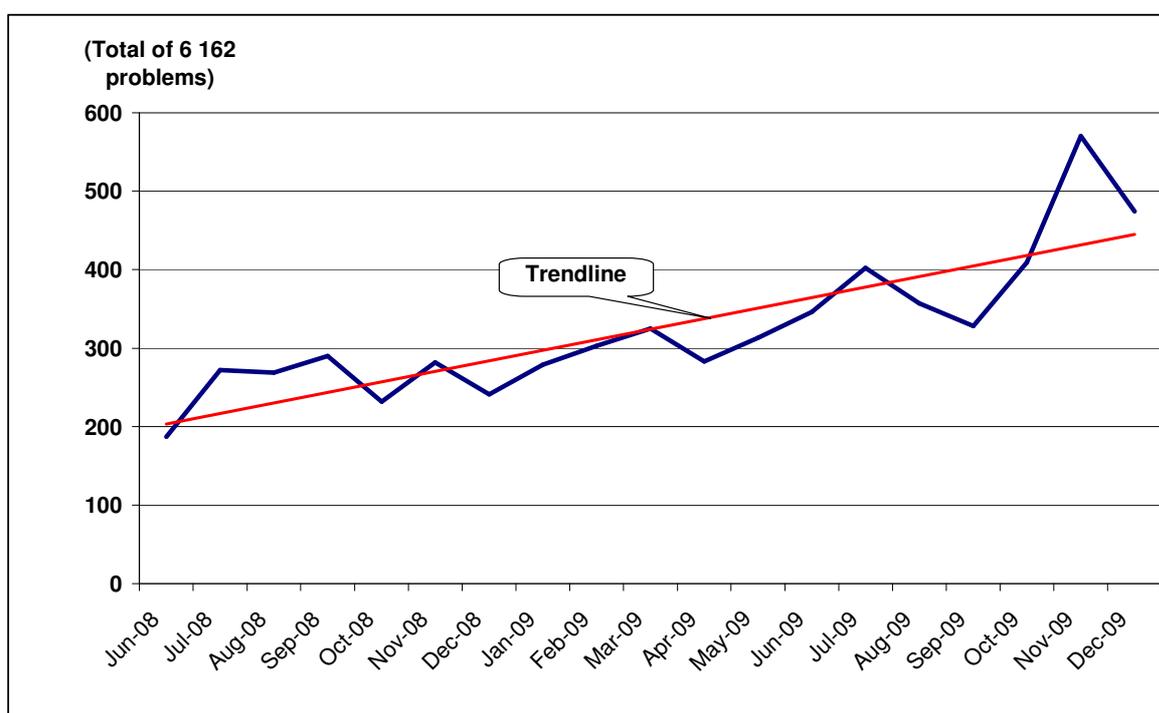
CURRENT SYSTEM

5.3 The current Automatic Ticketing System (ATS) has the following hardware:

- ticket readers (validator);
- printers;
- a command unit that controls the time and routes, and captures both the ticket validations and cash sales; and

- a removable module that records all hardware activity, while tracking and saving data against each driver's shift for all the runs.
- 5.4 Since 2006, ACTION has been looking to upgrade its capacity to collect and analyse passenger data. The 2007-08 ACTION Business Plan identified the current ATS ticket system as being inadequate, and for at least the last four years, ACTION has identified that the ATS system was not reliable.
- 5.5 Since 2008, concerns have been expressed about machine failures, including:
- pre-purchased tickets could not be validated, leading to an inaccurate count of passenger numbers;
 - lack of accurate data collection;
 - non-validated tickets resulted in lost revenue;
 - loss of revenue from cash sales when drivers did not collect cash when the ticket validator was not in use; and
 - articulated buses have generally not been equipped with ATS machines.
- 5.6 The ATS has been failing frequently. Figure 5.1 shows the increase in reported ticketing machine failures from June 2008 to December 2009.

Figure 5.1: Number of problems with ticket machines



Source: Audit Office, based on ACTION NetBI data.

- 5.7 A new system is currently being trialled for introduction in late 2010. Delays in introducing an upgraded ticketing system for ACTION have resulted in:
- inadequate and unreliable data, which continued to be used by staff;
 - on-going loss of revenue; and

- additional financial costs in maintenance of outdated equipment.

5.8 An ACTION Internal Audit Report in August 2007 identified a potential loss from malfunctioning ticketing validators of \$515 623 or 2.79 percent of total fares. ACTION was unable to provide Audit with up-to-date and reliable data on estimated revenue loss, which could be significant due to the ATS failures, including cash not being collected from passengers and the ten-trip card not being validated.

Lack of accuracy of current data

5.9 An effective ticketing framework should provide control and assurance about fare revenues, passenger numbers and assist management to make informed decisions about planning for the delivery of services.

5.10 The ATS is a complex system which has an important function of producing relevant, accurate, and timely data.

5.11 ACTION advised that there was extensive use of the data by the management team and staff for planning and monitoring purposes. The data uploaded from the ticketing system every night informed:

- patronage summaries;
- fares revenue analysis;
- annual accounts and formal reporting;
- auditing of cash collections;
- management reports about passenger numbers; and
- response to representations, Ministerial responses, and briefings.

5.12 Given the rate of failure of the ATS machines, the accuracy of data currently used by ACTION management and staff could not be assured.

PROPOSED SYSTEM

5.13 A replacement for the ticketing system has been proposed for a number of years, as summarised in Table 5.1.

Table 5.1: Summary of ACTION progress with implementing a new ticketing system

Year	Priorities identified in ACTION Budget Paper	Outcomes
2006-07	Continuing the review of the ticketing system, including consideration of a smart card option	Report issued
2007-08	Completing the preliminary study into a replacement ticketing system and progressing the project through to completion, planned for 2008-09	Delays experienced
2008-09	Implementing the new ticketing system this financial year	System development commenced
2009-10	Completing the implementation of the new ticketing system this financial year	Did not happen
2010-11	Completion now due this financial year.	Trial to be commenced

Source: Audit Office, based on information from ACTION Annual Reports and audited accounts.

5.14 The delays in implementing the new system has caused a loss of revenue and a lack of reliable data that could have been used to undertake better planning, including financial projections, and to coordinate ACTION’s operational requirements.

5.15 ACTION advised that implementation plans associated with the ticketing project had been approached cautiously in view of significant contractual failures in other States. A new system will lead to improved patronage data and revenue as well as trip and travel data.

5.16 E-Ticketing systems could provide extensive operational information, as listed in Table 5.2.

Table 5.2: Functions of a good ticketing system

SYSTEM FEATURE	FUNCTIONS
Fare product management	Fare media application, auto reload, renewals, loyalty, refund, travel pattern, fraud, blacklist management (e.g. for lost or stolen tickets) and capturing of planning data
Customer management	Registration, profile, subscribed services, complaints, travel hot list, web services
Equipment and maintenance	Remote equipment monitoring, fault analysis and maintenance, device administration
Security and management	Certificate authority, encryption, key and certificate distribution, access control, device administration, equipment parameters
Financial reporting	Invoicing and debt collection (e.g. for selling agents), payment processing and banking interface, asset management, vendor and supplier management
Clearing and settlement	Transaction validation, financial statements, revenue apportionment & fee computation, settlement

Source: Audit Office, based on information from commercially available products.

- 5.17 ACTION has not yet developed a strategic ticketing framework, or the policies and procedures to support such a framework.
- 5.18 ACTION also needs to upgrade its ICT capabilities, if it is to maximise the data collection and utilisation the capacities of the new system. A 2007 review for replacement of the existing ATS identified that an increased ICT capacity would be required. There is a potential risk that ACTION will not be in a position to use the data produced by the new ATS, for example, to provide services to the public including real time information and to accurately inform management about travel patterns.
- 5.19 The new Transport Planning business unit established within TAMS has responsibility for the implementation of the new ticketing system. It is important that this unit communicates effectively with ACTION on operational needs.
- 5.20 To support the introduction of the new ticketing system, TAMS should develop a strategic framework including:
- implementing approved policies and procedures;
 - appropriate training of staff about the new system;
 - implementing a public awareness education program for the ACT community on the benefits and use of the new ticketing system; and
 - an assessment of the ICT capabilities and requirement for the new ticketing system, including interface requirements and ICT security.

Recommendation 9

In implementing the new ticketing system, the Department of Territory and Municipal Services should ensure:

- (a) ACTION's ICT systems and staff have the capacity to effectively use the capabilities of the new system; and
- (b) policies and procedures to manage the new system have been developed and approved.

CONCLUSION

- 5.21 Problems with the ATS have been documented for a number of years, and plans to introduce a replacement system have been frequently delayed. Consequently, ACTION experienced inadequate and unreliable data collection on types of passengers and their travelling patterns, substantial losses of revenue, and additional financial costs for maintaining outdated equipment.

Ticketing

- 5.22 Improved information is required if ACTION is to be in a position to make informed management decisions, which are fundamental in delivering an efficient and effective bus service.
- 5.23 The implementation of the new ticketing system should provide relevant and timely information for passengers and the management of ACTION. However, an increase in ICT, staff capacity and a policy/procedural framework will be needed to fully use the information that the new system can provide.

6. BUS INFRASTRUCTURE AND SERVICES

INTRODUCTION

6.1 This chapter examines how TAMS business units and other government agencies coordinate their roles, in providing bus service and infrastructure to meet standards and comply with relevant legislation. Appendix B is a summary of measures required by ACTION to comply with the requirements of the Commonwealth *Disability Discrimination Act 1992*.

KEY FINDINGS

- Coordination between various business units within TAMS and other relevant ACT Government agencies did not provide for effective planning and management of bus services and infrastructure:
 - there was no overall master plan to coordinate the planning and provision of bus infrastructure; and
 - there was no robust governance and accountability structure to clarify responsibilities for construction, maintenance, performance, and reporting mechanisms for the management of bus infrastructure.
- Much of the bus infrastructure did not meet standards prescribed under the Commonwealth *Disability Discrimination Act 1992* and the ACT *Discrimination Act 1991*.

BACKGROUND

6.2 Bus infrastructure plays an important role in providing bus services, in particular, safety for passengers, drivers, and road users. Reliable bus services are critical for providing passenger access and to encourage greater bus patronage.

6.3 ACTION, Roads ACT, Transport Planning and Regulation and ACTPLA were responsible for various components of infrastructure and bus service provisions.

LEGISLATION

6.4 Bus infrastructure is covered by a number of Acts and Standards including the ACT *Road Transport (Public Passenger Services) Act 2001*, the ACT *Discrimination Act 1991*, the Commonwealth's *Disability Discrimination Act 1992*, and industry standards.

6.5 The *Road Transport (Public Passenger Services) Act 2001* stipulated that a bus stop sign defines a bus stop.

6.6 The *Disability Discrimination Act 1992* identified bus infrastructure to include:

- seating for a minimum of two people with a disability;
- marked disability areas;

- destination signs at each bus stop;
- compliant connecting pathways, lighting and handrails;
- tactile pads;
- disability signs at bus stops; and
- timetables.

6.7 The objects of the Commonwealth *Disability Discrimination Act 1992* and the *ACT Discrimination Act 1991* highlight the need to eliminate discrimination against persons on the grounds of disability in the provision of goods, facilities, services. Public transport is a defined service.

Provision of DDA buses and bus routes

6.8 ACTION's bus fleet consists of 138¹⁰ Easy Access buses. ACTION advised that these buses are DDA compliant and that DDA compliance is part of the bus specifications determined by the bus manufacturer. Each Easy Access bus is equipped with:

- a kneel-down capacity;
- a manually extendable ramp;
- a wide front entrance; and
- space in the bus to accommodate wheelchairs or prams.

6.9 The Human Rights Commission advised that:

... the Disability Standards required that passengers with disabilities will be able to board and alight from a conveyance without assistance. However, the design constraints of some conveyances are such that the operator may choose to give equivalent access by providing assistance. Although operators would normally be responsible for activating boarding devices, this should not be seen as diminishing the principle that independent access is desirable under the disability standards. The failure to deploy a boarding ramp may be unlawful under both the Commonwealth *Disability Discrimination Act 1992* and the *ACT Discrimination Act 1991*.

6.10 To assist with DDA compliance, ACTION provided the Department of Disability, Housing and Community Services with eighteen small buses to provide off-peak transport for persons with a disability. This has partly addressed the access issue, but only provides limited transport options for people with a disability during off-peak periods.

6.11 Audit undertook an analysis of the timetables published on the website in regards to Commonwealth *Disability Discrimination Act 1992* bus access. Audit found that the website incorrectly listed dedicated and non-dedicated DDA bus routes. Incorrect bus route information can restrict the use of public transport by people with a disability.

¹⁰ http://www.action.act.gov.au/accessible_travel.html#easyaccess

6.12 ACTION advised Audit that:

New dedicated DDA compliant routes can be identified at major network changes. Between these network changes, when ACTION has a surplus of DDA buses, it can allocate them elsewhere on the network. As the number of DDA compliant buses increases, this will occur more often.

6.13 However, where DDA accessible buses were placed on new routes, the website and timetables did not reflect the changes. This has the potential to disadvantage people with a disability and other groups within the community.

6.14 Another aspect of Commonwealth *Disability Discrimination Act 1992* compliance is the requirement for all bus stops to have connecting paths that link the bus stop to the footpath. This allows safe access to bus stops for people with a disability, mothers with prams, and older persons. Audit found examples where this provision was not implemented, increasing public safety risks. Figures 6.1 and 6.2 illustrate some of the issues when accessing bus stops.

Figure 6.1: Example of a bus stop without a connecting path and no gutter ramp



Source: Audit photo of a bus stop at the Australian Institute of Sport

Figure 6.2: Example of no path, sloped surface and no tactile pad



Source: Audit photo of the bus stop by the Australian War Memorial

6.15 The ACT Human Rights Commission, in a submission to the Audit Office, raised concerns about bus services relevant to the *ACT Human Rights Act 2004* and the *ACT Discrimination Act 1991*, including:

- service provision to out-lying suburban areas receive less frequent ACTION services than the inner city suburbs and these areas are often populated by disadvantaged residents;
- people with a disability and women are being disadvantaged in relation to the provision of public transport; and
- ACTION must give proper consideration to marginalised people who are most likely to use public transport, and who have fewer options than other groups.

6.16 TAMS should ensure these issues are considered and addressed to comply with the requirements for accessible public transport for people with a disability, older persons, and youth.

6.17 The *Disability Discrimination Act 1992* has specific obligations for compliance with infrastructure standards described in the Act. Table 6.1 identifies the levels and timeframes for compliance.

Table 6.1: Compliance with Disability Discrimination Act 1992 infrastructure standards

Percentage compliance required	Due date
25	December 2007
55	December 2012
100	December 2022

Source: Commonwealth Disability Discrimination Act, 2002 Standards, Schedule 1

6.18 ACTION identified on its website that 36 percent of the bus fleet was compliant with Commonwealth *Disability Discrimination Act 1992* standards. Significant investment is required to meet the compliance target under the Disability Discrimination Act. ACTION has a program to acquire further accessible buses over the next two years – another 46 in 2010-11 and 10 more in 2011-12.

Access to bus routes

6.19 Access to bus routes appeared to be fragmented and did not always adhere to relevant Government planning documents.¹¹ For example:

- there was a lack of services in most rural ACT areas (e.g. Hall and Tharwa); and
- several suburbs did not satisfy the objective stated in the Territory Plan that residences would be within 500 metres of bus stops:¹²
 - Gungahlin – Casey and Bonner;
 - Woden – O’Malley; and
 - Tuggeranong – Kambah, Macarthur, and Banks.

6.20 The residents who live on or near major transit routes are better served, while rural residents have minimal service provision as identified in Table 6.2.

¹¹ ACT Territory Plan as at 25 May 2009.

¹² Element 4 (on page 22 of the Residential Subdivision Development Code in the Territory Plan) has Rule 43(a), with its criteria for the location of bus stops.

Table 6.2: Routes by access and frequency

Routes	Access and frequency
Priority routes Xpresso, Redex and Inter town	Residents who live near these routes or inner suburbs could readily access these services, e.g. park and ride and drop-off by others
Inner North residents living nearest the Barry Drive, Northbourne Avenue and Flemington Road corridors	Residents have good access to regular ACTION bus routes
Rural areas	These residents do not have ACTION bus services e.g. Hall and Cotter

Source: Audit Office.

6.21 Audit acknowledges that to provide more equal access to bus routes across the ACT, especially for areas of low patronage, would have financial and efficiency implications on bus operations. There is a need to balance the government’s commitment to access and equity issues against sound financial management.

6.22 Accordingly, TAMS needs to analyse the access issues to take into account its obligations under the *Human Rights Act 2004*, the social and equity outcomes and the financial considerations. Any development of policies and procedures, and government decisions affecting access to bus services should be made transparent to the community.

6.23 The Human Rights Commission advised that:

any reduction in access to bus services would be a decision/action limiting the right of equality and would raise questions of proportionality under Section 28 of the *Human Rights Act 2004*.

PROVISION OF BUS STOPS

6.24 Responsibility for bus stop provision is split between a number of TAMS business units and other Government agencies. Table 6.3 identifies which entities were responsible for which requirements.

Table 6.3: Responsibilities for bus infrastructure

Entity	Responsibility requirements
ACTION (TAMS)	Bus stop signage
Roads ACT (TAMS)	Construction and maintenance of bus stops
Transport Regulation & Planning (TAMS) <ul style="list-style-type: none"> • Road Transport Authority 	Planning for bus stops and the new ATS Approval of bus stops and ACTION operations
Parks, Conservation and Lands (TAMS)	Upkeep of access paths
ACTPLA	Planning for bus stop locations on new estates
Land Development Agency	Land usage, particularly new estate plans

Source: Audit Office.

- 6.25 Given the complexity and the number of agencies involved, it is critical that activities are well coordinated. Audit found there was not an overarching master plan (or similar document) that outlined the roles, responsibilities, performance criteria, and reporting mechanisms for bus infrastructure development.
- 6.26 The role of ACTPLA is primarily the planning of bus stops in new estates. Given the skills and expertise in ACTPLA, there is potential that more use could be made of these skills in developing bus routes and planning for associated infrastructure. ACTION, with its operational knowledge, should be involved and consulted in road designs for efficient bus access.
- 6.27 It is important that relevant authorities have accurate data on the number and types of bus stops. However, there was a wide discrepancy of data provided to Audit. ACTION provided Audit with data for 4 652 bus stops including 1 238 stops in the North Region and 3 414 stops in the South Region. Roads ACT provided Audit with a list of 2 950 bus stops.
- 6.28 ACTION advised that:
- the differences in listed bus stops contained in the HASTUS schedule system as compared to that provided by Roads ACT is likely due to the number of inactive bus stops as well as stops at schools and those considered as timing points for the schedule but not necessarily a designated bus stops.
- 6.29 The status of the bus stop infrastructure varied considerably as shown in Table 6.4. For example, the South Region identified bus stops with tactile pads, while the North Region did not.

Table 6.4: Comparison of bus infrastructure installations in the ACT

	Infrastructure installed at bus stops				
	Total	Seats	Shelters	Tactile pads	Timetables
North Region	1 238	99%	23%	Not recorded	23%
South Region	3 414	8%	9%	6%	17%
TOTAL	4 652				

Source: Audit Office based on data provided by ACTION.

- 6.30 The inconsistency in the lists of bus stops created confusion and inefficiencies in planning and maintenance of bus infrastructure. Audit noted that these lists did not have the same information and it was difficult to verify the accuracy of any bus infrastructure lists provided. As a result:
- coordination of bus infrastructure across both regions in a planned and effective manner may be difficult;
 - prioritising maintenance and upgrading may not be efficient, effective or meet the requirements of the travelling public; and
 - meeting legislative requirements in the development and upgrading of bus infrastructure may be difficult.

Bus stop infrastructure and standards

- 6.31 Roads ACT commissioned the construction of 250 Adshel bus stops. The contract stipulated the nature and type of the construction, maintenance, and the fittings within the shelter. Documentation provided to Audit by Roads ACT suggested that the Adshel shelters may not meet the requirements of the Commonwealth *Disability Discrimination Act 1992* in regards to lighting and access to the shelters by people with a disability or the elderly.
- 6.32 To meet the Commonwealth *Disability Discrimination Act 1992* standards, bus stops and facilities must apply all infrastructure components, not just certain features, such as adequate signage, linkages across kerbs and to footpaths and adequate lighting, tactile pads allocation of seating and wheelchair spaces. In other words, a bus stop is non-compliant with the Commonwealth Disability Discrimination Act standards if it does not have all required components.
- 6.33 In 2008, a Commonwealth review¹³ reported progress with compliance to the requirements of the Commonwealth Disability Discrimination Act across all jurisdictions in Australia. The ACT reported that its bus stops had complied with the December 2007 target of 25 percent. Audit found some of the obligations under the Act were not met in regards to the infrastructure and signage standards, including:
- tactile pads;
 - marked spaces for seating or wheelchairs;
 - signage to indicate that they were compliant; and
 - adequate linkages between the stop and pathways or across kerbs.

Recommendation 10

The Department of Territory and Municipal Services should:

- (a) coordinate the development of a master plan for the installation and maintenance of all bus infrastructure across the ACT; and
- (b) ensure legislated obligations regarding bus infrastructure are met.

Source:

Collection of data

- 6.34 The Accessible Public Transport section in the *Action Plan 2009-12* for the ACT identifies requirements to:
- gather statistical and demographic information to prioritise improvements to bus routes, community transport services and resources; and

¹³ Allen Consulting, January 2008, Review of the Disability Standards for Accessible Public Transport.

- provide ongoing dialogue with people with a disability to assist in the prioritisation of future improvements to bus infrastructure.
- 6.35 Audit noted that Roads ACT and ACTION were involved in community consultation. The consultation should provide relevant information to assist ACTION and Roads ACT in the provision of bus infrastructure. However, ACTION and Roads ACT provided minimal documentation to Audit to indicate that the community consultation process had contributed to positive outcomes in the provision of bus infrastructure.
- 6.36 ACTION website information was required to be 100 percent compliant with Commonwealth *Disability Discrimination Act 1992* standards by December 2007. However, Audit found that barriers to accessing reliable information still existed for some users, as the website information did not provide a range of alternatives for people with a disability to use to access the information.

Recommendation 11

ACTION should provide information (web-based or otherwise) that can be accessed equally by all groups in the community, such as large-print timetables, route maps on buses and at bus stops, or announcements on the buses of 'next stop' information.

CONCLUSION

- 6.37 Bus infrastructure development, upgrading, and maintenance were managed by a number of TAMS business units and Government agencies, and these activities were not well coordinated and managed. To address issues concerning standards, safety and bus infrastructure, an overarching master plan should be developed and include:
- roles and responsibilities;
 - performance standards;
 - funding levels; and
 - reporting.
- 6.38 The plan would assist management to identify and program the establishment of bus infrastructure, maintenance work, and to monitor the provision and maintenance of bus infrastructure.
- 6.39 The Commonwealth *Disability Discrimination Act 1992* identifies a number of requirements for completion within legislated timeframes. For Roads ACT and ACTION to complete the obligation, considerable resourcing, planning, and work is required. Based on documents supplied to Audit by Roads ACT, at present rates, the work to comply with the obligations under the Act may not be completed for 64 years.

- 6.40 The ACT Government has reported to the Commonwealth that it achieved 25 percent compliance with Commonwealth Disability Discrimination Act standards for bus stops by December 2007, and that 29 percent of the bus fleet is Commonwealth Disability Discrimination Act compliant. However, based on documentation supplied by Roads ACT and ACTION, and field work undertaken by Audit, Audit is concerned that bus services and infrastructure are not fully compliant with the *Commonwealth Disability Discrimination Act 1992*.

7. CUSTOMER SERVICE

INTRODUCTION

7.1 This chapter examines how ACTION gathers and uses customer feedback and complaints.

KEY FINDINGS

- ACTION did not have a customer service charter that outlined the nature and standard of services, rights, and responsibilities of ACTION and passengers, feedback mechanisms available to customers and how such feedback will be handled (including timeframes). Although such a charter existed when ACTION was a statutory authority, it is now aligned to the generic TAMS charter, notwithstanding ACTION's specific and significant services to the community.
- ACTION provided a good front portal through Canberra Connect for receiving complaints and feedback; and responded to the majority of complaints on a timely basis. However, ACTION did not have an integrated complaints management framework that included documented policies and procedures and a mechanism to support the capture and analysis of complaints information for the improvement of service delivery.
- ACTION's responses to complaints often advised that investigations would be made or that policies and procedures existed. ACTION was unable to provide evidence that the obligations made to customers were followed through, or that the purported documented policies existed.

BACKGROUND

7.2 The Commonwealth Ombudsman's Guidelines on complaints management indicates that:

Information from complaints can be used to identify weaknesses in the agency's services and lead to improvements. If managers keep informed about complaints and how they are resolved, they will be able to keep an eye on all aspects of operations. This in turn maintains their focus on the agency's reputation, which is central to success.

Proper integration of a complaint's system with the work and structure of an agency should be achieved in various ways including:

- reports on complaints and complaint trends should be a regular agenda item for executive management meetings; and
- how complaints have been handled and finalised should be a performance measure for the agency.

7.3 For organisations to fully understand the requirements of their customers, it is critical to have a customer service framework. The framework should, among other things, define the standard of service customers can expect, provide formal mechanisms for making complaints and outline feedback mechanisms with relevant timeframes.

CUSTOMER COMPLAINTS POLICY AND PROCEDURAL FRAMEWORK

- 7.4 Obtaining and recording customer feedback provides an organisation with an opportunity to gain an insight into customer perceptions and expectations about service delivery. It can act as an early warning mechanism for emerging issues and provide information about the organisation's performance.
- 7.5 ACTION has developed a good working relationship with Canberra Connect which collected complaints and feedback on behalf of ACTION.
- 7.6 There were draft Ministerial and Complaints flowcharts, which showed the processes used to investigate and handle representations. ACTION however, did not have documented and approved policies or guidelines for staff on how customer feedback should be receipted, processed, and analysed, including timeframes for replies.
- 7.7 Audit undertook an analysis of 200 Ministerial correspondence and complaints received between November 2008 and March 2009. The analysis identified the three highest categories of interest to passengers:
- the bus network (24 percent) including routes;
 - the bus services provision including cancellations, early and late running, (24 percent); and
 - comfort (21 percent).
- 7.8 Table 7.1 provides a summary of responses time against draft timeframes for responding to a sample of complaints and Ministerial correspondence. Audit analysed about 200 hardcopies of selected letters, emails and complaint forms faxed from ACTION Customer Service Centres. Audit found that a large number of responses to non-Ministerial complaints did not record a response date. Of the dated responses, ACTION responded to 83 percent of complaints within an average of two days and the response rate for Ministerial correspondence was 56 percent within eleven days.

Table 7.1: Analysis of response times

Representation type	Replies within deadline	Replies outside deadline
Ministerial responses (Deadline of 14 days)	56% within the average of 11 days	44% within the average of 31 days
Other Complaints (Deadline of 10 days)	83% within the average of two days	17% within the average of 20 days

Source: Audit Office.

Satisfaction Surveys

- 7.9 To assist ACTION to understand and measure community satisfaction rates, a series of surveys were conducted.

- 7.10 Every two years, TAMS conducted a community satisfaction survey, canvassing community views regarding the range of services offered across TAMS business units. Respondents to the June 2008 survey expressed a satisfaction rating of 96 percent regarding personal safety on ACTION buses as well as for the services provided by ACTION bus drivers.
- 7.11 Respondents to a community research survey conducted for TAMS in February 2009, indicated an overall customer satisfaction rate with ACTION's services of 69 percent, against a target of 85 percent. The satisfaction rating regarding personal safety while using the ACTION network was 84 percent, and satisfaction with the services provided by bus drivers was 77 percent. Satisfaction with the timeliness of ACTION buses was 66 percent, and 39 percent with the frequency of buses.

Customer service training

- 7.12 For staff to understand how to handle complaints in an effective manner, it is important for all staff to have customer service training.
- 7.13 ACTION provided new bus drivers with training in customer relations, and information on this was included in the Employees Handbook. However, established drivers had not undertaken training or refresher courses in this area.
- 7.14 With the exception of drivers, ACTION staff involved with customer services had limited training in complaints management.
- 7.15 For ACTION to be a customer focused organisation, adequate training for all relevant staff will be required.

Complaints handling

- 7.16 The Commonwealth Ombudsman's Guide to handling complaints identified five fundamental principles for the effective management of complaints: fairness, accessibility, responsiveness, efficiency, and integration.
- 7.17 Bus services in other jurisdictions including Victoria, New South Wales, South Australia and Brisbane City Buses have a declaration of how customers can provide feedback for complaints and how complaints would be processed.
- 7.18 ACTION advised Audit that a draft Customer Service Charter had been developed.
- 7.19 Better practice suggests that ACTION should approve and disseminate a Customer Service Charter, which outlines the nature and standard of services, the rights, and responsibilities of ACTION and customers, the feedback mechanisms available to customers, and how such feedback will be handled (including time frames). Such a Charter existed when ACTION was a statutory authority, but now ACTION is within TAMS, it is aligned to the generic TAMS charter. Given ACTION's contact with the community, better practice would suggest that ACTION should develop its own charter, consistent with departmental policies.

7.20 Audit noted that there was limited information available to passengers and the wider community about how to make complaints or comments. However, ACTION has recently included a section on the website that redirects customers to the Canberra Connect complaints/feedback page.

Information management

7.21 ACTION did not maintain a single data system containing all customer feedback. Information was dispersed over a range of ICT systems that have limited interaction. The implication is that information can be missed or duplicated across systems, and there is a lack of quality control of data collected and maintained.

7.22 ACTION customer service staff had limited access to the Ministerial response system within TAMS.

Quality of responses to complaints

7.23 As part of the complaints mechanism, feedback is essential. Documents supplied by ACTION to Audit indicated that replies often said investigations would be made or policies and procedures existed. There was little evidence that obligations made to customers were followed-through, and ACTION could not provide any documented policies referred to in ACTION’s replies to complaints.

7.24 There were various legislative requirements regarding the handling of complaints about drivers. Audit undertook an analysis of 26 complaints made in August 2009 regarding driver behaviour. Audit noted that 41 percent of these complaints were not handled in a way that complied with the legislative requirements. This is summarised in Table 7.2.

Table 7.2: Summary analysis of complaints about bus drivers

Legislative Requirement	Details
That a process be followed, including the recording of driver interviews.	Half of the cases did not have formal notes on driver files. ACTION was unable to provide documentation to confirm that formal interviews had been conducted, as stated in replies to complainants.
That CCTV records be kept for 30 days.	A quarter of the cases reviewed by Audit relied on CCTV footage, but this was not always available. In many cases, the viewing of CCTV could resolve differences in opinions about incidents. In some cases, drivers were found not be at fault, when the CCTV was able to be viewed.
That records be kept to identify drivers on all routes.	A quarter of the cases reviewed involved the need to identify a driver. ACTION responses to complaints, however, said there was either not enough information to identify the driver or that a driver could not be identified – even when extensive details such as the bus route number and time of the incident had been provided.

Source: Audit Office, based on an analysis of complaints made to ACTION during August 2009.

- 7.25 ACTION was unable to provide evidence that the complaints about drivers were followed through with relevant sections of the organisation such as TAMS Human Resources and the Complaints Management Section. A lack of appropriate action can lead to ongoing problems being ignored or not adequately addressed, with a potential for adverse impact on service delivery including safety issues.

Liaison with community groups

- 7.26 ACTION has representatives on a number of community consultation forums including the School Transport Liaison Committee. This committee lapsed, but was re-established after the 2007 Legislative Assembly inquiry into sustainable public transport. Audit met with representatives of this committee who raised a number of concerns on the effectiveness of the forum including:
- number of meetings per year - there should be a minimum of four meetings a year, but only three were held in 2009;
 - a lack of follow up on requests, including training of drivers about how to handle children and a revised code of conduct for students; and
 - ACTION's responses to requests for reports about school services are inadequate.
- 7.27 As a result, some members of the committee formed the view that it was no longer a forum to progress ideas and resolve problems. Audit noted there are opportunities for ACTION to receive and attend to concerns from representative groups, without the need to resort to formal complaints mechanisms. These opportunities could be better utilised and adequate attention be given to foster relationships with these groups to improve service delivery.

Recommendation 12

ACTION should improve its feedback and complaints system, to ensure it contributes to service improvements, by including:

- (a) an approved Customer Service Charter;
- (b) approved policies and procedures for complaints handling;
- (c) complaints data and record management;
- (d) the use of complaints information to improve services;
- (e) staff training; and
- (f) information about referral to external agencies including the ACT Ombudsman and the Human Rights Commission.

CONCLUSION

- 7.28 ACTION handled the majority of complaints and Ministerial correspondence in a timely manner, responding to 83 percent of complaints within two days and

56 percent of Ministerial responses within 10 days. However, ACTION needs to ensure the accuracy of responses to Ministerial correspondence and other complaints and to follow through with the undertaking made to complainants.

7.29 ACTION worked well with Canberra Connect and has provided a front portal for receiving complaints and feedback.

7.30 There is scope for ACTION to improve current mechanisms to capture, analyse, and incorporate customer service information into a continuous improvement cycle and management decision making process.

APPENDIX A: AUDIT CRITERIA, APPROACH AND METHODOLOGY

AUDIT CRITERIA

The effectiveness of the delivery of bus services was assessed against audit criteria on, but not necessarily limited to, bus availability, timeliness, reliability, frequency, safety, and fare collection together with customer satisfaction and management of organisational performance.

- Bus infrastructure and services - is coverage and accessibility appropriate?
- Timeliness - are buses running on time?
- Reliability - how reliable are services?
- Safety - are there appropriate passenger safety systems and processes to protect passenger and driver safety?
- Ticketing - is fare collection and ticketing appropriately managed?
- Customer service - is customer service appropriate and effective?
- Governance and management – does ACTION measure, monitor, and report performance to meet passenger needs and appropriate targets?

AUDIT APPROACH AND METHODOLOGY

The performance audit was conducted under the authority of the *Auditor-General Act 1996*, and in accordance with the principles, procedures, and guidance contained in Australian Auditing Standards relevant to performance auditing. These standards prescribe the minimum standards of professional audit work expected of performance auditors. Of particular relevance is the professional standard on assurance engagements - *ASAE 3500 Performance Engagements*.

The audit included a combination of:

- quantitative and qualitative analysis of relevant data and information and review of documentation;
- interviews with management and staff of TAMS, ACTION, Roads ACT, Transport Regulation and Planning and ACTPLA;
- review of ACTION's ICT systems to support service delivery;
- site visits to relevant places of business e.g. TAMS head office (including Roads ACT and Transport and Regulation business units) and ACTION's corporate headquarters, shop fronts, interchanges, bus stops and depots; and
- consultations with various stakeholders, including the Transport Workers Union, the ACT Council of P&C Associations, the ACT Human Rights Commission, the ACT Council on the Aging, the Property Council of Australia and youth bodies.

APPENDIX B: REQUIREMENTS OF THE DISABILITY DISCRIMINATION ACT 1992

Section No.	Measures required of TAMS/ACTION as outlined in the ACT Action Plan for the 2009-12 Accessible Public Transport	Completion date
1.1	<ul style="list-style-type: none"> Review, and update as necessary, the Bus Replacement Strategy to ensure that all new vehicles purchased meet DSAPT requirements. 	Review annually
1.2	<ul style="list-style-type: none"> Increase the number of accessible routes serviced by accessible buses, giving priority to routes with greatest demand for accessible transport. 	Review annually
1.3	<ul style="list-style-type: none"> Investigate options for broad scale safety improvements to secure mobility aids in buses (e.g. provision of straps, tie down points and accessible hand rails) and recommend a program of implementation. 	Dec 2012
2.2	<ul style="list-style-type: none"> Develop a program to incrementally upgrade infrastructure assets to achieve the 2012 DSAPT compliance targets. Schedule upgrades and replacements for accessible buildings, shelters, and facilities in accordance with demand. All new infrastructure will meet DSAPT compliance requirements and targets. 	Review annually
3.2	<ul style="list-style-type: none"> Monitoring and review: Interim Reports (feedback) will be submitted annually to TAMS on progress to date and future plans in order to ascertain whether compliance with the DSAPT 2012 targets will be or has been achieved. 	Review annually
4.1	<ul style="list-style-type: none"> Review and assess the information currently provided and ascertain where gaps exist. Refer Evaluation Report (Maunsell, 2008d). Review and assess methods of information provision appropriate to the business operation and its clients. Commence or continue the investigation of real time information provision, including an information hotline. 	Dec 2009
5.1	<ul style="list-style-type: none"> Consider undertaking a study to gather statistical and demographic information in order to prioritise improvements to bus routes, community transport services, and resources. Provide ongoing opportunities for people with disabilities to convey what their specific needs are in order to help prioritise future improvements and upgrades (e.g., which bus routes and bus stops). This can be via feedback forms, websites, telephone line, as well as at intermittent times by such means as surveys and as part of a public awareness/education campaign. Consider whether the communication network could have a role in gathering data. 	Dec 2010

Section No.	Measures required of TAMS/ACTION as outlined in the ACT Action Plan for the 2009-12 Accessible Public Transport	Completion date
6.1	<ul style="list-style-type: none"> • Review and upgrade complaint mechanisms: • Alternative formats for presenting complaint mechanisms. • Policies about complaints handling e.g. time frames for responses. • Responses to complaints. • Work with other public transport service and infrastructure providers to promote ‘Complaint and Compliment’ mechanisms. 	Dec 2010
7.2	<ul style="list-style-type: none"> • Draft an Action Plan template (based on the four themes of physical access to and within vehicles, physical access to infrastructure, communication, and attitude). • Include recording and annual reporting to TAMS as one of the communication goals (refer also to Action 3.2) 	Dec 2010
8.1	<ul style="list-style-type: none"> • Public transport service and infrastructure providers to ensure that their customised Action Plans address the need for staff to deliver a quality level of service to people with disabilities. 	Dec 2010
8.2	<ul style="list-style-type: none"> • Conduct appraisal of training and ascertain gaps using a registered training organisation where appropriate. • Ensure training targets a range of issues related to access and all forms of disability. • Investigate the options of specific training provided by access training consultants. 	Dec 2010
8.3	<ul style="list-style-type: none"> • Ensure training will educate and improve awareness of staff towards people with disabilities, and their ability to provide assistance. • Gather data on customer complaints re staff attitudes toward people with disabilities. • Maintain a register of training undertaken, including updates, of drivers and customer staff. 	Review annually
9.1	<ul style="list-style-type: none"> • For both bus and taxi services, investigate options for a public awareness/education campaign to: • Promote the needs and rights of people with disabilities. • Promote a positive and progressive attitude toward improving accessibility. • Promote good driver – passenger relationships. • Promote complaint and compliment mechanisms, including feedback and suggestions (see Barrier 5). • Promote the accessible features of the ACT public transport system (e.g. passenger profile system, wheelchair accessible buses). • Promote a better understanding of disability access legislation and departmental policies (including Action Plan). • Attract customer service focussed people in recruitment advertising. 	July 2010
10.3	<ul style="list-style-type: none"> • Consider the provision of free bus travel for people with disabilities / and their accompanying carers/children. • Review criteria required for issuance of Gold Card tickets. 	Dec 2012

Source: ACT Action Plan, 2009-12 Accessible Public Transport

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