Submission No 52

INQUIRY INTO STRUCTURE AND FUNDING OF THE ARTS, MUSIC, NIGHT-TIME ECONOMY, AND TRANSPORT PORTFOLIOS

Name: Name suppressed

Date Received: 14 November 2025

Submission to the Parliamentary Inquiry on the Structure and Funding of the Arts, Music, Night-Time Economy, and Transport Portfolios

Focus Area: Structure and Funding of Transport Portfolios
Relevant Terms of Reference: 1(e), 1(f), 1(g), 1(h), and 1(i)

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1. Organisational Restructure within Transport for NSW (TfNSW)

General Concerns

The ongoing organisational restructure within TfNSW has been conducted in an ad-hoc and poorly coordinated manner by senior management, without adequate consideration of the impacts on a large and complex public organisation.

Specific Issues Identified

a. **Lack of structured governance:**
There is no dedicated team overseeing the restructure with appropriate expertise, mandate, or accountability.

b. **Absence of a clear and evidence-based organisational redesign process:**
Key components typically required in a major organisational restructure are missing, including:

- Clearly defined objectives for the restructure.
- Assessment of existing structural deficiencies and functional gaps.
- Exploration of organisational model options informed by workforce modelling and future service needs.
- Genuine consultation with internal stakeholders to shape the preferred model.
- A comprehensive implementation plan that minimises operational disruption.

c. **No consultation with affected employees or managers:**
Staff who are directly impacted have not been consulted prior to proposals being issued.

d. **Inadequate consultation period:**
Timeframes between draft proposals and implementation have been unreasonably short, leaving no meaningful opportunity for feedback.

e. **Lack of transparency:**
Submissions made by staff during consultation are not acknowledged, summarised, or responded to, contrary to good governance practices.

f. **Outcomes tailored to individual preferences:**
The restructure outcomes appear to be driven by personal preferences of certain managers, resulting in siloed and inefficient organisational arrangements.

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2. Increasing Dependency on External Providers

Inspection and maintenance of the NSW road network—particularly bridges, slopes, retaining walls, culverts, and other corridor assets—are critical for public safety. However, the organisation has become overly reliant on external contractors due to internal capability declines.

Key Problems

- **Loss of internal bridge inspection capability:**
  Bridge inspector roles were removed in regions such as the Northern Region. Work previously performed by TfNSW staff is now outsourced to external contractors (including former employees who have established private companies).
- **Under-resourcing of inspection roles:**
  The number of internal roles does not align with the increasing asset base. In the Hunter Region, this has contributed to staff leaving due to excessive workload.
- **Corridor asset inspections fully outsourced:**
  No internal positions exist to carry out these inspections, creating gaps in knowledge flow and asset stewardship.
- **Increased preventable incidents:**
  The lack of proactive internal inspection capacity has resulted in a rise in avoidable incidents during adverse weather events, suggesting a failure in early detection and risk management.

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3. Deficiencies in Recruitment and Appointment Practices

There are significant concerns regarding the recruitment and appointment of senior managers within TfNSW, particularly those responsible for technical and operational decision-making.

Key Issues

a. **Appointments of managers lacking technical qualifications and expertise:**
These managers are required to approve engineering designs, assess structural issues, negotiate disputes, and make asset-management decisions without the necessary technical skills or understanding of long-term consequences.

b. **Poor decision-making and increased organisational risk:**
Examples include:

- Approving complex road and bridge designs without qualifications.
- Releasing major contract retentions without adequate asset protection considerations.
- Negotiating contractual disputes without understanding liabilities or technical implications.
- Prioritising crisis management over proactive asset management.

c. **Questionable HR practices:**
Many senior management positions are filled through:

- Short-term acting placements,
- Expressions of Interest (EOI) processes lacking merit transparency,
- Subsequent permanent appointments based on subjective and inconsistent criteria.

There are numerous examples of favouritism that can be provided upon request.

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4. Loss of Professional Expertise and Institutional Knowledge

Engineering and technical roles above Engineer Grade 4 have increasingly been replaced with non-technical Transport Senior Service Manager (TSSM) and Transport Senior Service Executive (TSSE) positions. This has enabled recruitment of staff without the qualifications or skills required to manage the NSW road network.

Consequences

- **Severe erosion of technical capability:**
  The NSW road asset network—including pavement, bridges, tunnels, and corridor assets—is the largest publicly owned asset class in the state. Its management requires high-level engineering expertise and long-term strategic planning, which is not reflected in the current leadership structure.
- **Lack of strategic direction:**
  Senior leaders overseeing these critical assets do not possess the technical vision, qualifications, or experience necessary for effective long-term asset stewardship.
- **No pathway for internal expertise:**
  Skilled engineers and technical specialists have no opportunities to contribute meaningfully to asset-management strategies, creating significant long-term risks.

Evidence from PMES (People Matter Employee Survey) Results

The persistent decline in leadership and recruitment satisfaction scores reflects systemic management deficiencies:

Leadership (Senior Managers)

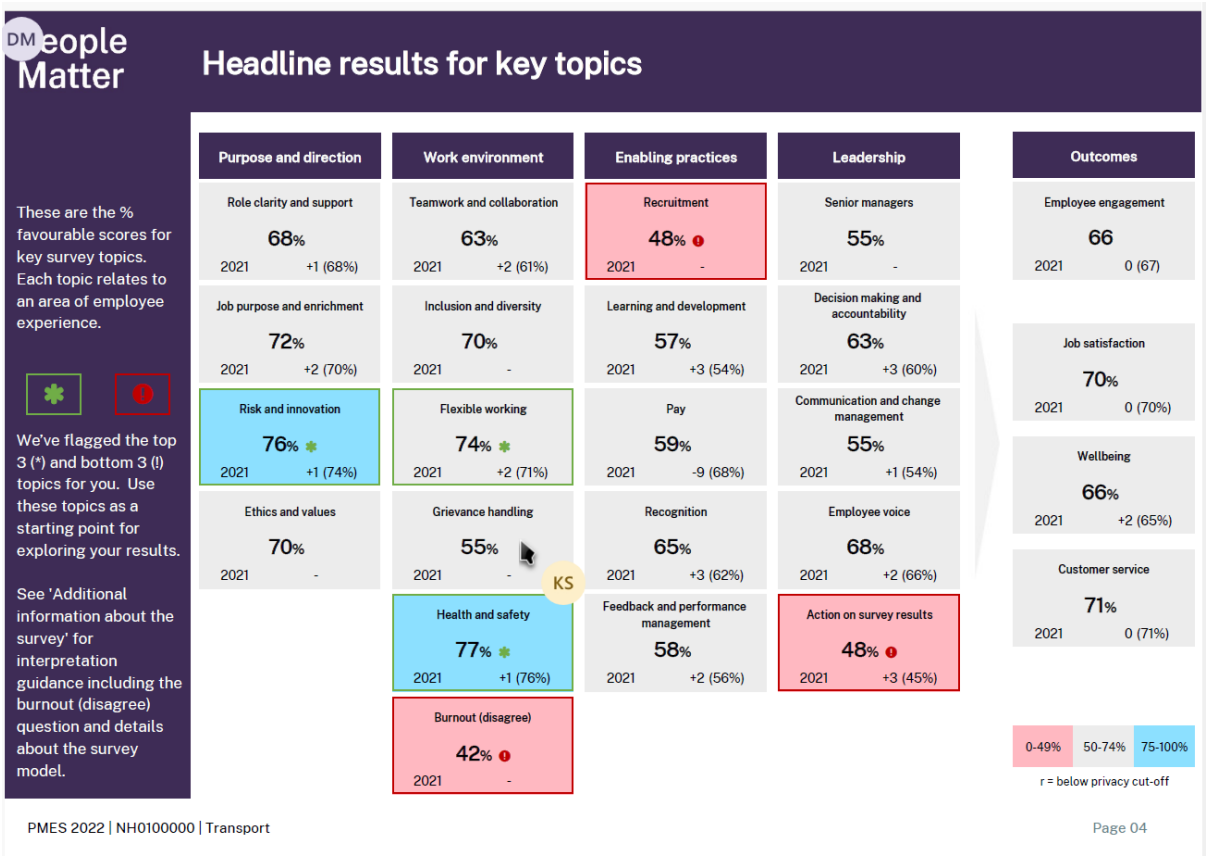
- 2022 – 55%
- 2023 – 54%
- 2024 – 44%
- 2025 – Awaiting publication

Recruitment

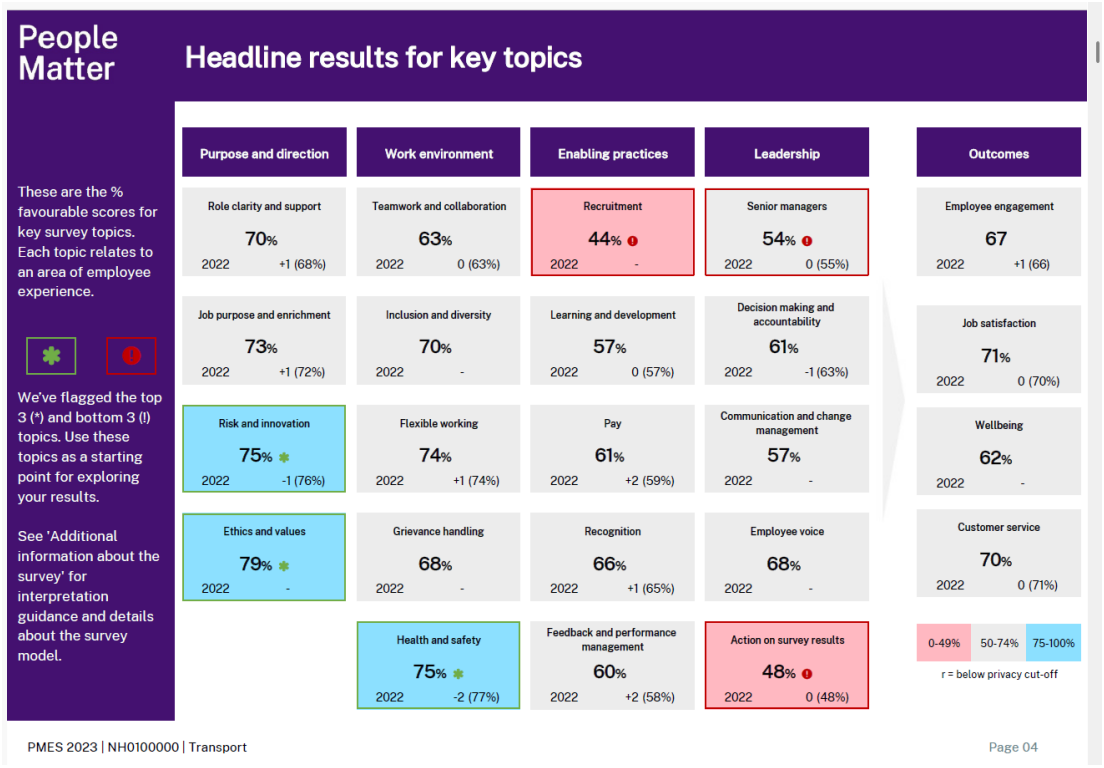
- 2022 – 48%
- 2023 – 44%
- 2024 – 47%
- 2025 – Awaiting publication

These results demonstrate declining staff confidence in leadership capability and recruitment fairness.

PMES Survey 2022 Headline results on Key topics



PMES Survey 2023 Headline results on Key topics



PMES Survey 2024 Headline results on Key topics