

MEDIA RELEASE**6 November 2015**

Public Transport: The Frequent Network

The ACT Auditor-General, Dr Maxine Cooper, today presented the **Public Transport: The Frequent Network** report to the Speaker for tabling in the ACT Legislative Assembly.

Dr Cooper says, 'The ACT Government's policy on public transport is clearly expressed in its long-term overall transport policy; *Transport for Canberra: Transport for a Sustainable City 2012-2031 (Transport for Canberra)*. This provides transparency and sets the direction for the delivery of the Frequent Network, which is the backbone of Canberra's integrated transport system. However, the effective delivery of this network is at risk as needed actions are not being progressed in a timely manner and some are inadequate'.

'An important action that has not occurred is embedding the Frequent Network in the Territory Plan and National Capital Plan. The key operational risks are insufficient suitable buses, a lack of depots and the employment arrangements for bus drivers' said Dr Cooper.

'Embedding the Frequent Network corridors in planning documents is important in providing certainty as bus routes can be readily changed. Location certainty is needed to guide and foster Government and non-government investment in the right locations to achieve sustainable transport' said Dr Cooper.

Dr Cooper says 'Achievement of modal shift targets is an important part of the ACT Government's *Transport for Canberra*. The targets are not being achieved and there is a significant risk that actions may not be sufficient to facilitate their achievement over the planning period to 2031'.

The audit found that ACTION does not have data on the operating costs of the Frequent Network, even though data is available for the entire bus network. Once the light rail service (Capital Metro) is integrated into the Frequent Network, the collection and segmentation of data according to modes would facilitate long-term monitoring and evaluation to guide future transport actions.

'Furthermore, the light rail was not factored into the 2010 cost benefit analysis for the Frequent Network, which indicated that for every \$1 invested in the Frequent Network \$3.59 in benefits could be realised. Now that a light rail is to become part of the Frequent Network an updated analysis would provide more accurate information for decision-makers and the community' said Dr Cooper.

Seven recommendations are made, with four considered to be a high priority. The high priority recommendations call for:

- The Frequent Network corridors to be embedded in the Territory Plan and National Capital Plan.
- Key operational risks for ACTION to be addressed – more buses and depots; and securing greater flexibility in bus operations through addressing the barriers in the Enterprise Bargaining Agreement for bus drivers.
- Improvements to public transport governance and administration- a short-term (e.g. 5 year) whole-of-government public transport implementation plan with specific timelines and targets to be used for guiding budget allocations; and a whole-of-government group to be charged with responsibility for delivering, in an integrated manner, *Transport for Canberra* (and the Frequent Network).
- Better monitoring and public reporting on the implementation of actions so that reporting is accurate and timely.

The Summary of **Public Transport: The Frequent Network: Report No. 9/2015**, with audit conclusions, key findings and recommendations is attached to this media release.

Copies of **Public Transport: The Frequent Network: Report No. 9/2015**, are available from the ACT Audit Office's website www.audit.act.gov.au . If you need assistance accessing the report please phone 6207 0833 or go to 11 Moore Street, Canberra City.

Extract of Summary chapter:

Overall conclusion

The ACT Government's policy on public transport is clearly expressed in its long-term overall transport policy; *Transport for Canberra: Transport for a Sustainable City 2012-2031 (Transport for Canberra)*. This provides transparency and sets the direction for planning and implementation, including the delivery of the Frequent Network as 'the backbone of an integrated transport system'. However, the effective delivery of the Frequent Network is at risk. Actions for its implementation are not being progressed in a timely manner and some are inadequate. Furthermore, public reporting on the implementation of the Frequent Network, through the Transport for Canberra Report Card (September 2014), is inaccurate in relation to some actions. It has also varied from the reporting framework set out in *Transport for Canberra*.

It is important that the Frequent Network corridors be embedded in relevant planning documents; the Territory Plan and National Capital Plan to provide location certainty. This is particularly pertinent given that buses are likely to be the dominant mode serving the corridors now and in the foreseeable future, and bus routes can be easily varied. Providing certainty is important to foster and guide community and other stakeholders' investments, to progress the implementation of both the Frequent Network and *Transport for Canberra* overall.

Embedding the Frequent Network corridors in key planning documents has been delayed due to the finalisation of the Light Rail Master Plan, which was released for public comment in late October 2015. While the light rail service will become part of the Frequent Network it is only covering a limited part of this network (Gungahlin to Civic, at least in the immediate future). Accordingly, embedding other corridors in key planning documents should be progressed as a high priority.

Key operational risks for the Frequent Network include the availability of sufficient suitable buses and depots. Approved plans only provide for the acquisition of replacement vehicles for ageing buses already in service. A series of recent reviews has highlighted the need for a significant number of buses to be added to the ACTION fleet, and for additional depots, if the goals of the Frequent Network and the increased public transport journey to work mode share targets set out in *Transport for Canberra* are to be achieved. Correcting the shortfall in buses and depots needs to be addressed.

Another operational risk is the availability of bus drivers to allow the bus service to be managed in a flexible manner to respond to demand needs. *Transport for Canberra* recognised this and identified as a specific Action (*Public transport - Action 9*) the inclusion of a 'seven day network in ACTION enterprise agreement in 2013.' This was not achieved and the Fair Work Commission approved the current enterprise agreement in May 2014 with a nominal expiry date of 30 June 2017. Ways to address this operational staffing risk need to be identified so that the Frequent Network can be efficiently delivered.

Cross-agency communication, governance and risk management arrangements for the implementation of the Frequent Network are inadequate to support its implementation as planned. Furthermore, the integration of activities by the various agencies would benefit from *Transport for Canberra* being supported by a short-term (e.g. 5 year) whole-of-government implementation programming plan. This plan could guide the development of individual agencies' annual budget bids so that these were appropriately timed and integrated.

There has not been a comprehensive household travel to work survey undertaken for the ACT since 1997. This data is fundamental for planning and evaluating actions that are implemented, including those related to modal shift. Such a survey would provide more detailed information than that available from the five-yearly Australian Bureau of Statistics Census of Population Housing. Data that is available indicates that modal shift targets are not being achieved and there is a significant risk that the *Transport for Canberra* initiatives, including the Frequent Network, may not be sufficient to facilitate their achievement over the planning period to 2031.

ACTION does not have data on the operating costs of the Frequent Network, even though data is available for the entire bus network. Once the light rail service (Capital Metro) is integrated into the Frequent Network, the collection and segmentation of data according to modes would facilitate long-term monitoring and evaluation to guide future transport initiatives. Furthermore, the light rail was not factored into the 2010 cost benefit analysis for the Frequent Network, which indicated that for every \$1 invested in the Frequent Network \$3.59 in benefits could be realised. Now that a light rail is to become part of the Frequent Network an updated analysis would provide more accurate information for decision-makers and the community.

Chapter Conclusions

GOVERNANCE AND ADMINISTRATION

Governance and administrative arrangements associated with the delivery of *Transport for Canberra*, specifically the Frequent Network, are not effective. The Transport for Canberra Implementation Working Group, which was established in June 2012 to oversee the implementation of *Transport for Canberra*, has not been effective in coordinating, monitoring or reporting on *Transport for Canberra*, including the Frequent Network. There is no evidence that two other inter-agency working groups, the Parking Coordination Group and Roads Coordination Group, which have since been cited as having oversight responsibility for the implementation of *Transport for Canberra*, have considered *Transport for Canberra* generally, or the Frequent Network.

Information in *Transport for Canberra* about deliverables associated with the Frequent Network, their sequencing and timeframe for implementation is very broad and lacks specificity. This presents a risk that the integration of needed actions by different agencies may not be effectively undertaken. Furthermore, having more measurable specific targets could assist in guiding the

delivery of the Frequent Network.

There is no cross-agency aggregated risk assessment and management associated with the delivery of the Frequent Network (*or Transport for Canberra*) as a whole. Such an approach is needed so that all risk is managed, including and importantly that related to the interdependency of agency actions for delivering the Frequent Network effectively and efficiently.

IMPLEMENTATION OF THE FREQUENT NETWORK

Due to the lack of detail and specificity in *Transport for Canberra* with respect to the implementation of the Frequent Network, including identified deliverables and associated timeframes, it is not possible to assess effectiveness of the overall delivery of the Frequent Network. However, ACTION buses are being delivered at the desired frequency on Rapid services (between Belconnen and Tuggeranong town centres and Gungahlin and Fyshwick) but not on the Frequent Local services, which feed into the Rapid services. Targets associated with journey to work mode share change have not been achieved. Achieving 2016 and 2026 targets for public transport share of journey to work trips, 10.5 percent and 16 percent respectively, remain a major challenge and may not be achieved without significant effort and resources.

A series of recent reviews has highlighted the need for a significant number of buses to be added to the ACTION fleet to achieve the goals of the Frequent Network and journey to work mode share targets in *Transport for Canberra*.

Public reporting on the implementation of the Frequent Network, and *Transport for Canberra* as a whole, has been ambiguous and in some instances inaccurate. Furthermore, it is not possible to report on some performance measures and targets identified in *Transport for Canberra* due to a lack of data and information.

ASSUMPTIONS UNDERPINNING THE EFFECTIVE DELIVERY OF THE FREQUENT NETWORK

There are key risks associated with the assumptions that underpin planning for the Frequent Network which will need to be recognised and managed to ensure the effective delivery of the Frequent Network.

A key patronage assumption for the Frequent Network relates to the connection between changes to land use and demand for public transport services, i.e. more intensive urban development is expected to lead to greater demand for public transport. An important means by which this would be achieved is by embedding the Frequent Network into relevant planning documents such as the Territory Plan and National Capital Plan, to give greater certainty to the community and other stakeholders. This has not occurred.

Key operational assumptions associated with the Frequent Network are that ACTION has sufficient

infrastructure, capacity and resources to deliver the Frequent Network. These assumptions primarily relate to the availability of bus drivers for a seven-day working week (in order to deliver a seamless Frequent Network over the full week), the availability of buses and depots. Despite being identified in *Transport for Canberra* as a key Action, the required reform of the ACTION Enterprise Agreement has not occurred and the availability of drivers outside peak and weekday inter-peak times remains limited.

Recent reviews and evaluations of ACTION’s future bus and depot needs highlight the need for considerable additional resources to both meet the requirements of the Frequent Network and delivery of the *Transport for Canberra* journey to work mode share targets (16 percent by 2026). Additional resources will need to be planned and delivered to ensure these commitments are met.

A cost benefit analysis of the Frequent Network undertaken in 2010 showed that for every \$1 invested there would be \$3.59 in benefits. This analysis was based on the use of buses. The Frequent Network is to also be serviced by light rail and an updated analysis is needed.

Key findings

GOVERNANCE AND ADMINISTRATION

Paragraph

Transport for Canberra identifies linkages with policies, legislation and programs in a range of ACT Government agencies other than the three main agencies (Environment Planning and Development Directorate, Territory and Municipal Services Directorate (and ACTION) and the Capital Metro Agency) who have direct responsibilities for specific aspects of public transport. This reflects the interdependency of transport policies with other ACT Government policies, legislation and programs. Often to achieve implementation of a transport policy it is necessary to concurrently achieve a planning policy and vice versa.

2.11

Transport for Canberra sets out many activities and initiatives under its 34 Actions which are to be implemented over timeframes ranging from two to ten years. Broad timeframes of two, five and ten years are specified for the delivery of the Frequent Network as a whole. These timeframes are too broad to guide the integration of the interdependent activities and initiatives or monitor short-term progress with respect to delivery. A supporting short-term (e.g. 5 year) whole-of-government implementation programming plan for progressively delivering the Frequent Network is needed. It could guide the development of agencies’ annual budget bids so that these were appropriately timed with activities and initiatives being integrated.

2.22

The Transport Monitoring and Reporting Framework in *Transport for Canberra*

2.26

could be improved through having detailed measures and more specific targets which are directly relevant to the 34 Actions, including the Frequent Network Action (*Public transport - Action 2*).

The Terms of Reference for the Transport for Canberra Implementation Working Group stated that it would convene every two months. Nine meetings have been held in the three years since the Group was formed in June 2012 (of a possible 18 meetings), and only four have taken place since June 2013. The Working Group has not met since December 2014. 2.34

The tracking report initially used by the Working Group to monitor progress against *Transport for Canberra* commitments focused its reporting on the 34 Actions included in the policy, and not on targets specifically discussed in *Transport for Canberra* for progress reporting. The exception reporting adopted a loosely defined 'traffic lights' approach that highlighted responsible officers' assessments of the status of progress in implementing the Actions but obscured the detail of what specifically had or had not been achieved to date, and potentially, the Working Group's awareness of emerging issues. 2.37

Notwithstanding that the release of an annual update report on Transport for Canberra is a required action specified in *Transport for Canberra* (Action 33), since the release of *Transport for Canberra* in March 2012 only one such report (the Transport for Canberra Report Card) has been released in September 2014. 2.39

Although the Transport for Canberra Implementation Working Group was an appropriate mechanism for overseeing and coordinating implementation of *Transport for Canberra* commitments it did not meet as frequently as planned and the reports prepared for its consideration provided inadequate detail on progress towards implementation of all elements of the 34 Actions specified in *Transport for Canberra*. The Audit Office was advised in September 2015 that the Transport for Canberra Implementation Working Group was disbanded and its responsibility for the oversight, reporting and coordination of implementation of the 34 Actions contained within Transport for Canberra has been assumed by the Parking Coordination Group and Roads Coordination Group. However, these groups have not considered *Transport for Canberra* generally, or the Frequent Network specifically, since their establishment. 2.43

Three new sub-committees of Cabinet that have a direct connection to transport issues were convened in February 2015: the Transport Reform; Economic Growth and Urban Renewal; and Capital Metro committees. While the overlap in membership (Ministerial and official) of these sub-committees provides an opportunity for whole-of-government oversight, monitoring and review of public 2.49

transport initiatives, there is a need for these high level committees to be supported by a working group focused on the implementation of *Transport for Canberra*, including the Frequent Network. While this role could be undertaken by either or both of the Parking Coordination and Roads Coordination Groups these groups have not considered *Transport for Canberra* generally or the Frequent Network specifically in any of their meetings to date.

The risk register for the Environment and Planning Directorate’s Strategic Planning Business Unit focuses on high-level organisational risks. It does not analyse and assess risks at a project or policy initiative level, such as the development and subsequent implementation of the *Transport for Canberra* policy, including the Frequent Network. 2.59

The risk management approach used by the Public Transport Division in the Territory and Municipal Services Directorate focuses on risks for all of its operations. The risk register does not include a specific reference to *Transport for Canberra*, including its public transport goals and targets, and lacks specificity with respect to the Frequent Network and its implementation. 2.73

The Capital Metro Agency’s risk management is primarily focused on the delivery of light rail as a project. The risk register does not include a specific reference to *Transport for Canberra* or the significant public transport targets and goals in that policy, nor are the risks associated with the light rail integration into the Frequent Network stated. 2.76

There is no aggregated cross-agency risk assessment and management mechanism for public transport planning and management, or more specifically for implementation of *Transport for Canberra* policy and actions, and achievement of its overall goals, including the delivery of the Frequent Network. The lack of an aggregated risk assessment for the delivery of *Transport for Canberra* presents a risk that the interdependencies of actions delivered by the different ACT Government agencies will not be recognised thereby compromising effective and efficient delivery . 2.80

IMPLEMENTATION OF THE FREQUENT NETWORK

Paragraph

Transport for Canberra does not identify or articulate specific targets for the progressive implementation of the Frequent Network, that is, specific expectations for the progressive coverage of the network or the frequency of services for the immediate forthcoming years. *Transport for Canberra* does, however, include maps showing the: 3.3

- 2012 Frequent Network;

- 2016 Indicative Frequent Network; and
- 2031 Frequent Network (with potential services mapped).

ACTION bus services that meet the Frequent Network definition of a 15 minute frequency or better (as at mid 2015) are: 3.11

- Rapid services (300 series - Blue) between Belconnen, City, Woden and Tuggeranong; and
- Rapid services (200 series - Red) between Gungahlin, City, Russell, Barton, Kingston and Fyshwick.

As at mid 2015, no ACTION bus services met the *Transport for Canberra* Frequent Local service definitions (15 minute frequency or better all day and evening), including the previously branded Gold Line (connecting City, Parliament House, and Deakin) and the previously branded Green Line (connecting City, Russell, Barton, Kingston, and Manuka). 3.12

The ACT Government committed to releasing an annual progress report on implementation of *Transport for Canberra* (Monitoring and reporting - Action 33). However, the first, and to date only, such report (the *Transport for Canberra Report Card*) was published in September 2014, covering the period from June 2012 to July 2014. 3.13

The *Transport for Canberra Report Card* (September 2014) does not refer to, or report directly against, the Monitoring and Reporting Framework (measures and targets) articulated in *Transport for Canberra*, although various elements of the framework are referred to in the report. To demonstrate transparency and accountability for implementation of the *Transport for Canberra* policy and its supporting Actions, it is important that future *Transport for Canberra Report Cards* align with, and directly report against, the specified monitoring and reporting framework. 3.15

Audit Office analysis of data currently available to the ACT Government regarding progress against the performance measures and targets for reporting on implementation of *Transport for Canberra* initiatives set out in the policy document shows that the ACT Government is unable to report on: 3.17

- changes to mode share, e.g. changes from the use of car to public or sustainable transport, because data relied upon is five-year Australian Census of Population and Housing (Australian Census) data. The last Australian Census was conducted in 2011 and data from the 2016 Australian Census will not be available until 2017. Work on developing an alternative proxy measure for use of public transport has not yet been completed;

- progress in achieving sustainable travel for all trips in the ACT (not just journeys to and from work) because a base-line and a method for calculating this measure has not yet been completed; and
- transport network performance, including travel time by mode and wait time connections at stations, because a base-line and method for calculating the average number of trips per day per person has not yet been established nor has a method been designed to determine average wait time for connections.

An analysis of journey to work mode share information shows that: 3.23

- the 2011 target of 9.0 percent for Canberrans using public transport to travel to work was not achieved as only 7.8 percent used public transport. Although the target was not achieved there was an increase between 2001 and 2006 from 6.7 percent to 7.9 percent, but this declined marginally in 2011 to 7.8 percent; and
- the 2011 target for cycling and walking to work, 5.0 percent and 6.0 percent respectively were not achieved. Rather, there was a very small increase in these modes; between 2001 and 2006 cycling increased from 2.3 to 2.8 percent and walking increased from 4.1 to 4.9 percent.

Without up-to-date comprehensive household travel to work data it is not possible to assess whether *Transport for Canberra* is effective in encouraging a change in travel behaviour towards greater use of sustainable transport (including the use of public transport). A household travel survey can provide detailed data to complement that available from the five yearly Australian Census and other means. 3.30

Progress towards achievement of the mode share change targets identified in *Transport for Canberra* cannot currently be measured by the ACT Government. However, the Environment and Planning Directorate advised the ACT Government in November 2014 that the targets are challenging. It was evident in 2012, in the process used for developing *Transport for Canberra*, that achieving the 2016 and 2026 targets was likely to remain a major challenge, and may not be achievable without significant effort and resources. As the mode share change targets may not be realistic stretch targets but an aspiration, they need to be examined and changed, if needed. 3.37

In reporting progress against the guiding principles (strategic goals) identified in *Transport for Canberra*, the Transport for Canberra Report Card (September 2014) identified an objective for each principle and reported an assessment on implementation; achieved, is on track to be achieved or needs improvement. It is not clear why or how the particular objective for each principle was selected for reporting (they were not identified as such in *Transport for Canberra*). The selected objectives included in the report card highlighted only a single aspect of the 3.48

generally broad principle being assessed. The Environment and Planning Directorate has advised that the particular objectives were selected to simplify the presentation of broad and overlapping information and avoid unnecessarily lengthy status reporting.

The Audit Office's analysis of the *Transport for Canberra Report Card* (September 2014) indicates that reporting to the community on the implementation of Actions set out in *Transport for Canberra* has been difficult due to the nature of the Actions. Furthermore, some of the reporting is inaccurate as:

- some Actions that have not been completed have been reported as being 'Achieved', and
- some Actions reported as being 'On track to be achieved' were actually not achieved; many Actions were reported in the report card as 'On track to be achieved', yet no evidence is presented to support this claim.

In addition, where an Action is assessed by agencies as not being progressed as required, it has been reported as 'Needs improvement'. This comment is not a statement of progress but one of direction. Furthermore, it is not clear what actually 'Needs improvement' to achieve the outcome expected from the particular Action.

Some of the key commitments in *Transport for Canberra* that are critical to the success of the Frequent Network are not being achieved. These include:

- 'embedding the rapid corridors in the Territory Plan', and 'working with the Commonwealth to include the rapid corridors in the National Capital Plan' - these components of the Frequent Network Action (*Public transport - Action 2*) have not been achieved yet are reported as 'Achieved';
- 'include seven day network in ACTION enterprise bargaining agreement in 2013' (*Public transport - Action 9*) – this has not been achieved yet it is reported as 'Needs Improvement' and given current circumstances is unlikely to be achieved;
- 'adopt an operating speed standard of 40km/hr for the Rapid Service to guide infrastructure investment development' (*Public transport - Action 17*) - this is reported as 'Needs improvement' and actual speeds are far lower than the standard at 32 km/h; and
- 'grow the bus fleet to respond to patronage growth and deliver the Frequent Network, and ensure new bus fleet minimises greenhouse gas, maximises patronage potential, and obtains value for money for the Territory' (*Public transport - Action 4*) – this is reported as 'On track to be achieved' yet there are issues with the current replacement program. The ACTION bus fleet replacement program will need to be

accelerated to redress the slow progress achieved over recent years to replace the many vehicles in the fleet that do not meet standards required under the *Disability Discrimination Act 1992* and to ensure 80 percent of the bus fleet meets disability standards by the end of 2017.

In October 2014 the Territory and Municipal Services Directorate completed the *Network Review*; a review of Network 14 with reference to the replaced Network 12. The Review noted the significance of the Frequent Network, observing that 40 percent of weekday journeys in 2014 were made on services in rapid corridors, although these services accounted for only 24 percent of vehicle kilometres and 22 percent of vehicle hours. 3.58

The Territory and Municipal Services Directorate's comparative study of Network 12 and Network 14 (the *Network Review*) assessed the performance of the public transport system, and provided quantitative support for the Network 14 revisions to the networks. The study shows a benefit in shifting resources to services on the Frequent Network. The study identified risks to network performance (for example, the effect of forcing transfers on patrons who have grown used to through-routing) and made several recommendations aimed at encouraging patronage. 3.63

Through data available from MyWay, as well as other information management systems including NXTBUS, HASTUS and netBI, the Territory and Municipal Services Directorate can isolate routes and services that comprise the Frequent Network and monitor and review their performance. To date, however, network analysts have not specifically monitored or reviewed the performance of the Frequent Network. Doing so would provide a stronger basis on which to develop and implement the Frequent Network as a key deliverable from *Transport for Canberra*. 3.67

The *Future Facilities Masterplan* (November 2014) considered ACTION's future bus fleet and depot requirements and identified a need for the ACTION bus fleet to grow at approximately nine buses per year to 2031 and for additional bus depot facilities. 3.78

The *Expenditure Review* (March 2015) undertaken by MR Cagney identified that the 16 percent mode share target for public transport journey to work trips in 2026 was 'plausible but ambitious' but that a significant increase in buses was needed to meet the target. The Review also identified that a total of 1,007 buses would be needed by ACTION in 2031 (915 of which would be needed to service the peak AM period) to meet future demand and the journey to work target. This significantly exceeds the estimate of 562 buses identified in the *Future Facilities Masterplan*, completed five months earlier in November 2014. The Review also identified the need for a total of five bus depots in the future (one more than was forecast in the 3.84

Future Facilities Masterplan (November 2014)).

ASSUMPTIONS UNDERPINNING THE EFFECTIVE DELIVERY OF THE FREQUENT NETWORK

Paragraph

The ACT Government's transport planning and land use strategies and plans emphasise the interdependence of land use and transport planning. Most recently, *Transport for Canberra* has provided a strong and transparent policy regarding the importance and function of the Frequent Network in providing an 'effective public transport system [that is] fast, frequent, reliable, comfortable and safe for passengers'. Its delivery requires the implementation of various interdependent transport and land use policies and the effective management of risks in an integrated and targeted manner.

4.4

The primary assumptions underlying *Transport for Canberra* relate to patronage. *Transport for Canberra* assumes that a network of frequent corridor services will create sufficient incentives to redirect development towards these corridors and away from lower density areas, if supported by other policies around the release of land. In this respect, the provision of a higher quality transport network represents a driver of transport supply and a driver of demand for land while policies around land use represent drivers of demand for transport and of supply for land.

4.7

Other assumptions and risks around the development of the Frequent Network revolve around planning assumptions and operational assumptions, namely whether:

4.8

- demand will follow the growth path assumed in planning documents such as *Transport for Canberra* (planning assumptions); and
- the network will be able to grow at the rate needed to support the successful delivery of the Frequent Network (operational assumptions).

Growth in suburban areas presents a challenge to a public transport system, which must seek to balance increased coverage and patronage with network efficiency. Providing services in areas where there is low current patronage but high potential (such as a greenfield development destined to be on the Frequent Network) may help to establish patterns of usage and increase the viability of the services, but it is expensive. Until patronage increases to a sustainable level it is an inefficient use of limited resources.

4.17

The presumption of a direct, and positive, correlation between transport developments and demand for higher density land usage is contestable. Dr Clifton, a transport expert engaged by the Audit Office, has advised that it is possible to create higher density urban development that does not lead to a significantly

4.21

greater demand for sustainable transport.

The ACT Government has not yet implemented the commitment in *Transport for Canberra* to update the Territory Plan to embed the rapid corridors, nor have the rapid corridors been embedded within the National Capital Plan. Embedding the transit corridors in these high level plans is a means of reducing the risk that development of new residential and employment areas will be inappropriately located and therefore not serviced by high quality public transport, i.e. the Frequent Network. 4.26

There is risk associated with the decision to delay implementation of the *Transport for Canberra* initiative to embed the rapid corridors in the Territory Plan, and to work with the Commonwealth to include the rapid corridors in the National Capital Plan, pending completion of the Light Rail Master Plan. While this continues to be delayed opportunities may be lost for fostering needed land use changes. When constructed and commissioned, the light rail will become part of the Frequent Network. However, a very significant part of the Frequent Network may never be served by light rail. Accordingly, those parts of the Frequent Network that have certainty should be embedded as a matter of high priority. 4.28

Transport for Canberra commits the ACT Government to providing a high frequency network, seeking to maximise patronage and a reliable coverage network (which is still at relatively frequent 60 minute intervals or better) for at least 95 percent of Canberran households. Because coverage services must compete with the Frequent Network for government public transport investment, catering to both inevitably means compromises are necessary. There is a cost to maintaining the Coverage Network, which represents a challenge to the expansion of the Frequent Network. 4.42

There are key operational assumptions and risks related to ACTION and its capacity to deliver the Frequent Network. Three key assumptions relate to: 4.43

- the availability of drivers;
- the availability of buses; and
- the availability of depots.

Thirty three (33) of the 53 routes on the Frequent Network are now aligned. Further progress is constrained by the Enterprise Bargaining Agreement, which was approved by the Fair Work Commission in May 2014 and has a nominal expiry date of 30 June 2017. Unless the parties agree to vary the current Agreement, there is a risk that this matter may not be finalised until 2017. 4.48

Transport for Canberra recognises that ACTION's fleet will need to grow to implement the Frequent Network, but there is no reference to the extent of growth required. 4.51

The *Future Facilities Masterplan* (November 2014) identified that 'to meet the targets of the Transport for Canberra policy, the bus fleet will need to grow at approximately nine buses per annum until 2031' to a total of 562 buses (from a current total fleet of 411). 4.58

ACTION's Fleet Replacement Program was endorsed in 2008 with an agreement for the *replacement* of 364 buses between 2007 and 2022. Fleet replacement is focused on aligning the fleet to achieve accessibility requirements under the *Disability Discrimination Act 1992* (DDA). There is no growth—net increase in vehicles or service capacity—built into this program. 4.59

Implementation of the Frequent Network under *Transport for Canberra* was expected to lead to an increase in the provision of services by ACTION and increased demand for services. It was expected that the bus fleet would need to grow to meet the additional demand. However, ACTION's fleet replacement strategy (endorsed in 2008 by the ACT Government) is focused on replacing vehicles to meet legislated disability requirements, and maintaining the fleet rather than growing it. A Fleet Replacement Program developed in October 2014 for consideration by the ACT Government has not been approved. 4.64

The March 2015 ACTION Expenditure Review estimates that by 2031 the peak requirement for buses by ACTION would be 915 buses (1,007 buses with 10 per cent spares). This is an increase of 445 buses to be purchased over the estimate of 562 buses identified in the *Future Facilities Masterplan* (November 2014). 4.68

The *Future Facilities Masterplan* (November 2014) considered ACTION's future bus fleet and depot requirements. The Masterplan identified a need for additional or expanded depot facilities to maintain the growth in the bus fleet over and above the expected future facilities at Belconnen, Tuggeranong and Woden. 4.71

In light of the increased number of buses forecast as necessary to meet the *Transport for Canberra* requirements by 2031, the *Expenditure Review* notes that a total of five depots will be required in the future. This represents an additional depot, over the four that were forecast five months earlier in the November 2014 *Future Facilities Masterplan*. 4.72

The *ACT Strategic Public Transport Network Plan Cost Benefit Analysis* (February 2010) identified that there was a strong case for the implementation of the Frequent Network. This analysis was cited in *Transport for Canberra*. In referring to the strong benefit-to-cost ratio expected of the Frequent Network, however, *Transport for Canberra* does not acknowledge it was based on a bus-only service, or that it is very sensitive to achievements in mode shift from private car to public transport. The introduction of light rail into the Frequent Network will affect the potential costs and benefits of the Frequent Network. Furthermore, any failure to achieve the target mode shares will have an adverse effect. An updated cost benefit analysis is needed for the Frequent Network that reflects its operation by both buses and light rail, revised estimates regarding investments in new buses and an extra depot to meet future peak demands and risks associated with the achievement of mode share changes expected under *Transport for Canberra*.

4.83

The Environment and Planning Directorate advised that the Capital Metro Light Rail Project 'has its own comprehensive business case, which took into account both transport and urban development benefits' and that 'another update of cost-benefit analysis on the frequent network would have very little value.' However, the Business Case that was prepared in relation to the Capital Metro Light Rail Project (publically released in October 2014) included cost-benefit analysis in relation to only the implementation of the light rail in the Civic to Gungahlin corridor. The *ACT Strategic Public Transport Network Plan Cost Benefit Analysis* (February 2010) considered the Frequent Network across Canberra as a whole and there would be merit in updating this analysis, which is broader than that for the Capital Metro Light Rail Project in the Civic to Gungahlin corridor.

4.84

Integration of light rail in the Frequent Network is considered in the Light Rail Master Plan, which was released for public comment in late October 2015. This plan was initially envisaged to be delivered in mid 2015.

4.86

Recommendations

RECOMMENDATION 1	GOVERNANCE AND ADMINISTRATION	HIGH PRIORITY
<p>The Environment and Planning Directorate should improve governance and administration of <i>Transport for Canberra</i> and therefore the Frequent Network by:</p> <ul style="list-style-type: none">a) developing a short-term (e.g. 5 year) whole-of-government public transport implementation plan with specific targets and timelines;b) identifying an appropriate whole-of-government group and charging it with responsibility for coordinating, monitoring and reporting on the implementation of <i>Transport for Canberra</i>, including and especially the delivery of the Frequent Network;c) establishing an accountability mechanism so the whole-of-government group undertakes its responsibilities; andd) developing an aggregated cross-agency risk assessment and management mechanism for <i>Transport for Canberra</i>, including and especially for the delivery of the Frequent Network.		
RECOMMENDATION 2	TRANSPORT FOR CANBERRA MONITORING AND REPORTING FRAMEWORK	HIGH PRIORITY
<p>The Environment and Planning Directorate should improve reporting on the implementation of <i>Transport for Canberra</i>, in the annual Transport for Canberra Report Card by:</p> <ul style="list-style-type: none">a) using the measures and targets identified in the <i>Transport for Canberra</i> Monitoring and Reporting Framework;b) developing the necessary baselines, measures and systems so that the required data can be collected, recorded and analysed; andc) all summary comments on progress being accurate, and including information that justifies claims of ‘On track to be achieved’; and specifying what ‘needs improvement’.		
RECOMMENDATION 3	HOUSEHOLD TRAVEL SURVEY	
<p>The Environment and Planning Directorate should undertake a periodic household travel survey to provide detailed data on travel behaviours in the ACT and use the information to inform transport policies and their planning and performance measurement.</p>		

RECOMMENDATION 4 PERIODIC PERFORMANCE REVIEW OF FREQUENT NETWORK

The Territory and Municipal Services Directorate should periodically review the performance of the Frequent Network using quantitative analysis of the data available from ACTION business systems including MyWay, HASTUS and NetBI to better inform overall management of the Frequent Network.

RECOMMENDATION 5 EMBEDDING TRANSPORT CORRIDORS IN URBAN PLANNING DOCUMENTS HIGH PRIORITY

The Environment and Planning Directorate should provide certainty with respect to the location of the Frequent Network by:

- a) embedding its long-term corridors in the Territory Plan as a matter of priority; and
- b) working with the Australian Government to also embed these corridors in the National Capital Plan.

RECOMMENDATION 6 ADDRESSING ACTION'S OPERATIONAL RISKS HIGH PRIORITY

The Territory and Municipal Services Directorate (ACTION) should address key operational risks to the implementation of the Frequent Network by:

- a) identifying and providing options to the ACT Government for overcoming the adverse effects of the Enterprise Bargaining Agreement on the ability of ACTION to manage in a more flexible manner to meet demand; and
- b) identifying and providing options to the ACT Government for funding an increase in bus numbers and expanding the number of depots. (This could be done as part of a short-term (e.g. 5 years) whole-of-government public transport implementation plan – refer to Recommendation 1).

RECOMMENDATION 7 COST BENEFIT ANALYSIS OF THE FREQUENT NETWORK

The Environment and Planning Directorate should update its cost benefit analysis of the Frequent Network in light of revised assumptions associated with its delivery. In particular, the updated analysis should consider: the impact of the inclusion of the light rail into the Frequent Network; revised estimates regarding investments required in new buses and an extra depot to meet forecast future peak demands; and risks associated with the achievement of mode share changes expected under *Transport for Canberra*.