

**Submission
No 11**

**EXAMINATION OF THE AUDITOR GENERAL'S PERFORMANCE AUDIT
REPORTS AUGUST 2019 - JUNE 2020**

Organisation: Transport for NSW

Date Received: 2 July 2021



Mr Greg Piper MP
Chair, Public Accounts Committee
Legislative Assembly
Parliament of NSW
Macquarie Street
SYDNEY NSW 2000
pac@parliament.nsw.gov.au

Dear Mr Piper

Thank you for your correspondence dated 31 May 2021 regarding the Auditor-General's performance audit report on the *CBD South East Sydney Light Rail*, tabled in Parliament on 11 June 2020.

Please find **enclosed** a summary of Transport for NSW's response to the audit's recommendations, including details of actions taken to date.

If you have any further questions please contact [REDACTED], A/Project Director, Sydney Light Rail, on [REDACTED] or via email [REDACTED]

I hope this information has been of assistance

Yours sincerely



Rob Sharp
Secretary

01 July 2021

IMPLEMENTATION OF RECOMMENDATIONS

Transport for NSW

CBD South East Sydney Light Rail

	RECOMMENDATION	ACCEPTED OR REJECTED	ACTIONS TO BE TAKEN	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
1	By June 2020, Transport for NSW should: - publicly report average weekly journey times.	Accepted	Average weekly end-to-end journey times for the L2 and L3 Lines will be reported weekly on the CBD and South East Light Rail project page on transport.nsw.gov.au, commencing in June 2020. This will be for a 6 month period, as services are bedded in.	Jun-20	Completed: From October 2020, Transport for NSW has been publishing monthly journey time information for the L2 Randwick and L3 Kingsford Lines on the Light Rail project page on transport.nsw.gov.au.	
2	By June 2020, Transport for NSW should: - publicly report the final project cost.	Accepted	It is not possible to complete this recommendation in this timeframe, as previously discussed. Transport for NSW suggests this would be possible by December 2020. See below: Publicly reporting the final project cost would be possible by December 2020, as the project needs to reach Completion and finalise outstanding commercial issues.	Dec-20	Delayed: Publicly reporting the final project cost will be possible by Q3/Q4 2021, as the project needs to reach Final Completion (C12 certification is granted by the Independent Certifier) and finalise outstanding commercial issues with ALTRAC Light Rail Partnership.	
3	By December 2020, Transport for NSW should: - publicly report the updated expected project benefits.	Accepted	Updated expected project benefits will be reported on the CBD and South East Light Rail project page on transport.nsw.gov.au in December 2020.	Dec-20	Delayed: Transport for NSW will be conducting a full benefits realisation analysis around the end of October 2021, which will be based on data between April 2020 to April 2021 (commencement of the Line 3 - Circular Quay to Kingsford), noting the performance during this time was affected by reduced patronage and business impacts due to the COVID-19 pandemic (particularly in the first six months). This set of performance data will not be a reflection of the long term benefits the project will ultimately deliver. Furthermore, Infrastructure NSW (INSW) is planning for an INSW Gate 6 review in October 2021, focussing on benefits realisation.	
4	By April 2021, Transport for NSW should: - publicly report on benefits achieved during the first year of operations	Accepted	It is not possible to complete this recommendation in this timeframe, as previously discussed. Transport for NSW suggests this would be possible by October 2021. See below: Performance could be reported by this date, however it is unlikely to reflect performance under mature operations and without an annual comparison (e.g. October 2020 vs October 2021) is subject to seasonality impacts. Performance during this time (particularly the first six months, and given the patronage impacts of COVID-19) will not be a reflection of the long term benefits the project will deliver. If first year benefits are to be reported publicly, adequate context to support performance should be included. Tracking of benefits prior to October 2020 will be inaccurate, given the patronage impacts of COVID-19 and as operational maturity will not have been reached and some contractual mechanisms will not yet be in full force to encourage optimal operations.	Apr-21	Delayed: Benefits achieved during the first year of operations will be publicly reported on the Light Rail project page on transport.nsw.gov.au in December 2021.	